

► A young entrepreneur in Ivory Coast.

FINANCIAL REPORT

2022

OPERATING REPORT

2022

1/ OPERATING BUDGET

The IECD's **combined operating budget** in 2022 was **€24.2 million** compared with €19.1 million in 2021. Growth in activity in 2022 reached 27% vs. **24%** in 2021.

In total **73 projects were carried out in 18 countries** last year. The IECD leads its activities in **Sub-Saharan Africa (€11.4 million, including €3.2 million for Madagascar), in the Mediterranean basin (€10.7 million), in South-East Asia (€1.7 million) and in France (€0.4 million)**. The four main countries of operation were **Lebanon, Madagascar, Ivory Coast and Liberia**.

In Sub-Saharan Africa our project in **Liberia** grew rapidly in 2022 due to significant investment which allowed us to provide new equipment to our schools and training centres in the country.

In the Mediterranean basin the growth in **Lebanon** (+20%) was driven by our on-site school project, our agricultural development initiative, and our work to equip schools with solar panels.

In the Mediterranean basin the JMED project enabled us to provide support to 15 new organisations last year.

In France the operational launch of our activities represented an operating budget of €0.4 million in 2022.

In South-East Asia all countries experienced significant growth in 2022 (the average growth for this region was 29%, all countries combined).

Of the **key programmes** which structure the IECD's activities, long courses and short courses which lead to a qualification in construction/industry represent **41%** of the total, followed by support to micro and small companies (**14%**), education (**12%**) and hospitality and catering (**10%**).

Generally speaking, the IECD developed its action across all of its programmes in 2022.



► Beneficiaries working for the ULEAP social enterprise in Lebanon.

2/ FINANCIAL SITUATION

The result of the financial year was close to zero.

In 2022, 90% of our resources were directly invested into the IECD's projects, showing continuous control of the costs of our support departments (10%) for a total of €2.2 million for the full year.

The public and private funding ratio remains quite even but public funding backers edged ahead last year. Public partners represented **52%** of our fundings whilst private partners contributed **48%**. This rise in public funding can be explained by the strengthening of certain large-scale projects which are notably funded by the Agence Française de Développement (mainly **in Liberia, Madagascar, Tunisia and Lebanon**).

In 2022, over half of the IECD's expenses were audited by independent auditing firms. The results of these audits were positive and confirmed the rigorous financial management of our projects, with ineligible expenses representing less than 0.1% of the operating budget.

Our use of bequests created a deficit of €641,000 in the 2022 accounts as we used part of a bequest received in 2021. In 2021 we had to apply new accounting rules on bequests leading to a surplus of **€1.5 million** in our accounts for 2021.

BREAKDOWN OF THE IECD'S FINANCIAL RESULT FOR 2022

In thousands of €	Balance 2022	Balance 2021
Projects	-23	-68
Strengthening our reserve funds	25	860
TOTAL FOR OUR PROJECTS	2	792
Bequests and donations	-643	1,451
TOTAL	-640	2,245

3/ IT

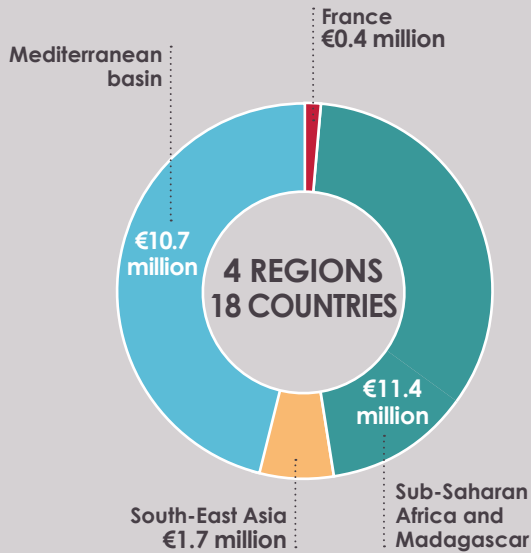
The IECD continues to deploy and to optimise its IT systems to improve the reliability of the financial monitoring of our projects. The project management software launched in 2021 has provided long-term rigour to our financial processes (commitments to spending, accountability to our financial partners, budgetary monitoring, and audits).

KEY FIGURES

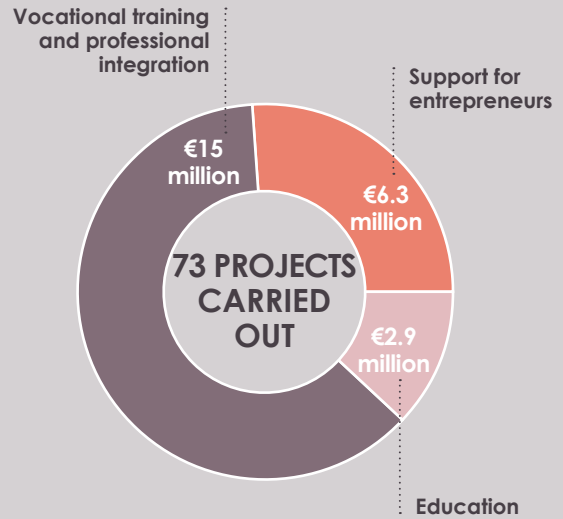
15 FINANCIAL AUDITS IN 2022
=> **0.1%** OF SPENDING
DEEMED TO BE INELIGIBLE



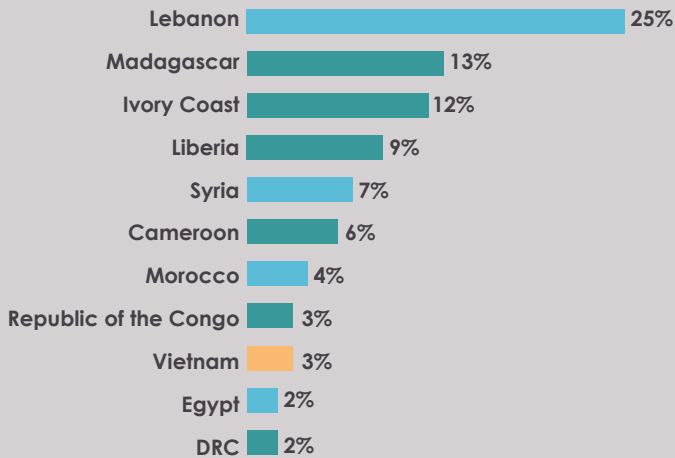
INVESTMENT BY REGION



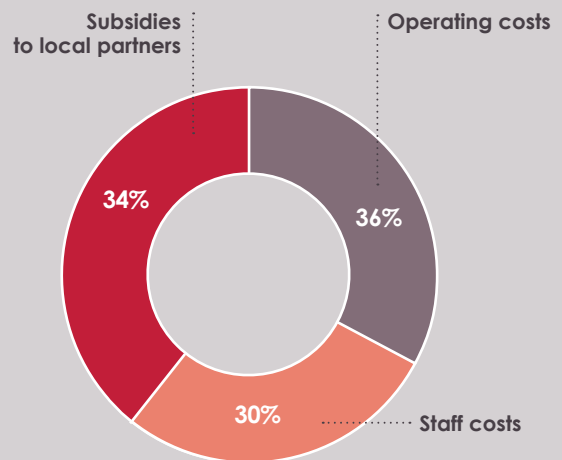
INVESTMENT BY SECTOR OF ACTIVITY



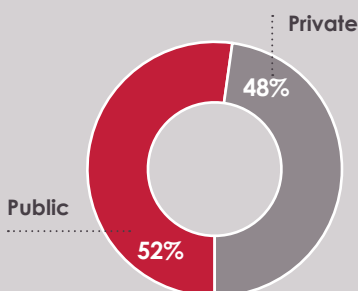
OPERATING BUDGET BY COUNTRY



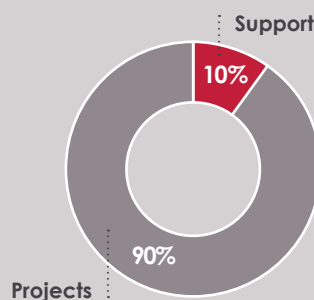
COSTS OF PROJECTS BY TYPE OF EXPENDITURE



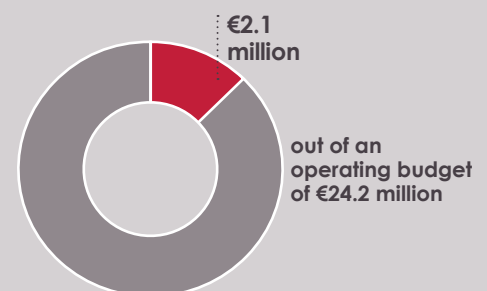
SOURCE OF FUNDING



BREAK-DOWN OF SPENDING



INVESTMENTS - NEW PROJECTS



BALANCE SHEET

2022

CERTIFICATION OF ACCOUNTS

The annual accounts, closed on 31 December 2022, were audited by Mrs Estelle Le Bihan, HLP Audit, Statutory Auditor.

In thousands of €	Financial Year 2022			Financial Year 2021
	Gross	Depreciation	Net	Net
FIXED ASSETS				
Intangible assets	353	141	212	282
Tangible assets	2,954	700	2,254	2,336
Assets received via bequest or donation	21		21	32
Financial assets	679		679	642
TOTAL (I)	4,007	841	3,166	3,291
CURRENT ASSETS				
Receivables - customers	26,924		26,924	18,633
Receivables from bequests and donations	298		298	5
Other receivables	3,302		3,302	3,801
Grants to be received	1,194		1,194	1,178
Cash in bank	10,886		10,886	13,450
Deferred expenses	384		384	678
TOTAL (II)	42,987		42,987	37,745
BALANCE SHEET ASSETS (I + II)	46,994	841	46,154	41,036

In thousands of €	Financial Year 2022	Financial Year 2021
EQUITY		
Equity	50	50
Equity with counterpart assets	3,196	3,196
Reserves	3,906	1,551
Carried forward	0	110
Surplus/deficit for the year	-640	2,245
New worth	6,512	7,152
Investment grants	212	282
TOTAL (I)	6,724	7,434
EARMARKED FUNDS AND PROVISIONS		
Deferred funds - bequests or donations	306	36
Earmarked funds	8,834	13,312
Provisions for risks and charges	311	322
TOTAL (II)	9,450	13,669
LIABILITIES		
Trade payables	738	514
Debts from bequests	11	2
Fiscal and social debts	482	395
Other liabilities	359	334
Deferred income	28,390	18,688
TOTAL (III)	29,980	19,933
BALANCE SHEET LIABILITIES (I + II + III)	46,154	41,036

In thousands of €	Financial Year 2022	Financial Year 2021
OPERATING REVENUES		
Sales of services	329	279
Income from third-party funders	18,640	22,749
Reversals from provisions	322	347
Use of earmarked funds	7,125	6,166
Use of deferred funds for bequests	351	2,117
Other products	132	3
TOTAL REVENUE	26,899	31,661
OPERATING EXPENSES		
External expenses and other purchases	17,397	12,411
Taxes and similar payments	415	333
Payroll, processing and social costs	5,156	4,386
Allowance for depreciation	156	154
Allowance for provisions	305	295
Carried forward in earmarked funds for projects	2,677	10,105
Carried forward in earmarked funds for bequests	591	308
Other expenses	858	1,640
TOTAL EXPENSES	27,555	29,632
OPERATING RESULT	-656	2,029
FINANCIAL RESULT	16	215
EXCEPTIONAL RESULT	0	0
Tax on profits	0	0
SURPLUS/DEFICIT*	-640	2,245
Free provision of goods and services	0	0

*Including bequests: a surplus of €1,451,000 in 2021 and a deficit of €643,000 in 2022.

COMBINED ACCOUNTS

2022

Combined accounts are the equivalent of consolidated accounts for entities whose unity and cohesion stem from circumstances other than those outlined under article 357-1 of the French law of 24 July 1966 on commercial companies.

Thus, the IECD can combine the entities which lead its missions in its 18 countries of intervention. These entities, governed by their local laws, are key partners which, together, form the IECD group.

The following key entities are combined here: **Semeurs d'avenir in Lebanon, PROMES in Madagascar, PEFACI in Ivory Coast, IECD in Morocco**, the members of the **Enterprises Development Network, the Boulangeries Françaises and social enterprises**.

The combined expenses identified here take into account amounts directly committed by the combined entities for a total of €1.3 million in 2022.

In thousands of €	Financial Year 2022	Financial Year 2021
RESOURCES (I)	26,899	31,661
Salaries and costs	5,156	4,386
Subsidies for implementation with partners	8,130	5,312
Expenses	8,865	7,099
Promotion of partners	1,301	1,709
Taxes	415	333
Other costs	295	233
OPERATING BUDGET (II)	24,160	19,072
Allowance for provisions	305	295
Carried over in earmarked funds	3,268	10,413
Other expenses	618	3,091
Financial products	-155	-294
Re-processing - promotion of partners	-1,301	-1,709
OTHER NON-OPERATING EXPENSES (III)	2,736	11,796
OPERATING SURPLUS (I - II - III)	3	793

Surplus not taking into account the impact of bequests.



► Young beneficiaries of a course leading to a qualification in our centre in Aleppo, Syria.

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