



September 17, 2024

ANNUAL GENERAL MEETING OF MEMBERS

Digital Research Alliance of Canada



Digital Research
Alliance of Canada

Alliance de recherche
numérique du Canada



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LETTER FROM THE CHAIR OF THE BOARD OF DIRECTORS

September 4, 2024

Dear Digital Research Alliance of Canada Member,

On behalf of the Board of Directors of the Digital Research Alliance of Canada (the Alliance), I am pleased to invite you to our Annual General Meeting (AGM), taking place virtually on **Tuesday, September 17, 2024, from 12:00 PM to 1:30 PM (ET)**.

The Alliance AGM package includes the notice of the meeting, the agenda, the minutes of the AGM held on September 26, 2023, and the Alliance's audited financial statements for the financial year ending March 31, 2024.

The meeting will include:

- Welcome and opening remarks and an update on the Alliance's business from George Ross, CEO;
- Official Business of the AGM, including the election of new Directors, presentation of the audited financial statements and the reappointment of external auditors;
- Closing comments.

The AGM will take place virtually on the Lumi Global platform; voting will also be conducted through their virtual platform.

Primary and Secondary Representatives from our Primary and Associate Member organizations are invited to attend. Only Primary Member organizations have voting privileges. If your Primary or Secondary Representative is unavailable, you may submit a designated [proxy](#) for approval by sending a letter signed by an authorized signatory from your institution to membership-adhesion@alliancecan.ca.

This is a momentous time for the Alliance and our DRI ecosystem as the organization finalizes Canada's 2025-30 DRI Strategy – a transformative “Made-in-Canada” approach to expanding DRI services and capacity for Canada's researchers to meet current and future needs, including AI usage and growth. The Alliance is uniquely equipped to lead this work due to our national scale, comprehensive integration, governance structure, expertise, service offerings and the extensive relationships with DRI partners needed to reposition Canada as a leader in DRI and AI.

In parallel, the Alliance is implementing significant investments in infrastructure and operations to ensure researchers have access to the data, tools and services they need to solve some of the world's most pressing challenges. We are working closely with regional organizations, National Host Sites and institutions to provide enhanced operational support and services that will help fuel discovery and innovation. We are also building exciting new partnerships and exploring innovative ways to seamlessly integrate our community of experts.



We appreciate your commitment and support as Members who play a pivotal role in the successful growth and governance of Canada's DRI.

We look forward to seeing you at the AGM.

Thank you and best wishes,

A handwritten signature in blue ink, appearing to read 'M Whitehead'.

Martha Whitehead
Chair, Board of Directors
Digital Research Alliance of Canada



LETTER FROM THE CHIEF EXECUTIVE OFFICER

September 4, 2024

Dear Digital Research Alliance of Canada Member,

I encourage you to attend the Digital Research Alliance of Canada's (the Alliance) Annual General Meeting (AGM), taking place virtually on **Tuesday, September 17, 2024, from 12:00 PM to 1:30 PM (ET)**. In addition to the standard AGM proceedings, we are looking forward to providing you with some important updates on the Alliance's work.

This is an exciting time to be part of Canada's DRI ecosystem. In 2023-24, the Alliance delivered significant DRI investments that total more than \$280 million in federal funds. We awarded more than \$50 million for ARC infrastructure for National Host Sites in British Columbia earlier this year, with similar announcements planned in Quebec and Ontario this fall. We delivered funding to McMaster University to make service improvements to Lunaris, the bilingual research data discovery service, to enhance the user experience and search functionality. We were also proud to implement more than \$3 million in funding to create a more equitable, diverse, inclusive and accessible community by increasing awareness and uptake of DRI resources among underrepresented groups through our EDIA DRI Champions Pilot Program.

In addition to implementing our DRI investments, we have been growing our capacity in ecosystem operations to improve DRI services, access and functionality. This includes working toward the development of a national DRI service catalogue, increasing direct support to researchers through training and funded positions, continuing to implement the Cybersecurity Framework and Long-Term Action Plan, and supporting the Pan-Canadian AI Strategy through the coordination, installation and operation of new compute resources for AI.

The Alliance has also been actively forging partnerships with groups like the Digital Preservation Coalition and the National Research Council, to whom we are delivering critical astronomy research infrastructure. We are also maintaining and expanding our international engagement through memorandums of understanding.

Finally, we are looking ahead to the future of DRI in Canada, with a bold 2025-30 Vision. In consultation with our DRI ecosystem partners, we have developed a transformative strategy that is responsive to the current and emerging needs of our research community – specifically leveraging the full spectrum of DRI to boost Canada's AI capabilities and build the sovereign compute and data assets our country needs to compete globally.

I look forward to diving into these and other updates at the AGM. Your participation and insights are invaluable to us as we continue to shape the future of the DRI ecosystem in Canada.



A handwritten signature in black ink, appearing to read "George Ross".

George Ross
Chief Executive Officer
Digital Research Alliance of Canada



Meeting Agenda

TIME (12PM –1:30PM)	#	ITEM	SPEAKER
OPENING SESSION			
5 min.	1.	Welcome, Land Acknowledgment and Housekeeping	G. Ross
5 min.	2.	Chair’s Opening Remarks	M. Whitehead
15 min.	3.	CEO Update	G. Ross
10 min.	4.	Researcher Council Update	R. Sobie
OFFICIAL BUSINESS			
1 min.	5.	Call to Order	M. Whitehead
1 min.	6.	Chair, Secretary and Scrutineer of the Meeting	M. Whitehead
1 min.	7.	Notice of Meeting	M. Whitehead
2 min.	8.	Confirm Quorum	M. Whitehead
3 min.	9.	Approval of the Minutes	M. Whitehead
15 min.	10.	Election of Directors	M. Whitehead
7 min.	11.	Receive and Consider Financial Statements	M. Whitehead
3 min.	12.	Re-Appointment of the External Auditors	M. Whitehead
3 min.	13.	Other Business	M. Whitehead
1 min	14.	Conclusion of Official Business	M. Whitehead
CLOSING SESSION			
5 min.	15.	Closing Remarks	M. Whitehead
1 min.	16.	Termination	M. Whitehead



Approval of the Minutes

The minutes of the Annual General Meeting of the Members of the Corporation held on September 26th, 2023, have been circulated to the Members for approval.

RECOMMENDATION

BE IT RESOLVED THAT:

The (Class A) Primary Members approve the minutes of the Digital Research Alliance of Canada's Annual General Meeting of Members held on September 26th, 2023.



APPENDIX 1

Minutes of the Annual General Meeting of Members (September 26th, 2023).



**DIGITAL RESEARCH ALLIANCE OF CANADA /
ALLIANCE DE RECHERCHE NUMERIQUE DU CANADA
(the "Corporation")**

Annual General Meeting of the Members

**Held entirely by electronic means using the Lumi platform
Tuesday, September 26, 2023 at 12:00 PM (Eastern Time)**

OPENING REMARKS

The Annual General Meeting (the "**Meeting**") of the Members of the Digital Research Alliance of Canada (the "**Corporation**") was called to order. Martha Whitehead, Chair of the Board of Directors (the "**Board**") of the Corporation introduced the members of the Board and the Corporation's leadership team and staff present at the Meeting, and provided an overview of the meeting and voting procedures for the Meeting.

Martha Whitehead acted as Chair, Simi Olatunji acted as Recording Secretary, and Julie Robinson, the Corporation's legal counsel acted as Scrutineer of the Meeting.

NOTICE OF MEETING

The Chair confirmed that the notice of the Meeting was sent on September 1, 2023, to all the Members of record as of September 1, 2023.

QUORUM

The Chair received the Scrutineer's report on attendance at the Meeting and informed the Meeting that she was satisfied that a quorum was present and declared that the Meeting was duly constituted for the transaction of business. The Chair asked the Scrutineer to submit the final report on attendance as soon as it is available. The final report on attendance is attached as Schedule "A" hereto.

AGENDA

The Chair explained that there were four (4) formal items of business before the Meeting, specifically:

- I. To approve the Minutes of the Annual General Meeting of Members held on September 27, 2022;
- II. To elect directors of the Corporation;
- III. To receive and consider the financial statement of the Corporation for the financial year ended March 31, 2023, and the auditors' report on the statement;
- IV. To appoint the Corporation's auditors for the financial year ending March 31, 2024; and



APPROVAL OF ANNUAL GENERAL MEETING MINUTES

The Chair introduced the first item of business: approval of the minutes of the Annual General meeting of the Members of the Corporation held on September 27, 2022. The Chair advised that a copy of the Annual General Meeting minutes had been made available to Members. The Chair received no objection to dispensing with the reading of the minutes. The Chair requested a motion to approve the Annual General Meeting minutes. The motion was duly moved and seconded. There being no discussion on the motion, the Chair advised that the motion would be voted on during the designated voting period and moved to the next item of business.

ELECTION OF DIRECTORS

The Chair introduced the second item of business: the election of directors of the Corporation. The Chair noted that nine (9) directors were currently within their existing terms, being:

- Martha Whitehead, for a one-year term ending at the AGM in 2024.
- Jennifer Doyle, for a one-year term ending at the AGM in 2024.
- David MaGee, for a one-year term ending at the AGM in 2024.
- Jeffery Taylor, for a one-year term ending at the AGM in 2024.
- Chris Lumb, for a one-year term ending at the AGM in 2024.
- Guillaume Bourque, for a two-year term ending at the AGM in 2025.
- Connie Bonello, for a two-year term ending at the AGM in 2025.
- Kelley McKinnon, for a two-year term ending at the AGM in 2025.
- Roya Rezaie, for a two-year term ending at the AGM in 2025.

The Chair further advised that Members were provided information on proposed candidates by the Nominating Committee of the Board and proceeded to provide an overview of the nomination process. The Chair noted that that an open call for nomination was made to members, publication made on the Alliance website and to other relevant sites. It was further noted that candidates were selected following an open call for nomination through a review process that included consideration of gaps on the Board, the needs of the Board, and principles of equity and diversity. The Chair invited feedback from Members on the nomination process.

The Chair requested a motion to approve that the number of directors be fixed at seventeen (17) and the election of the below proposed nominees as directors, to hold office until the end of their respective terms:

- Gail Murphy, for a two-year term ending at the AGM in 2025.
- Donna Bourne-Tyson, for a two-year term ending at the AGM in 2025.
- Randall Sobie, for a one-year term ending at the AGM in 2024.
- Dale Askey, for a one-year term ending at the AGM in 2024.
- Denis Therien, for a one-year term ending at the AGM in 2024.
- Edward McCauley, for a three-year term ending at the AGM in 2026.
- Karen Barnes, for a three-year term ending at the AGM in 2026.
- Philippe Beaudoin, for a three-year term ending at the AGM in 2026.

The motion was duly moved and seconded. The Chair advised the motion would be voted on during the designated voting period and moved to the next item of business.



PRESENTATION OF FINANCIAL STATEMENTS

The Chair introduced the third item of business: presentation of the Corporation's annual financial statements for the year ended March 31, 2023 and the report of the auditors on the statements. The Chair invited the Corporation's Chief Financial Officer and Vice President, Corporate Services, Narinder Dehal, to present the financial statements. Narinder Dehal presented an overview of the financial statements to the Meeting.

RE-APPOINTMENT OF AUDITORS

The Chair introduced the fourth item of business: appointment of the Corporation's auditor until the next annual meeting of the Members or until a successor is appointed and authorizing the Board to fix the auditor's remuneration. The Chair advised that KPMG LLP was selected as the Corporation's auditor and the Board recommended that KPMG LLP be re-appointed as auditor for the forthcoming year. The Chair requested a motion to re-appoint KPMG LLP as the Corporation's auditor until the next annual meeting of Members and to authorize the Board of Directors to fix the auditor's remuneration. The motion was duly moved and seconded. There was no discussion on the motion. The Chair advised that the motion would be voted on during the designated voting period and moved to the next item of business.

VOTING PERIOD

The Chair requested a vote on the following three (3) motions which were previously moved and seconded:

- I. the motion to approve the minutes of the Annual General Meeting of the Members held on September 27, 2022;
- II. the motion to approve the election of the nominated directors and the fixing the number of directors at seventeen (17); and
- III. the motion to re-appoint KPMG LLP as the Corporation's auditor and to authorize the Board to fix the auditor's remuneration.

Voting was conducted using the Lumi Platform. Following submission of votes and receipt of majority votes, the Chair declared all motions carried. The Scrutineer's report on the vote is attached as Schedule "B" hereto.

CONCLUSION

There being no further business, the Chair and George Ross, the Chief Executive Officer (CEO), made closing remarks. The Chair then requested a motion to conclude the Meeting, which was duly moved and seconded, and the Chair declared the Meeting adjourned.



SCHEDULE "A"

Scrutineer's Report on Attendance

See details attached.

**ANNUAL GENERAL MEETING OF MEMBERS OF
DIGITAL RESEARCH ALLIANCE OF CANADA**

Held on the 26th day of September, 2023

SCRUTINEER'S FINAL REPORT

30 CLASS A (PRIMARY) MEMBERS PRESENT ELECTRONICALLY VIA LUMI-ZOOM
PLATFORM

0 CLASS A (PRIMARY) MEMBERS REPRESENTED BY MAILED-IN BALLOT

TOTAL PRIMARY MEMBERS AS AT
RECORD DATE:

40

PERCENTAGE OF PRIMARY MEMBERS
REPRESENTED AT THE MEETING

75%

DATED this 26th day of September, 2023.



Julie Robinson, McInnes Cooper



SCHEDULE "B"

Scrutineer's Report on Vote

See details attached.

**ANNUAL GENERAL MEETING OF MEMBERS OF
DIGITAL RESEARCH ALLIANCE OF CANADA**

Held on the 26th day of September, 2023

SCRUTINEER'S FINAL REPORT ON VOTE

MOTION #1

Approval of Minutes for September 27, 2022 Annual General Meeting

I, the undersigned scrutineer, hereby report that the result of the vote with respect to the above matter is as follows:

	Number of Votes	
FOR	<u>26</u>	96.3%
AGAINST	<u>0</u>	0%
ABSTAIN	<u>1</u>	3.7%
Total	<u>27</u>	



Julie Robinson, McInnes Cooper

**ANNUAL GENERAL MEETING OF MEMBERS OF
DIGITAL RESEARCH ALLIANCE OF CANADA**

Held on the 26th day of September, 2023

SCRUTINEER'S FINAL REPORT ON VOTE

MOTION #2

Election of Directors

I, the undersigned scrutineer, hereby report that the result of the vote with respect to the above matter is as follows:

	Number of Votes	
FOR	<u>26</u>	96.3%
AGAINST	<u>0</u>	0%
ABSTAIN	<u>1</u>	3.7%
Total	<u>27</u>	



Julie Robinson, McInnes Cooper

**ANNUAL GENERAL MEETING OF MEMBERS OF
DIGITAL RESEARCH ALLIANCE OF CANADA**

Held on the 26th day of September, 2023

SCRUTINEER'S FINAL REPORT ON VOTE

MOTION #3

Re-Appointment of Auditors

I, the undersigned scrutineer, hereby report that the result of the vote with respect to the above matter is as follows:

	Number of Votes	
FOR	<u>27</u>	100%
AGAINST	<u>0</u>	0%
ABSTAIN	<u>0</u>	0%
Total	<u>0</u>	



Julie Robinson, McInnes Cooper



Election of Directors

The Nominating Committee of the Digital Research Alliance of Canada's Board of Directors has nominated the following director candidates, for approval:

RECOMMENDATION

The following directors are currently within their existing terms:

1. Martha Whitehead, for a one-year term ending at the AGM in 2025.
2. Gail Murphy, for a one-year term ending at the AGM in 2025.
3. Donna Bourne-Tyson, for a one-year term ending at the AGM in 2025.
4. Guillaume Bourque, for a one-year term ending at the AGM in 2025.
5. Connie Bonello, for a one-year term ending at the AGM in 2025.
6. Kelley McKinnon, for a one-year term ending at the AGM in 2025.
7. Roya Rezaie, for a one-year term ending at the AGM in 2025.
8. Edward McCauley, for a two-year term ending at the AGM in 2026.
9. Karen Barnes, for a two-year term ending at the AGM in 2026.
10. Philippe Beaudoin, for a two-year term ending at the AGM in 2026.

BE IT RESOLVED THAT:

The Primary Members approve that the number of directors be fixed at 18, and;
That the following nominees be elected as directors, to hold office until the end of their respective terms:

1. Amol Verma, for a one-year term ending at the AGM in 2025.
2. David MaGee, for a two-year term ending at the AGM in 2026.
3. Jeffrey Taylor, for a two-year term ending at the AGM in 2026.
4. Chris Lumb, for a two-year term ending at the AGM in 2026.
5. Feridun Hamdullahpur, for a three-year term ending at the AGM in 2027.
6. Donna Janiec, for a three-year term ending at the AGM in 2027.
7. Luc Vinet, for a three-year term ending at the AGM in 2027.
8. Larry Alford, for a three-year term ending at the AGM in 2027.



APPENDIX 1 Director Candidate Biographies

DIRECTOR CANDIDATE BIOGRAPHIES



APPENDIX 1

AMOL VERMA

Dr. Amol Verma is a physician and scientist in General Internal Medicine at St. Michael's Hospital. He is also the Temerty Professor of AI Research and Education in Medicine at the University of Toronto. Dr. Verma also serves on the Alliance's Researcher Council.



[BIOGRAPHY](#)

FERIDUN HAMDULLAHPUR

Feridun Hamdullahpur currently serves as the Chancellor of International Business University located in Toronto, Ontario. He is an acclaimed engineer, academic administrator and leader. Previously, Dr. Hamdullahpur served as President and Vice-Chancellor of the University of Waterloo from October 2010 to July 2021.



[BIOGRAPHY](#)

DONNA JANIEC

Donna Janiec is the Vice-Principal (Finance and Administration) at Queen's University. She has served on a number of Boards, Senate and University Advisory Committees. Donna is currently the Chair of the Council of Senior Administrative Officers.



[BIOGRAPHY](#)



LUC VINET

Dr. Luc Vinet is the Chief Executive Officer of IVADO, a research, training and knowledge mobilization consortium in artificial intelligence. He is an acclaimed physicist, mathematician and Aisenstadt Professor of Physics at the Université de Montréal.

[BIOGRAPHY](#)



LARRY ALFORD

Since 2011 Larry Alford has been the University Chief Librarian at the University of Toronto; Canada's largest university research library. He also serves on the Board of Directors of the University of Toronto Press amongst many others.

[BIOGRAPHY](#)





Receive and Consider Financial Statements

The Digital Research Alliance of Canada's Audited Financial Statements for the year ended March 31, 2024, have been provided to the members for information.



APPENDIX 1

KPMG LLP Independent Auditor's Report: Digital Research Alliance of Canada Audited Financial Statements (March 31, 2024)

Financial Statements of

**DIGITAL RESEARCH ALLIANCE
OF CANADA**

And Independent Auditor's Report thereon

Year ended March 31, 2024



KPMG LLP

150 Elgin Street, Suite 1800
Ottawa, ON K2P 2P8
Canada
Telephone 613 212 5764
Fax 613 212 2896

INDEPENDENT AUDITOR'S REPORT

To the Directors of Digital Research Alliance of Canada

Opinion

We have audited the financial statements of Digital Research Alliance of Canada (the Entity), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies.

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

June 26, 2024

DIGITAL RESEARCH ALLIANCE OF CANADA

Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Cash	\$ 15,447,697	\$ 6,405,903
Accounts receivable	16,500	139,002
HST recoverable	111,130	86,727
Prepaid expenses	811,730	266,193
Net advance to projects	784,913	–
	<u>17,171,970</u>	<u>6,897,825</u>
Capital assets (note 4)	74,495	98,656
	<u>\$ 17,246,465</u>	<u>\$ 6,996,481</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 945,429	\$ 2,382,101
Current portion of lease inducement	37,816	22,606
Net advances from projects	–	50,320
Deferred funding (note 2)	12,944,751	2,437,007
	<u>13,927,996</u>	<u>4,892,034</u>
Deferred lease inducement	81,664	119,480
Net assets	3,236,805	1,984,967
Commitments (note 5)		
	<u>\$ 17,246,465</u>	<u>\$ 6,996,481</u>

See accompanying notes to financial statements.

On behalf of the Board:





DIGITAL RESEARCH ALLIANCE OF CANADA

Statement of Operations and Changes in Net Assets

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
Government funding (note 3)	\$ 37,165,049	\$ 31,511,921
Membership fees	605,000	618,500
Interest income	639,148	220,721
Other revenue	79,331	156,156
	<u>38,488,528</u>	<u>32,507,298</u>
Expenses:		
Program expenses:		
Digital Research Infrastructure	23,003,542	20,101,876
Dedicated Computing Capacity for Artificial Intelligence	1,374,861	–
	<u>24,378,403</u>	<u>20,101,876</u>
Operating expenses:		
Salaries and benefits	5,686,060	5,578,521
Services	1,343,776	879,671
Transportation and communication	353,340	193,461
Supplies	29,693	17,034
Miscellaneous expenses	4,361	12,117
	<u>7,417,230</u>	<u>6,680,804</u>
Management and administration:		
Salaries and benefits	3,483,285	3,235,662
Services	1,667,629	1,511,528
Transportation and communication	225,032	125,053
Supplies	37,382	60,884
Miscellaneous expenses	3,568	5,709
Amortization of capital assets	24,161	22,147
	<u>5,441,057</u>	<u>4,960,983</u>
Total expenses	<u>37,236,690</u>	<u>31,743,663</u>
Excess of revenue over expenses	1,251,838	763,635
Net assets, beginning of year	1,984,967	1,221,332
Net assets, end of year	<u>\$ 3,236,805</u>	<u>\$ 1,984,967</u>

See accompanying notes to financial statements.

DIGITAL RESEARCH ALLIANCE OF CANADA

Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 1,251,838	\$ 763,635
Items not involving cash:		
Amortization of capital assets	24,161	22,147
Amortization of deferred lease inducement	(22,606)	(25,072)
Net change in non-cash working capital:		
Accounts receivable	122,502	(30,435)
HST recoverable	(24,403)	3,391
Prepaid expenses	(545,537)	(146,814)
Accounts payable and accrued liabilities	(1,436,672)	964,903
Net advances to/from projects	(835,233)	50,320
Deferred funding	10,507,744	(2,684,304)
	9,041,794	(1,082,229)
Investing activities:		
Purchase of capital assets	–	(120,803)
Financing activities:		
Increase in deferred lease inducement	–	167,158
Increase (decrease) in cash	9,041,794	(1,035,874)
Cash, beginning of year	6,405,903	7,441,777
Cash, end of year	\$ 15,447,697	\$ 6,405,903

See accompanying notes to financial statements.

DIGITAL RESEARCH ALLIANCE OF CANADA

Notes to Financial Statements

Year ended March 31, 2024

The Digital Research Alliance of Canada (the “Organization”) is a not-for-profit organization that was federally incorporated on August 28, 2019 as a member-based organization with an agreement between Innovation, Science and Economic Development Canada (“ISED”) and the Organization.

The Organization’s mandate is to play a critical role in helping advance the establishment of a researcher-focused, accountable, agile, strategic and sustainable Digital Research Infrastructure ecosystem for Canadian researchers.

1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Basis of presentation:

The Organization follows the deferral method of accounting for contributions for not-for-profit organizations.

(b) Revenue recognition:

Contributions and funding designated for the Organization’s mandate are recorded as deferred funding and are recognized as revenue when the related expenditure is incurred. Unrestricted contributions are recorded as revenue in the year received.

Membership fees are recognized in the period to which they relate, providing collection is reasonably assured.

(c) Expenses:

In the statement of operations, the Organization presents its expenses by function. Expenses are recognized in the year incurred and recorded in the function to which they are directly related.

(d) Capital assets:

Capital assets are comprised of leasehold improvements, which are recorded at cost. When a leasehold improvement no longer contributes to the Organization’s ability to provide services, its carrying amount is written down to its residual value.

Leasehold improvements are amortized over the life of the lease.

(e) Deferred lease inducements:

Deferred lease inducements for leasehold improvements consists of allowances granted to the Organization for the leased offices. The contributions are amortized on a straight-line basis over the term of the lease.

DIGITAL RESEARCH ALLIANCE OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

(f) Employee benefit plans:

The Organization is a member of the Colleges of Applied Arts and Technology Pension Plan, which is a multi-employer, defined benefit pension plan. The Organization has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles.

(g) Use of estimates:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and accordingly, require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from these estimates. The significant estimates in the financial statements include the collectability of receivables, deferred contributions, and the amount of certain accrued liabilities in the year they become known.

2. Deferred funding:

The Organization received funding from ISED as follows:

	2024	2023
Balance, beginning of year	\$ 2,437,007	\$ 5,121,311
Contributions received	47,672,793	28,827,617
Recognized as revenue	(37,165,049)	(31,511,921)
Balance, end of year	\$ 12,944,751	\$ 2,437,007

DIGITAL RESEARCH ALLIANCE OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2024

3. Government funding:

The two Contribution Agreements between ISED and the Organization under the Digital Research Infrastructure Contribution Program were signed on June 19, 2023 and June 30, 2023. The purpose of these agreements are to fund the Organization's activities. The agreements end on March 31, 2025.

The Contribution Agreement between ISED and the Organization under the Dedicated Computing Capacity for Artificial Intelligence Contribution Program was signed on September 28, 2022 and an amendment agreement was signed on January 18, 2023. The purpose of this agreement is to fund dedicated computing capacity for artificial intelligence researchers, in support of the Pan-Canadian Artificial Intelligence Strategy. The agreement ends on March 31, 2027.

The Partnership Agreement between National Research Council Canada ("NRC") and the Organization under the expansion of the Canadian Advanced Network for Astronomical Research program was signed on December 1, 2023. The purpose of this agreement is to develop digital research infrastructure to meet the needs of NRC's research community and the broader academic research community. The agreement ends on March 31, 2031.

4. Capital assets:

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Leasehold improvements	\$ 120,803	\$ 46,308	\$ 74,495	\$ 98,656

Cost and accumulated amortization as at March 31, 2023 amounted to \$120,803 and \$22,147, respectively.

5. Commitments:

Under the terms of the operating lease agreement, the Organization is required to make the following payments over the next 3 years:

2025	\$ 167,861
2026	169,244
2027	169,244
	<hr/>
	\$ 506,349

DIGITAL RESEARCH ALLIANCE OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2024

6. Employee benefit plans

Starting on May 1, 2021, the Organization became members of the College of Applied Arts and Technology (“CAAT”) Pension Plan, which is a multi-employer defined benefit pension plan available to all eligible employees of the participating members of the CAAT. Plan members will receive benefits based on the length of service and on the average of annualized earnings during the highest five consecutive years prior to retirement, termination or death.

The Organization does not recognize any share of the Plan’s pension surplus or deficit as insufficient information is available to identify the Organization’s share of the underlying pension assets and liabilities. The regulatory surplus of the Plan as at December 31, 2023 was \$4.71 billion and the most recent actuarial valuation filed with pension regulators was as at January 1, 2023.

Employer contributions to the Plan during the year by the Organization amounted to \$508,211 (2023 - \$503,576) and are included in salaries and benefits expense on the Statement of Operations.

7. Financial risks:

The Organization's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities.

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to this risk relating to its cash and accounts receivable. The Organization holds its cash accounts with a federally regulated chartered bank who are insured by the Canadian Deposit Insurance Corporation.

The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. At year-end, there were no amounts allowed for in accounts receivable.

(b) Liquidity risk:

Liquidity risk is the risk that the Organization will not be able to meet all cash outflow obligations as they come due. The Organization mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and keeping accounts payable current throughout the year. The Organization is continuously monitoring its cash flow in order to maintain its liquidity moving forward.

DIGITAL RESEARCH ALLIANCE OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Financial risks (continued):

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors.

(i) Foreign currency risk:

Foreign currency risk results from the fluctuation and volatility of exchange rates. The Organization is not exposed to foreign exchange risk.

(ii) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates. The Organization is not subject to significant interest rate risk.

(iii) Other price risk:

Other price risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Organization is not exposed to other price risk.

8. Comparative information:

Certain 2023 comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.



Re-Appointment of the External Auditors

The Alliance Board of Directors has approved and recommends to the Members the re-appointment of KPMG LLP as the Corporation's auditor.

RECOMMENDATION

BE IT RESOLVED THAT:

The (Class A) Primary Members approve the re-appointment of KPMG LLP as the Corporation's auditor until the next annual meeting of Members or until a successor is appointed and to authorize the Board of Directors to fix the auditor's remuneration.



TERMINATION

