

► Young people in practical training  
at the Hospitality and Catering Training  
Centre in Thailand.

# FINANCIAL REPORT

**€25.8** MILLION  
OPERATING  
BUDGET

**6.6%** GROWTH

**13** FINANCIAL  
AUDITS



# OPERATING REPORT



**Alexandra de BOISSIEU**  
Director of  
Administration and  
Finance

*"Whether private or public, the funding granted to the IECD is proof of the confidence our partners have in us."*

The IECD's combined operating budget in 2023 was **€25.8 million** compared to €24.2 million in 2022.

## ► How would you describe the growth of the IECD in 2023?

The IECD's activity will have grown by 6.6% in 2023, compared to 27% in 2022.

This follows several years of rapid growth (in 2019: 18% - 2021: 24% - 2022: 27%) and can be explained by the sustained development of activities, notably with the opening of new countries of operation (**Liberia, Central African Republic, and Tunisia**).

At the same time, certain countries where the IECD has been established for many years have continued to develop thanks to new projects; this is the case in particular for the **Ivory Coast, Lebanon, Madagascar and Morocco**.

The outlook for 2024 and beyond is based on more measured growth, with rates of around 5% per year.

It is necessary for an organisation to have periods of slower growth in order to absorb development, ensure the sustainability of processes and stabilise operating methods.

## ► Why is it important to diversify funding sources?

Previously financed mainly by private funds, the IECD has seen a rebalancing of its public/private funding in recent years. This new balance has largely contributed to the development and consolidation of the organisation.

Public funding has the advantage of being granted for extended periods, up to 5 years; this visibility means that a project can be structured over time, a team can be built, and concrete results can be achieved at the end of the funding period. The downside of public funding, which is in fact virtuous, is that all public funding is subject to compliance requirements that increase year after year, and which have led the IECD to deploy rigorous procedures for committing expenditure and securing financial flows. **Today, the rate of expenditure rejected during an audit is less than 0.1%, which is a solid indicator of our financial performance.**

Private funding, often co-financed, enables us to respond rapidly to emerging needs in countries, to explore innovative solutions with agility and to support high-impact initiatives over the long term.

Whether private or public, the funding granted to the IECD shows the trust our partners have in the reliability of our financial data and in the efficiency of our actions.

**In 2023, the ratio of public funding will reach 60%.** This 8-point increase can be explained in particular by the launch of a number of large-scale projects financed entirely by the Agence française de développement (in Lebanon, Liberia, Tunisia, the countries of Central Africa, etc.), and the strengthening of partnerships with other public bodies, notably the UN.

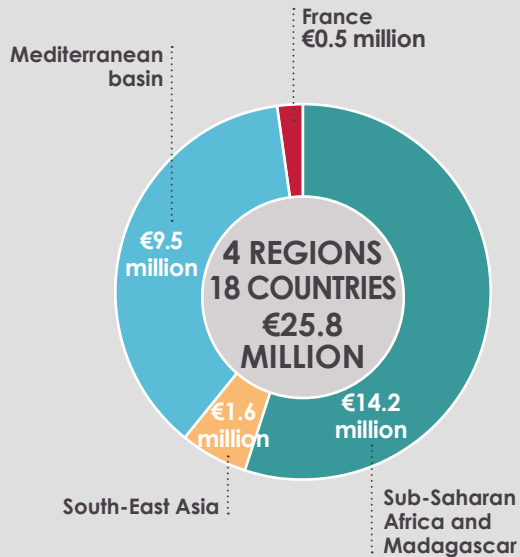
## ► What are the other ingredients of the IECD's success?

Today, we can say that the IECD has professionalised all its financial processes (financial management of projects, budget and landing forecasts, auditing). This professionalisation has been made possible by several factors: **strengthened and competent finance teams** (controllers, accountants, and auditors), **information and analysis tools that meet our needs** (expenditure commitments and budget monitoring). The other essential factor is the stability of our teams and processes, as well as the sharing of best practice between different countries.

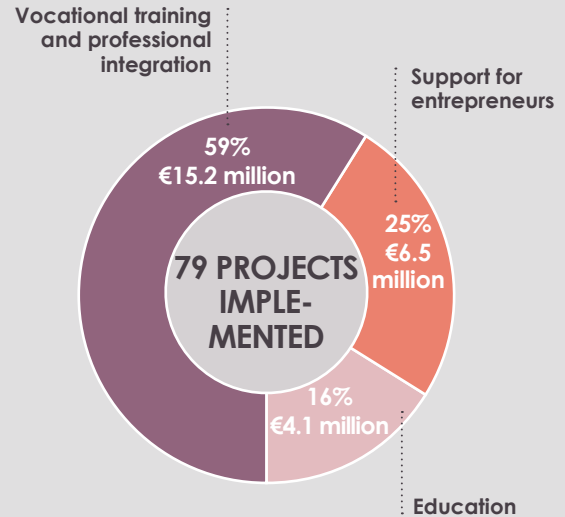
It should also be noted that we are vigilant about the financial equilibrium of our projects, ensuring both the efficiency of our actions and the quality of our project management and monitoring.

# FINANCIAL PERFORMANCE INDICATORS

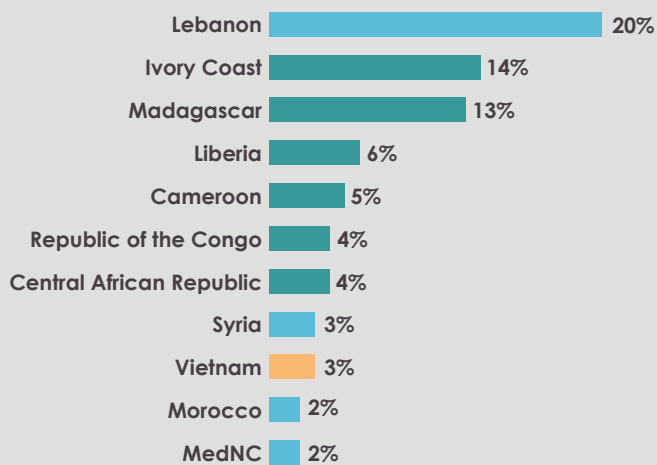
## INVESTMENT BY REGION



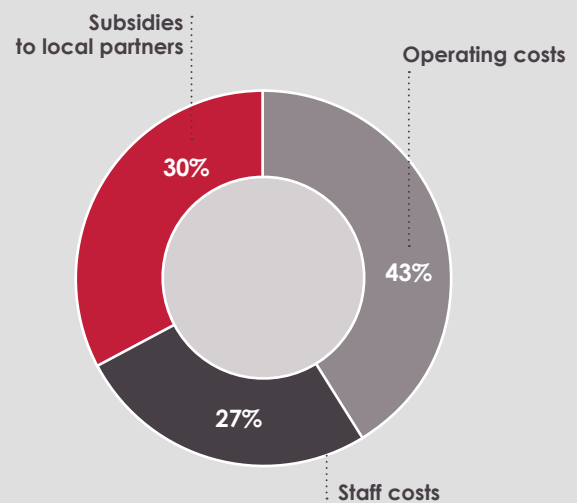
## INVESTMENT BY SECTOR OF ACTIVITY



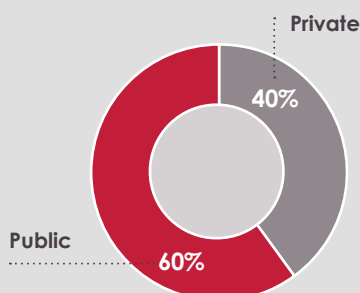
## OPERATING BUDGET BY COUNTRY



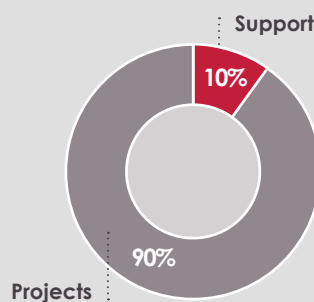
## COSTS OF PROJECTS BY TYPE OF EXPENDITURE



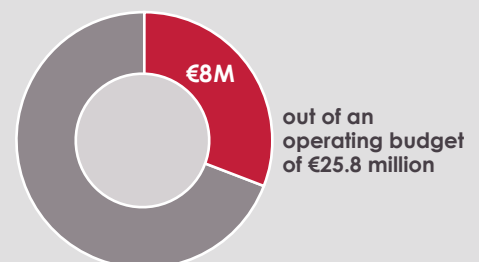
## SOURCE OF FUNDING



## BREAK-DOWN OF SPENDING



## INVESTMENTS - NEW PROJECTS



# BALANCE SHEET

## CERTIFICATION OF ACCOUNTS

The annual accounts, closed on 31 December 2023, were audited by Mrs Estelle Le Bihan, HLP Audit, Statutory Auditor.

In thousands of €	Financial Year 2023			Financial Year 2022
	Gross	Depreciation	Net	Net
<b>FIXED ASSETS</b>				
Intangible assets	353	212	141	212
Tangible assets	2,871	688	2,182	2,254
Assets received via bequest or donation				21
Financial assets	3,025		3,025	679
<b>TOTAL (I)</b>	<b>6,248</b>	<b>900</b>	<b>5,348</b>	<b>3,166</b>
<b>CURRENT ASSETS</b>				
Receivables - customers	35,787		35,787	26,924
Receivables from bequests and donations	74		74	298
Other receivables	1,254		1,254	3,302
Grants to be received	770		770	1,194
Cash in bank	15,767		15,767	10,886
Deferred expenses	727		727	384
<b>TOTAL (II)</b>	<b>54,378</b>	<b>0</b>	<b>54,378</b>	<b>42,987</b>
<b>BALANCE SHEET ASSETS (I + II)</b>	<b>60,626</b>	<b>900</b>	<b>59,727</b>	<b>46,154</b>

In thousands of €	Financial Year 2023	Financial Year 2022
<b>EQUITY</b>		
Equity	50	50
Equity with counterpart assets	3,196	3,196
Reserves	3,263	3,906
Carried forward	3	0
Surplus/deficit for the year	-171	-640
<b>New worth</b>	<b>6,341</b>	<b>6,512</b>
Investment grants	141	212
<b>TOTAL (I)</b>	<b>6,483</b>	<b>6,724</b>
<b> earmarked FUNDS AND PROVISIONS</b>		
Deferred funds - bequests or donations	74	281
Earmarked funds	11,349	8,858
Provisions for risks and charges	350	311
<b>TOTAL (II)</b>	<b>11,773</b>	<b>9,450</b>
<b>LIABILITIES</b>		
Financial debts	16	
Trade payables	931	738
Debts from bequests	0	11
Fiscal and social debts	696	482
Other liabilities	1,031	359
Deferred income	38,796	28,390
<b>TOTAL (III)</b>	<b>41,471</b>	<b>29,980</b>
<b>BALANCE SHEET LIABILITIES (I + II + III)</b>	<b>59,727</b>	<b>46,154</b>

In thousands of €	Financial Year 2023	Financial Year 2022
<b>OPERATING REVENUES</b>		
Sales of services	201	329
Income from third-party funders	25,600	20,140
Reversals from provisions	254	322
Use of earmarked funds	2,692	5,625
Use of deferred funds for bequests	232	351
Other products	339	132
<b>TOTAL REVENUE</b>	<b>29,317</b>	<b>26,899</b>
<b>OPERATING EXPENSES</b>		
External expenses and other purchases	16,666	17,397
Taxes and similar payments	464	415
Payroll, processing and social costs	6,470	5,156
Allowance for depreciation	151	156
Allowance for provisions	328	305
Carried forward in earmarked funds for projects	5,264	2,677
Carried forward in earmarked funds for bequests	0	591
Other expenses	227	858
<b>TOTAL EXPENSES</b>	<b>29,570</b>	<b>27,555</b>
<b>OPERATING RESULT</b>	<b>-253</b>	<b>-656</b>
<b>FINANCIAL RESULT</b>	<b>83</b>	<b>16</b>
<b>EXCEPTIONAL RESULT</b>	<b>0</b>	<b>0</b>
Tax on profits	0	0
<b>SURPLUS/DEFICIT*</b>	<b>-171</b>	<b>-640</b>
Free provision of goods and services	0	0

\*Including bequests: a surplus of €1,451,000 in 2021, a deficit of €643,000 in 2022 and a surplus of €208,000 in 2023.

# COMBINED ACCOUNTS

Combined accounts are the equivalent of consolidated accounts for a group of entities whose unity and cohesion derive from circumstances other than those provided for in article 357-1 of the French law of 24 July 1966 on commercial companies.

The IECD thus combines the entities that contribute to its missions in the 18 countries of operation. These entities, governed by local law, are key partners forming the 'IECD Group'.

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

The combined expenses identified here take into account amounts directly committed by the combined entities, amounting to **€1.7million in 2023**.

In thousands of €	Financial Year 2023	Financial Year 2022
<b>RESOURCES (I)</b>	<b>29,317</b>	<b>26,899</b>
Salaries and costs	6,470	5,156
Subsidies for implementation with partners	7,365	8,130
Expenses	9,300	8,865
Promotion of partners	1,711	1,301
Taxes	464	415
Other costs	453	295
<b>OPERATING BUDGET (II)</b>	<b>25,763</b>	<b>24,160</b>
Allowance for provisions	328	305
Carried over in earmarked funds	5,264	3,268
Other expenses	227	618
Financial products	-181	-155
Re-processing - promotion of partners	-1,711	-1,301
<b>OTHER NON-OPERATING EXPENSES (III)</b>	<b>3,928</b>	<b>2,736</b>
<b>OPERATING SURPLUS (I - II - III)</b>	<b>-374</b>	<b>3</b>

Surplus not taking into account the impact of bequests.

