

ADDITIONAL COMMENTS ON THE 2023 FINANCIAL STATEMENTS, THE CURRENT FINANCIAL YEAR (2024) AND THE 2025 BUDGET

A/ 2023 FINANCIAL STATEMENTS

- The 2023 financial statements submitted for your approval were presented to the Board of Directors on March 11, 2024.
- The 2023 financial year ended with a surplus of €37,932, compared with a surplus of €146,128 in 2022. There were no particular events that significantly affected our financial situation in either direction.
- In a -still- inflationary environment since the pandemic, several expense items have increased, in particular:
 - Office maintenance fees (I remind you that thanks to the generosity of the French Ministry of Culture, we do not pay rent) by around 25% due to rising energy costs,
 - IT and internet costs (20% on average)
 - Salaries: increased by an average of 4% in April 2023 (average increase in France in 2023).
- To cope with these increases, we have not really been able to rely on higher revenues, since the increase in membership dues only came into effect in 2024, and the price of our services to UNESCO has unfortunately hardly changed since 2011!
- We therefore had to identify areas for savings, notably in telephony (significant savings by changing our service provider) and other operating expenses. This has enabled us to maintain operating costs at the same level until 2022.
- However, as it is not possible in the long term to identify new sources of savings to offset cost increases and to fund necessary investments (website, documentary platform, we have made the development of new international projects an absolute priority.

B/ FISCAL YEAR 2024

- Here is some preliminary information on fiscal 2024, which will only close at the end of December.
- It is a year that will be marked by strong growth in international projects, with in particular a risk-preparedness assistance project in the Ukraine in collaboration with UNESCO, a documentation capacity-building project in the DRC financed by ALIPH, a climate-risk preparedness project in partnership with NGS, and a project on Transhumance sites financed by the Azerbaijan Ministry of Culture.
- The scope of our statutory activities for UNESCO expanded in 2024 with the reform of the evaluation process through the introduction of the Preliminary Evaluation, an evaluation also carried out by ICOMOS. The number of advisory missions for States Parties - over and above reactive monitoring missions - also increased.
- On the internal front, 2024 is a year of two important developments:
 - The new documentation platform, which will replace the current open archive, and will eventually also archive ICOMOS' 'institutional memory' (estimated cost €50,000).
 - The new website, the current one - which dates from 2011 - having become really outdated in terms of communication standards (estimated cost 100,000€).
- A positive element concerns inflation, which seems to be slowing down significantly throughout Europe, and in France in particular.
- Another positive element is the growth of our membership (almost 10%).
- We are confident that we will end the year at breakeven given that certain recruitments took place later in the year than planned and therefore did not impact the accounts as initially budgeted.

C/ DRAFT 2025 BUDGET

- The draft budget you have been given is still a preliminary estimate. It will be refined before being presented to the Board of Directors.
- In continuity with 2024, this budget provides for the continued development of international projects and statutory activities carried out for UNESCO (for example, the number of requests of Preliminary Assessment will double).
- It also forecasts an increase in salary costs due to the recruitment required to implement these new activities.
- Expected committee dues are also up in the 2025 budget, in line with amounts actually collected this year.