

Concern Worldwide
Annual Report &
Accounts 2003



EMERGENCY 5

Uganda	6
Iran	9
Iraq	9
Liberia	10
South Sudan	12
Zimbabwe	14

ASIA 17

Bangladesh	18
Timor Leste	20
Lao PDR	20
Pakistan	21
Cambodia	22
India	24

CENTRAL AFRICA 27

Burundi	28
Rwanda	31
Tanzania	31
DR Congo	32

HORN OF AFRICA 35

Ethiopia	36
Kenya	39
North Sudan	39
Eritrea	40
Somalia	43

SOUTHERN & WESTERN AFRICA 45

Angola	47
Niger	47
Mozambique	49
Malawi	51
Zambia	53

WORLDWIDE 55

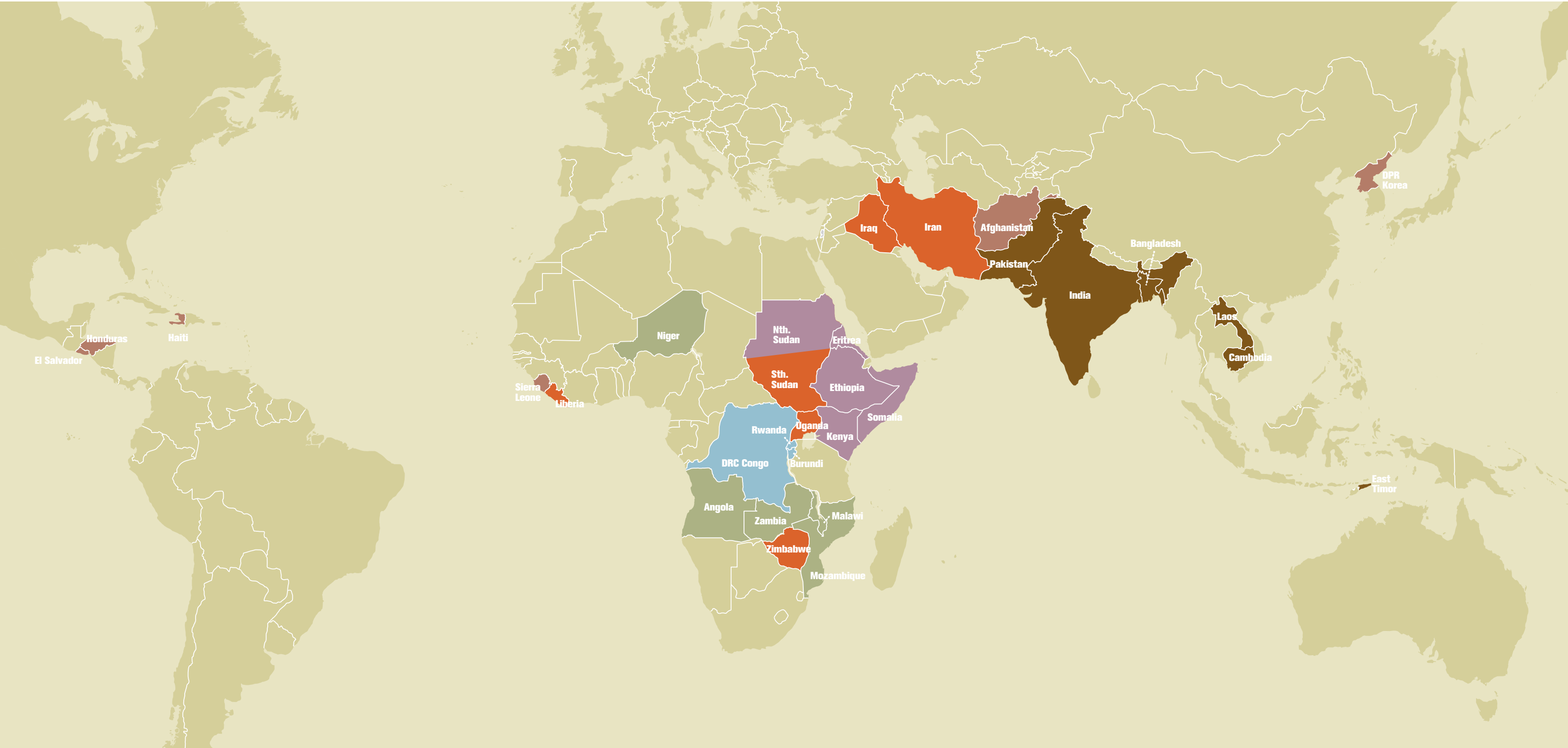
Afghanistan	57
Haiti	59
DPR Korea	60
Honduras/El Salvador	61
Sierra Leone	63

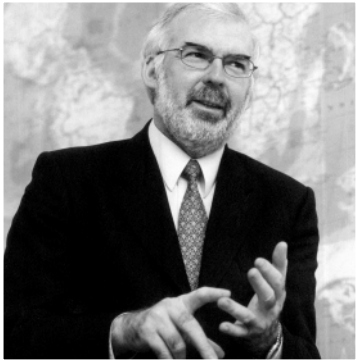
FOREWORD 2

FUNDRAISING 64

HOW THE COUNTRIES COMPARE 66

ACCOUNTS 2003 67





A COMMON GOAL

IN SEPTEMBER 2000, WORLD LEADERS AGREED A SET OF TARGETS - THE MILLENNIUM DEVELOPMENT GOALS (MDGS) - TO TACKLE POVERTY AND UNDERDEVELOPMENT BY 2015.

In September 2005, they will gather again to take stock of progress to date. But it is already clear - if present trends continue - that some countries and regions will fall well short.

The 2005 meeting will provide an opportunity to take the actions necessary to get back on track.

Over recent decades rhetoric about development has not been matched by appropriate action. So why should it be different this time?

The MDGs possess advantages which other, past international targets did not. Firstly, they are clear, easy to understand, and measurable. The UNDP have already established a series of report to track progress.

These reports will provide civil society, in both developing and developed countries, with a potentially powerful tool to demand accountability and action from governments.

Secondly, the MDGs are clear about who is responsible for delivering on them. The governments of developing countries must improve standards of governance, promote the rule of law, and work towards reducing conflict. They will need assistance in this from the developed world.

But the primary responsibility for development must rest with the leadership within developing countries. This particularly applies to political leadership in sub-saharan Africa, which is facing the most severe crisis of underdevelopment.

Developed countries must also bear responsibility. Annual aid flows must double, from US \$55 billion to over US \$100 billion.

With aid budgets falling in the 1990s, such an increase might seem ambitious. But it is just a fraction of the US \$900 billion global annual military spend - with half that spent by the US.

Clearly, the aid increase is affordable.

In addition, the global trade system must be made fairer, to allow developing countries integrate better into the world economy.

The Doha Development Round must be brought to a conclusion in a spirit of practical generosity towards

the developing countries, especially the poorest ones.

This will require the US and EU to make further changes in trading and subsidy arrangements for agriculture.

But governments on their own will not be able to deliver on the MDGs. Civil society and the private sector have key roles to play. Developing new models of partnership between governments and these actors will be crucial.

Our work in Concern is fully oriented to doing what we can to help achieve the MDGs. We bring key resources of our committed staff, our experience, and the support we receive from our many partners.

Our development priorities - education, health, HIV/AIDS and livelihood security - each contribute to their overall achievement. Our work in emergencies provides crucial safety nets from which development can start.

Through our advocacy, Concern works directly and indirectly with the Irish, British and US governments, the EU and the UN, to promote the MDGs.

I myself have the privilege of serving on the UN Task Force on Hunger, which is devising strategies for achieving the

goal of halving world hunger, by 2015 (see sidebar). Since I started as Chief Executive over two years ago, I have been hugely impressed by the commitment of our staff - in every sphere of our work.

Concern places strong emphasis on training and development. In the future, we will seek to deepen that commitment so that every member of staff can be enabled to contribute to the elimination of poverty in the world.

Concern also brings the experience of 35 years

battling poverty. We constantly seek to learn from that experience.

Thus, throughout this report you will find numerous examples of innovative programming - tackling malnutrition through Community Therapeutic Care, or working with our five Alliance 2015 partners to implement a cross-sectoral response to HIV/AIDS.

But none of what we do would be possible without the support and goodwill of the public, governments and the private sector.

This is something we never take for granted. Thus, we set ourselves the highest standards of accountability in terms of the resources we use and in the quality and effectiveness of our work.

Through the combination of our commitment, our organisational strengths, and continuing goodwill and support, we can play our part in realising the noble aim of achieving the Millennium Development Goals.

UN Hunger Task Force

In April 2003 Tom Arnold, was invited to join the United Nations' Task Force on Hunger.

The Task Force was established to recommend how the world can halve the proportion of people going hungry, by 2015. This is one of the Millennium Development Goals set by the international community in September 2000.

The Task Force is comprised of experts from public and private sectors, academia, civil society and international bodies.

A final report in December 2004 will map strategies and actions for achieving the millennium goal on hunger.

www.concern.net
www.unmillenniumproject.org



Total Spend; €1,682,722 (Stg £1,166,126)
Funded by; Concern €511,718, DCI-Maps €435,173, Alliance 2015 €70,000, Euronaid €117,793, DCI-Other €348,500, British Govt €83,629 (Stg £57,955), LGDP €68,932 (Stg £47,770), EU €-38,933, APSO €45,000, Other Donors €24,795, Non-Monetary Donations €16,115



Total Spend; €467,878 (Stg £324,239)
Funded by; Concern €185,016, DCI-Other €258,222, APSO €8,750, Other Donors €15,890



Total Spend; €24,378 (Stg £15,585)
Funded by; Concern €24,378



Total Spend; €1,713,805 (Stg £1,187,667)
Funded by; Concern €628,122, DEC €373,235 (Stg £258,652), DCI-Other €348,095, EU €390,337, Concern USA €1,559, UN €23,743 (Stg £16,454), APSO €33,750, Jersey OA €5,048 (Stg £3,498), ECHO €-109,945, Other Donors €19,861



Total Spend; €3,156,264 (Stg £2,187,291)
Funded by; Concern €701,761, DCI-Maps €230,000, British Govt €477,430 (Stg £330,859), Concern USA €1,446,534, APSO €56,250, Sundry Sponsors €8,400, Other Donors €52,726, Non-Monetary Donations €183,163



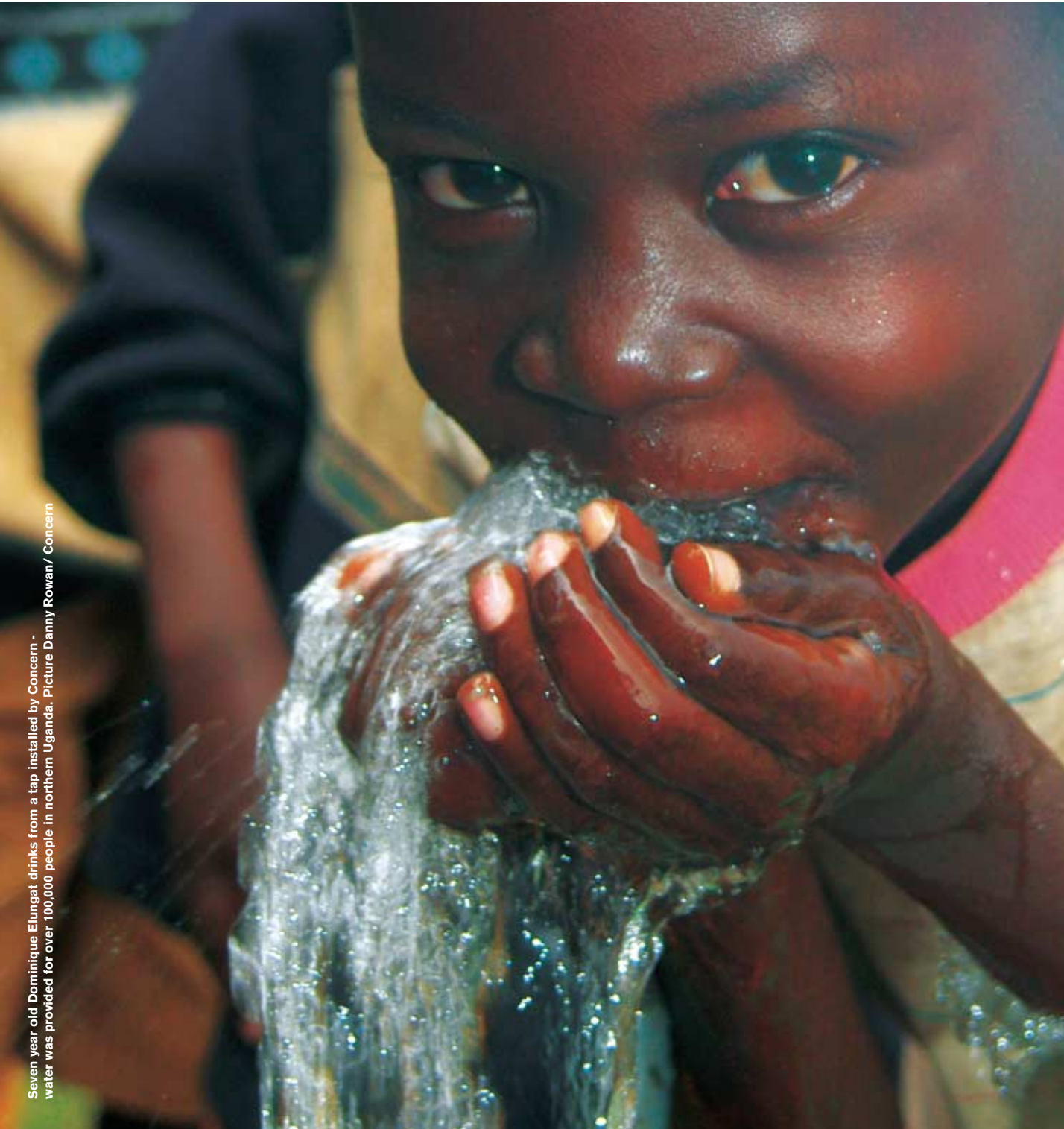
Total Spend; €17,116,278 (Stg £11,861,581)
Funded by; Concern €541,235, WFP €1,260,115 (Stg £873,260), Non-Monetary Donations €15,314,838

EMERGENCY

Overview Humanitarian space used to be the sole preserve of agencies like Concern. In any emergency situation it was always possible to distinguish between humanitarian agencies and those with a political or military mission. But over recent years, the edges have blurred somewhat and that space has shrunk. This process first became evident in Kosovo, was accelerated in Afghanistan, and is now glaringly obvious in Iraq. In short, it results from the militarisation and politicisation of humanitarian aid – where relief is a component of a political/military campaign. This process is dangerous and threatens to wholly undermine the fundamental principle underlying humanitarian work – that relief is determined by need: regardless of political affiliation, religious belief, class or colour.

Thus, certain humanitarian crises are prioritised over others. South Sudan is a case in point, Democratic Republic of Congo another. In both instances, the level of aid (and media coverage) does not and has not corresponded with the high levels of need. Strategic considerations should have no role in humanitarian work.

Dominic Crowley, Head of Emergencies



Seven year old Dominique Elungat drinks from a tap installed by Concern - water was provided for over 100,000 people in northern Uganda. Picture Danny Rowan/ Concern

UGANDA

Insecurity persisted in northern and eastern Uganda and is partly responsible for the widespread poverty, with 38% of the population living below the poverty line.

The attacks on civilians by the Lord's Resistance Army (LRA) in the north caused 1.3 million people to flee their homes, with the situation demanding emergency action by Concern. However, the lack of secure access hampered relief efforts.

Emergency When an estimated 250,000 people fled their homes as a result of LRA attacks, Concern responded quickly by providing water and sanitation services to camps in Katakwi and Soroti. Water to 18 camps was provided through drilling of 10 boreholes, connections to local mains supplies, and rehabilitating springs. Latrines, bathing and cooking shelters were constructed, and soap (1068 boxes), mosquito nets (11,000), buckets (1,066), and condoms (20,000) distributed.

Concern trained local people to promote hygiene use and raise HIV/AIDS awareness. We also assisted the District Disaster Management Committees in coordinating relief work.

In other affected districts, Concern worked with our Alliance2015* partners to support health and sanitation projects. An assessment of the needs of communities in Lira, was carried out in collaboration with DWHH and Cesvi.

Katakwi, Soroti, Gulu, Kitgum, Lira

HIV/AIDS Concern focused on strengthening local institutions to deal with the many facets of the HIV/AIDS crisis.

Offices were built for two Home Care Associations, whose 360 volunteers care for 469 patients in their homes. Six other Concern-supported bodies started campaigns on preventing transmission of HIV and caring for AIDS-affected families. A further advocacy component included the conducting of research on property and inheritance rights, and voluntary counselling and testing. Concern also trained volunteer legal advisors and established a community resource centre. Other activities included training to volunteer legal advisors, and the establishment of a resource centre. Funding continued to the Medical Missionaries of Mary's HIV/AIDS and Tuberculosis projects.

Mpigi, Masaka, Rakai & Sembabule Districts

Community Development Concern assisted local communities to take control of their own development. In Rakai, 17 parish committees assisted with planning and implementation of 84 projects in 115 villages. These included direct development grants – and goats - to poor families, and the development of an investment guide that was integrated into Ministry of Local Government manuals.

Training took place to help local authorities and communities develop action plans for AIDS-awareness training. Concern also supported the Orphans' Community-Based Organisation which disbursed over €62,000 of credit to poor families. In June, the programme had to be suspended in Katakwei following LRA attacks.

Rakai District, Katakwi District

Hygiene & Health Targeting four slum areas, Concern supported income generation activities and established a community resource centre. Work carried out with two funding boards, seven parish development committees, and five local groups included the provision of latrines and public water taps; storm drains were lined to reduce flooding and stagnant water; and support provided to 'clean-up' and health campaigns by local groups. Another local partner, the Micro-Credit Development Trust gave development loans totalling €10,683 to 165 women, and 50 youths were given four months training in trades, then apprenticed to local artisans and businesses.

Kampala

* Alliance2015 is comprised of Concern, Cesvi (Italy); DWHH (Germany); Hivos (Netherlands); Ibis (Denmark); People in Need (Czech Republic) www.alliance2015.org



Aftermath of the December 26 earthquake in Bam, southern Iran. Picture: Ros O'Sullivan / Concern

IRAQ

The war on Iraq began on March 20. Prior to this, the generally held view was that a prolonged war could provoke a serious humanitarian crisis – particularly with regard to the disruption of food supplies and mass displacement of people.

In common with other agencies, Concern began planning for such eventualities – although, in this instance, any planned response was complicated by the alleged presence of weapons of mass destruction and biological/chemical weapons.

As it transpired, the anticipated humanitarian crisis did not occur and the weapons of mass destruction have not materialised.

In early 2003, Concern established a presence in Jordan, Kuwait and the Kurdish territories of northern Iraq.

Work was undertaken in Jordan in anticipation of the arrival of Iraqi refugees (in conjunction with Alliance2015 partner, German Agro Action). In northern Iraq, Concern worked with the Mines' Advisory Group to mark suspected minefields along possible refugee trails.

Assistance was also provided to vulnerable and orphaned children, housed in existing camps in the region (in partnership with STEP).

In April, Concern was appointed by the International Organisation for Migration (IOM) as 'lead agency' for displaced people, in Salah al-Din governate, central Iraq. Thus, in the event of a major movement of people in this area, Concern would be charged with coordinating delivery of relief and assistance.

However, the anticipated level of displacement never occurred. Nonetheless, having established a presence in Baghdad in the aftermath of the war, Concern did identify obvious needs in Salah al-Din, specifically in the educational sector.

Concern worked to upgrade and repair facilities in four mixed primary schools. The four schools catered for some 1672 girls and boys. All work was completed by September and all schools were also provided with blackboards and items of furniture. This work improved the learning environment for the pupils immeasurably. Concern ceased work in Iraq, as planned, by September 2003.

IRAN

On December 26, 2003, a devastating earthquake destroyed the ancient city of Bam, in southern Iran. Over 40,000 were initially believed killed, but that has since been revised down to 26,000. More than 100,000 people were left without homes.

Four days later, a two-person Concern team left for Iran to assess how best we might assist the relief effort. Their speedy departure was made possible by the work of the Iranian embassy in Dublin and the Irish embassy in Tehran.

On arrival, the team – both experienced in disaster relief - were immediately impressed by the scale, speed and efficiency of the response mounted by the Iranian authorities and the Iranian Red Crescent Society (IRCS).

That assessment was shared by other major agencies. Jan Egeland, head of UN OCHA* stated that Iran had mounted one of the "most efficient and effective" responses he had ever witnessed in his 20 years of humanitarian work.

In the immediate aftermath, some 76,000 people urgently required food and shelter – within ten days of the earthquake some 46,000 tents, 500,000 blankets and 50,000 sets of basic kitchen items had been distributed.

By mid-January 150,000 people were in receipt of basic food rations and other assistance. Hundreds of showers and 13,000 temporary latrines were also erected around the city, in a short space of time.

In short, the initial response more than adequately covered existing humanitarian needs. As a result, it was felt that rather than becoming operational, Concern could best assist the relief effort by financing the ongoing work of the IRCS and US \$50,000 was duly passed on.

A further assessment was carried out in February, 2004, in conjunction with Alliance2015 partner, German Agro Action.

As a result, Concern has agreed to fund the reconstruction of two primary schools and health centres/clinics, at an estimated cost of €600,000. This work is being carried out by another Alliance2015 partner, People in Need, and by the medical agency, Merlin.

* United Nations' Office for the Coordination of Humanitarian Affairs



Margaret Teh. Picture: Danny Rowan/Concern

SINGING LESSONS

Margaret Teh was just one of the tens of thousands of civilians who sought refuge in Monrovia's crowded camps.

As up to 80,000 people fled fighting in the countryside, conditions in Monrovia became dangerous and unsanitary – an outbreak of disease could have proven disastrous.

Margaret and her five children were staying at a camp that housed 6,500 people.

“When I arrived here first there were no latrines. If things had carried on like this I'm sure it would have led to many people becoming sick.

“As well as my own children, I am also looking after Blama Seh,” a four-year old boy.

“His mother was killed in the shelling of Monrovia in July and he was hit by shrapnel. I did not know his mother - but I will be his mother from now on.

“I am originally from Sano County in the southeast. MODEL soldiers arrived in the town and began shooting. They looted our house and burnt it down. Everyone fled to the bush.

I was separated from my husband and have not seen him since.

“My children are very young and their feet were swollen from the journey through the bush, but we had to keep going.”

Upon arrival at the camp Margaret worried that the unsafe conditions might affect her children's health. But, with Concern taking over responsibility for hygiene and sanitation, the situation improved.

“Thankfully Concern built latrines and bathhouses. Now the whole place is clean.”

A total of 85 latrines and 108 bathhouses were constructed.

Margaret volunteered as a Hygiene Activist and was trained by Concern.

“We work with the children and adults to educate people on hygiene. The message is imparted through the children's songs. It is a very effective way of educating people and helps to keep morale up.

“People in the camp are putting hygiene into practice. Since Concern arrived there has been no sickness or disease here.”

Danny Rowan

LIBERIA

Liberia underwent massive turmoil in 2003, resulting in a major humanitarian crisis that saw almost half the population fleeing their homes.

Advances south towards Monrovia, by the LURD (Liberians United for Reconciliation & Democracy) were mirrored by a new rebel group MODEL (Movement for Democracy in Liberia) attacking from the southeast.

Between May and August, LURD launched all-out assaults on the capital. A large, but unknown, number of civilians were killed.

Worsening security forced Concern to temporarily evacuate international staff, but our Liberian staff did a magnificent job in keeping projects running. Operation outside Monrovia was impossible.

Only when intensive shelling forced the closure of Concern's office, were we unable to assist those besieged in the capital.

President Charles Taylor went into exile in Ghana on 11 August – the main objective of the rebel groups. A peace accord was signed shortly thereafter. An interim Government is now in power and elections planned for 2005.

Our international staff returned soon after Mr Taylor's departure and an emergency airlift of vital aid was organised.

A UN peacekeeping mission was agreed and 15,000 troops and 1,150 police were to be deployed, to disarm and oversee demobilisation of combatants. Regrettably, the process has been slow and by year's end some 70% of the country was under de facto rebel control, meaning continued instability and harassment for civilians.

Emergency Concern focused on meeting the huge water and sanitation needs of over 80,000 people who had sought refuge in Monrovia. Over 700 latrines and 400 bathhouses were provided, helping stem a disease outbreak. Concern worked in coordination with other international agencies.

In Bong County, before rebel advances made work impossible, Concern provided water and sanitation services for over 35,000 displaced people in camps. Many had originally fled from Lofa county to the north, where we had previously worked. A total of 16 wells, 650 latrines and 310 bathhouses were constructed. Thirty hygiene 'promoters', mainly children, were trained to raise hygiene awareness in the camps (see facing page). Concern took the lead on this issue in all the camps.

Monrovia & Bong County Displaced Camps

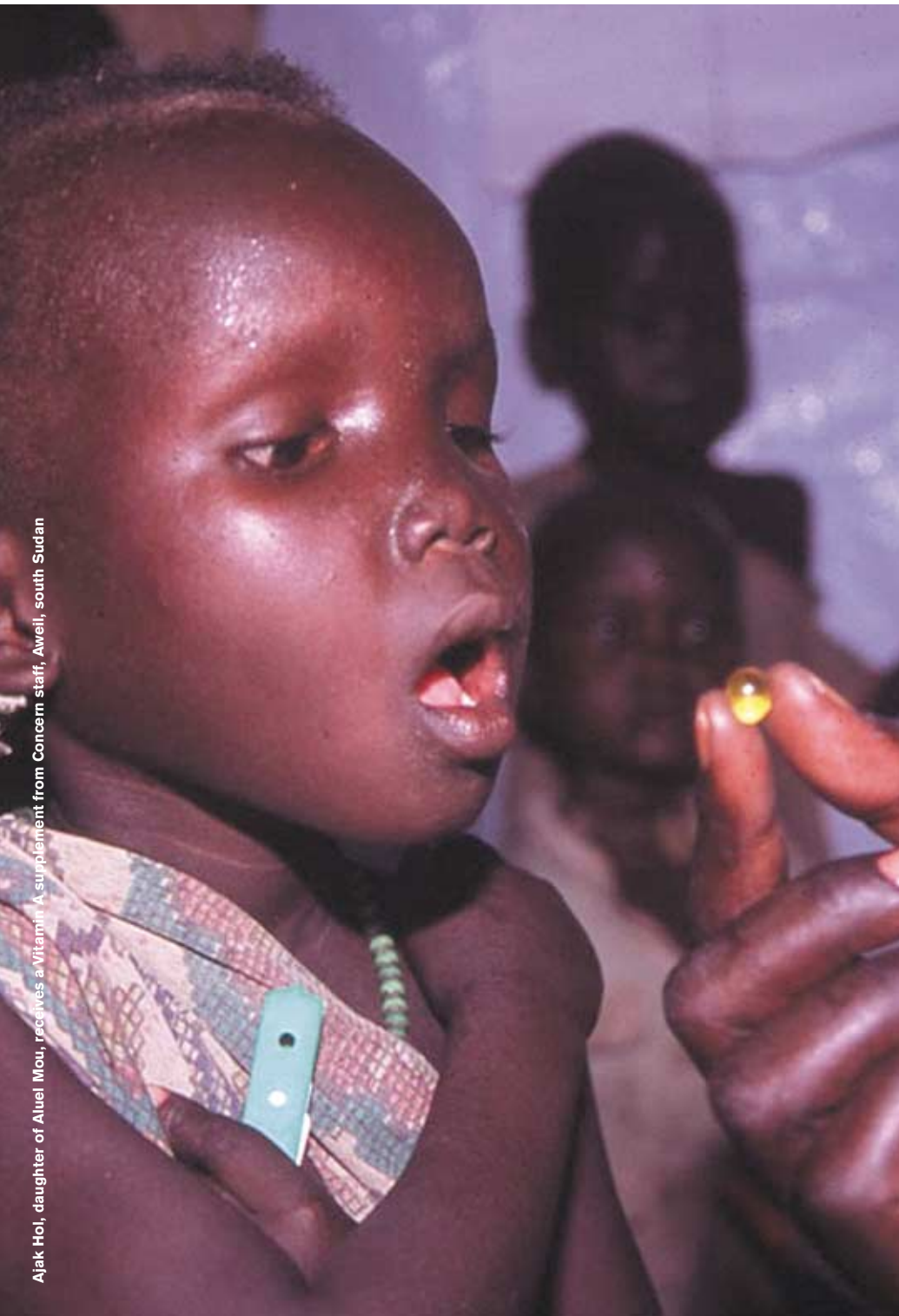
Food Some 45,000 people benefited from this work which aimed to meet the nutritional needs of local communities. This included agricultural extension services to increase agricultural efficiency, food storage and processing, livestock replenishment and water supply.

Concern facilitated, while the communities planned and carried out the work, with technical assistance from the Ministry of Agriculture.

Grand Bassa County

Water Community-led work that resulted in the construction of 51 wells and 1,638 latrines, although rebel advances forced people to flee. 206 people were trained to maintain pumps.

Grand Bassa county



THE HUNGRY SEASON

Aluel Mou has just arrived at the Concern feeding centre in Sukabat, Aweil North. Her three clearly malnourished children accompany her.

Her story was typical of the hundreds of mothers who had turned up that day and illustrative of the crisis in southern Sudan.

“My husband is a soldier. He has been away for two and a half years. I am waiting for him to come back. It became so much more difficult to manage the twins after he left. I was also pregnant with Bol, my youngest, when he left.

“Our food ran out last October (2002) and we have been surviving mostly on wild foods, as well as some food from the World Food Programme.

“I know there is now a ceasefire, but he is still deployed. He is doing what he must do for our country but it has made it very difficult for my family to get by. I don't think about him, I am just concentrating on surviving.”

Aluel's three children were diagnosed as chronically malnourished. They were registered on Concern's Supplementary Feeding Programme and given nutritionally enhanced Corn Soya Blend, which will supplement their diet and help them regain weight.

Aluel will return every fortnight for the next four months to have her children assessed and to receive more food. The food will help them survive the lean months before the September harvest.

“I give many thanks to Concern. When I go home I'll make porridge for the children. This will help my family survive until the next harvest.

“My children were dying of hunger but this will make them healthy again. They are even happier now just to see the food.”

Danny Rowan

SOUTH SUDAN

After 20 years of war, over 2 million deaths and 4.5 million displaced from their homes, it appears the war in south Sudan may be over. With negotiations continuing and ceasefires holding, humanitarian agencies enjoyed virtually unimpeded access across the region, for the first time since 1982.

The relative peace encouraged tens of thousands of people to return to their homes, but the failure of the early harvest meant severe food shortages for many. Vulnerable pockets remain, particularly in the hardest hit areas of Aweil counties and Yirol, where Concern is concentrating its efforts.

Emergency Concern overcame severe logistical constraints to provide emergency feeding in Aweil West and North counties. Some 4,000 children and 954 pregnant women were treated, and specialised care given to 772 severely malnourished children. A further 206 children were put under intensive medical care. The inaccessibility of the area made it particularly difficult to bring in supplies – most were flown in from 2,000 miles away, while our staff often spent whole days travelling to and from project sites. It was a considerable achievement, and malnutrition rates dropped dramatically within seven months

Aweil West & North

Resettlement As displaced people returned home, Concern provided plastic sheeting, blankets, mosquito nets, and cooking pots. Over 3,300 families were assisted; those arriving before the rains were given seeds and farm tools.

Nuba Mountains, Aweil & Yirol

Food & Work For people who have lost their families, livelihoods and animals as a result of the war, returning to their homes is a daunting prospect. Concern is helping them get back on their feet by encouraging small-scale farming and related activities. Improved farming practices and diversifying production is also encouraged among poor farmers in the communities of Aweil, Yirol and Nuba.

The programmes include seed and tool distribution, the building of seed banks, diversifying crop varieties and building livestock numbers. In Yirol, for example, 71 community seed banks loaned over 28.5 tonnes of seed to 7,999 poor farmers. In Aweil, 210 goats were distributed to women to assist with regenerating livestock herds.

Training was provided on better farming techniques and on skills like ox-ploughing and vegetable cultivation. Fishermen were assisted in net making and fish preservation.

Support was given to local craftsmen – carpenters, blacksmiths - catering for local farmers. In Nuba, for example, beekeeping was encouraged among farmers, and consequently carpenters were trained to make hives.

Infrastructure improvements were also undertaken, with the building of small dams, terracing and the maintenance/ construction of rural roads.

To consolidate these gains, Concern worked with community groups to improve their capacity to plan and implement development projects.

Nuba, Yirol, Aweil

Water Some 39,850 people in 10 communities now enjoy access to safer water. Wells were rehabilitated, water pumps repaired, and six water catchments built. Community committees were trained on the management and maintenance of these invaluable water sources. Training was given on health issues, and toilets constructed for 37 families to improve hygiene conditions.

Nuba & Yirol



Picture: Danny Roover/Concern

ZIMBABWE

Zimbabwe has now fallen to 145th place (out of 175 countries) on the UN's Human Development Index. Life expectancy now stands at 35, as opposed to 61, in 1990.

The economic situation is critical. Inflation is running at over 500%. The economy has contracted by 40% over five successive years.

One immediate impact of the crisis is cash shortages. These are becoming an increasing constraint on humanitarian operations. On occasion, Concern has only been able to draw Z\$100,000 – the equivalent of €12 – from the bank.

The security situation remains relatively stable, but with some public demonstrations and strikes, mainly protests at salaries and inflation.

The country is devastated by HIV/AIDS, with infection rates at 25% among 15 to 49 year olds. In some areas it may be as high as 40%. The extent of the pandemic will affect the country's ability to recover from the current emergency, not least because it is reducing a labour force already weakened by lack of food and poor healthcare.

An outbreak of cholera in Kariba and Binga district highlighted the fragility of the health system.

Food shortages are likely to continue as rainfall during the October to December 2003 planting season was low, and access to seeds was reportedly difficult in most areas.

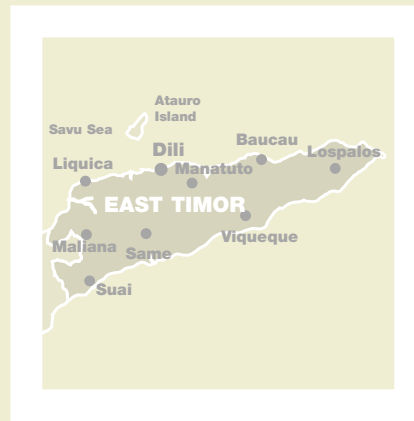
Food Concern continued to deliver over 40,000 tonnes of food to meet the needs of over 500,000 people. Working with local communities in four districts, we targeted the most vulnerable - including women, children, the disabled and the elderly - in order to provide essential items to families who have no other means of survival.

Concern continues to work in close collaboration with the World Food Programme, which is leading the emergency operation. In 2004, we expect to respond to continued food shortages, but will also look to longer-term issues related to the widespread poverty.

Nyanga, Kwekwe, Gokwe South, Gokwe North



Total Spend; €3,626,858 (Stg £2,513,413)
Funded by; Concern €788,804, DCI-Maps €947,473, DCI-Other €29,853, British Govt €426,677 (Stg £295,687), EU €354,680, Concern USA €299,633, APSO €51,250, WFP €48,856 (Stg £33,857), UNHCR €435,081 (Stg£301,511), Other Donors €26,840, Non-Monetary Donations €217,711



Total Spend; €571,612 (Stg £396,127)
Funded by; Concern €5,653, DCI-Maps €217,249, APSO €41,250, ECHO €287,460, Other Donors €20,000



Total Spend; €760,379 (Stg £526,943)
Funded by; Concern €191,238, DCI-Maps €225,967, EU €28,000, Concern USA €67,531, APSO €17,500, UNHCR €29 (Stg £20), ECHO €217,896, Other Donors €12,218



Total Spend; €1,298,948 (Stg £900,171)
Funded by; Concern €679,073, DCI-Maps €216,934, DCI-Other €40,000, Concern USA €23,072, APSO €40,000, UNHCR €7,913 (Stg £5,484), ECHO €291,956



Total Spend; €1,682,924 (Stg £1,166,266)
Funded by; Concern €298,399, DCI-Maps €125,045, Danida €425,827 (Stg £295,098), Community Fund UK €118,341 (Stg £82,010), British Govt €414,991 (Stg £287,589), EU €140,000, Concern USA €105,734, APSO €45,000, Other Donors €9,587



Total Spend; €2,187,515 (Stg £1,515,948)
Funded by; Concern €1,823,738, DCI-Maps €86,784, Alliance 2015 €151,533, DCI-Other €83,500, Concern USA €29,460, APSO €12,500

ASIA

Overview A vibrant and healthy civil society is essential to the life of any nation. In the developing world it is crucial. If development is to prove sustainable in any meaningful sense, then it must be participatory – it must involve all levels and sectors of society. But for people and communities to become authors of their own development, they need the tools and platforms to do so. A community that has collectively analysed the problems it faces and can speak with one voice, has a far greater chance of being heard than one which lacks collective voice and focus. A large part of Concern’s work in Asia involves enabling and supporting the development of civil society.

Indeed, many national governments have begun decentralising power to local authorities and bodies, thus enabling more engagement with civil society. Increasingly, we recognise that working with government is essential to the sustainability of our programmes. Again, this is something that we take account of and factor into our work, in a variety of countries.

In Timor Leste, for example, there exists a unique opportunity to start from the ground up, so to speak. From the outset, our focus has been on civil society in this newly-independent nation. With hard work and a little luck, perhaps it can avoid some of the mistakes made by its neighbours.

Louise Supple, Regional Director



Picture Fabienne Fosseze / Concern

A NEW LIFE

"I am alive again due to this work."

"Before, I was a maidservant with three sons and three daughters to look after."

"I was given two meals a day by my employer – I would eat one myself and bring the other home to share amongst my children. I had to sell my house to a moneylender to get a loan."

Chanarani's life has since been transformed. Two years ago, she enrolled on a Concern training course and, as a result, opened a small plant nursery in her village of Teljan.

In addition, a Concern-run Group Development and Education course helped Chanarani overcome her illiteracy.

"I have been able to make a lot of changes in my life. I have my house back – free from moneylenders; I have purchased some land for padi (rice) cultivation."

For the first time in her life, Chanarani finds herself planning hopefully for the future.

Her village is located in the wetland region of northeast Bangladesh known as the 'Haor'.

The region floods for six months of every year, making living conditions and livelihoods difficult.

To address these problems, Concern established an overarching programme that, through various mechanisms, would enable residents of Haor to avail of new opportunities and take greater control of their own lives.

Chanarani's tale is just one example of what can be achieved. Her deep involvement in the Concern programme means she has also become Chairwoman of a local women's group that undertakes improvement work around the village, including land reclamation.

"Before we began our work, the village rested on land that was 300ft by 30ft wide. Now we have a space that is 550ft by 100ft wide."

Their work has also resulted in a significant drop in village poverty levels and improved housing.

Having seen her own life transformed, she places a high priority on the education of her children.

"My dream is that my children, after education, will get a government job, that they will become school teachers and come back and teach the community. I will feel very proud because of this."

Fabienne Fosseze

BANGLADESH

Over the last year, law and order deteriorated, politically motivated murders increased, and violence and discrimination against minority communities rose.

Political tensions ran high, with the opposition boycotting parliament and calling regular hartals (nationwide strikes).

The price of basic commodities rose significantly due to inflation and the Iraq war. This particularly affected poor communities in the north as it compounded the annual problem of food shortages.

Health Concern worked with the Ministry of Health and local health authorities to develop effective health services that targeted a reduction of child and maternal mortality. A community-based approach was adopted to reach over two million people. The programme involved management and technical training for government health staff, as well as guidance to health workers on child and maternal health issues. Nutrition work focused on reducing malnutrition and building capacity to respond to similar problems.

Dhaka, Khulna, Chittagong, Saidpur, Parbatipur

Community Support Supporting the efforts of community groups to help themselves is an important step towards improving conditions for poor families. Concern reached over 282,000 people through this work, which aimed at strengthening the ability of Community-Based Organisations to manage local finance schemes;

improve access to education, health, and legal services; increase income-generation opportunities through training, and, overall, promote the development of a vibrant civil society.

Khulna, Dhaka, Chittagong, Rangpur, Mymensingh, Sylhet, Netrakona, Kishoreganj, Sherpur, Noakhali, Jessore, Bagerhat & Satkhira.

Disaster Preparation Bangladesh remains prone to natural disasters, and 2003 was no exception. Concern assisted some 35,000 families affected by flooding in July and October by providing food and emergency services. We also continued work to limit future flood damage, in conjunction with local communities. Disaster management training was attended by 69 local groups and government authorities, and an advocacy network was established to push for a coordinated national approach. Tree saplings were distributed to protect against soil erosion and shelters built to accommodate families during floods.

Nationwide

Human Rights Sex workers and their children continue to suffer abuse and discrimination.

Concern worked with local sex worker organisations and other networks to improve access to basic services for over 8,000 people. The programme also worked with government authorities to manage the official 'rehabilitation' homes that house many sex workers, to ensure their rights were respected and needs met.

Dhaka

Education Enabling children to go to school, whatever their circumstances, is crucial if 'Education for All' is to be realised. Concern focused on improving access to the formal primary education system for even the poorest families. We also worked with local authorities and groups to ensure government schools were responsive to community needs, and provided a good standard of education.

Shariatpur

Refugees Concern has worked with over 20,000 Myanmar refugees since 1992. In collaboration with the United Nations High Commission for Refugees, we continued to provide basic services, such as education and sanitation, as well as skills training to encourage income-generation.

Kutupalong & Nayapara camps, Cox's Bazaar

TIMOR LESTE

A period of stability has allowed the government to focus on institution building and development. Decentralisation of government institutions started in earnest, but the gap in the provision of services and resources between the capital and the districts remains considerable.

While the security situation remains good, there is some worry about the relative inexperience of the police and the limited defence force, particularly as the current UN mission ends in May 2004. Leading figures are already calling for a continued UN presence.

As the government strengthens its relationship with Indonesia, the likelihood of prosecutions of Indonesian military or militia figures seems to recede. Some 28,000 East Timorese remain in camps in West Timor, even though their refugee status was terminated in 2002. A limited number are expected to return.

Community Development After three years of emergency work, we have shifted our focus to longer-term development. Our immediate aim is to improve the living standards for families in 17 villages, in Turiscai and Luro sub-districts.

Concern worked with local groups to develop initiatives that maximise local resources and involvement. Activities focused on increasing farming production, income generation, accessing more services and attracting external support. Measures to raise farm production included:

Encouraging poultry raising; terracing of steep land for fruit trees and other crops; increasing crop production; tree planting

Facilitating study tours to aid exchange of farming techniques and aiding attendance at a trade fair; a 'Permaculture Manual' is being developed in local languages

Repairing water systems; establishing consumer stores and encouraging cooperative purchase of goods.

Training provided to civil groups on group management, marketing, and basic agricultural techniques.

At a broader level, seminars were held on rights issues and the environment, and efforts made to ensure greater involvement of women in decision-making, through, for example, training in public speaking.

Turiscai, Manufahi district; Luro, Lautem district

LAO PDR

The economy continues to grow and development indicators are positive, but there are worrying signs that the gap between urban and rural communities is increasing. Human rights issues, particularly for ethnic minorities, are not being sufficiently addressed.

Poverty levels fell from 45%, to 39% and development indicators also improved: child mortality fell and literacy rates among youth improved.

However, with a guerrilla insurgency launching several large attacks on key routes, insecurity has risen. The government approved the first National Poverty Eradication Programme (NPEP).

Credit & Savings Persistent high levels of poverty among marginalised communities make access to credit vital for the 300,000 poor families benefiting from this project. Concern worked with the National Economic Research Institute and the government to develop a national 'pro-poor' framework policy for the micro finance sector, with the first plan approved this year. A resource centre was also established, and several workshops held. Concern is now recognised as a leading agency in this sector.

Nationwide

Disasters Working in two flood prone provinces, we aim to improve local government preparedness for natural disasters. Partnership with the National Disaster Management office was strengthened and disaster management teams formed in seven districts.

Savannakhet & Khomouane Provinces

Rural Development Concern focused on better planning and use of resources, to improve the livelihoods of rural ethnic communities in over 30 villages. Activities included training government staff on project management. Mosquito nets were distributed to over 800 families, and health workers trained. Efforts to improve livestock and agricultural production included loans to rice farmers; the piloting of new cash crops; irrigation improvements.

Bokeo Province, Savannakhet Province

Infrastructure Road construction was supported by Concern to end isolation of 256 people in Ban Tup and as an alternative to their re-settlement. The 14.2km road has led directly to a rise in people's incomes.

Ban Tup

PAKISTAN

It has been a mixed year for Pakistan. Although the five-year drought finally ended, poverty remains endemic and deeply-rooted.

Politically, the dispute over President Musharraf's position as both Head of State and the Army Chief of Staff continues to dominate. While the government has managed to attract donor funding and initiated economic reforms, the needs of the poorest seem low on the agenda.

Refugees Pakistan hosts more refugees than any other country in the world. The majority are Afghans, who fled war and destitution over two decades. Water remains one of the scarcest commodities in the camps, and is a source of tension with the local communities. Concern, with assistance from the European Commission's Humanitarian Aid Office (ECHO), implemented an innovative programme that helps address the needs of both. It has gone some way towards reducing tensions.

Balochistan Province

Water In another area of Balochistan the shortage of safe water meant women were forced to walk long distances to draw from open springs used by livestock. Lack of safe water is the major cause of disease, particularly among infants. To address these problems, two projects were started by Concern to increase the supply of clean water. It included training by a local partner, WESS, to highlight links between clean water, hygiene and health.

Awaran & Qila Abdullah, Balochistan province

Street Children Breaking the cycle of poverty for Pakistan's poor children is an important challenge. While the government signed the UN's Child Rights Convention, it has yet failed to formulate and ratify laws to provide for their protection and care. Children are sent out to work in often precarious situations at the expense of their education. In Quetta, Concern is supporting our local partner, WESS, in running Drop-In centres for the children. In this protective environment they can learn to read and write and find temporary refuge from the dangerous streets.

Quetta, Balochistan province

Emergency Concern responded quickly to floods in Balochistan and Sindh provinces, distributing shelter, food and family health kits to some 2,000 families who had lost their homes. As floods and a drought had decimated crops, Concern assisted over 6,000 farmers to get seed and establish a seed bank for future seed requirements. **Balochistan and Sindh provinces**

Mother & Child Neonatal deaths account for 60% of infant deaths in Pakistan. Almost all births take place at home, usually without trained personnel present. Concern is addressing this problem nationally by providing training in safer birthing and neo-natal practices to traditional birth attendants.

Nationwide

Health As part of a broader scheme to bring healthcare services to Dobandi, Concern conducted the region's first immunisation programme for over 50 years. In this remote corner near the Afghan border, the health programme has already saved lives and reduced preventable diseases. Its success has encouraged us to consider similar interventions elsewhere in 2004.

Aila Abdullah, Balochistan Province



Van Hour used cheap credit to set up a small shop for her disabled daughter.
Picture: Pieterella Pieterse/ Concern

BANKING ON THE FUTURE

Cambodia sees the birth of a new financial institution dedicated to providing services to the poor.

Without access to cheap credit, many families in the developing world find it impossible to escape from poverty.

Often they will be forced to turn to moneylenders and pay extortionate interest rates, thus falling deeper into debt.

But with access to cheap credit and other financial services, individuals and families can build their resources and earn other sources of income. In simple terms, it allows them to avail of the opportunities that poverty denies.

Several years ago, Concern began to establish a network of small, community-based 'village banks'. In truth, they are more akin to credit unions than conventional banks.

Effectively, members in a given community will pool their savings and establish a fund for cheap credit. Community members then use the loans to buy livestock, set up small businesses, or pay school fees for their children. The 'banks' are administered by the communities themselves, with support and training from Concern. The Cambodian model proved very

successful. BY 1999, over 160 such banks had been established.

Today, over 18,000 people are members. In fact, such is the strength of this movement that it has led to the creation of a new, stand alone institution: Angkor Mikroheranhvatho Kampuchea, or Angkor Microfinance Kampuchea (AMK).

AMK's board of directors is appointed by Concern, and the directors in turn appoint the head of the management team. AMK currently works in three provinces and has a credit portfolio of US \$843,000.

It defines its role as the provision of "efficient financial services for the poor."

Typically, potential clients form themselves into groups of 4-6 members, which are then organised into village associations. The maximum first loan amount is approximately \$38, with a ceiling of \$125.

New loan products are currently being introduced for those involved in service and trading activities.

The majority of AMK's clients are involved in rice production and small-scale farming. Cheap credit allows them increase production and/or resources such as livestock. Approximately 80 percent of current clients are female.

Macdara Doyle

CAMBODIA

A number of high high-profile killings in 2003 provided a violent backdrop for national elections in July. Nonetheless, these were the most peaceful elections in recent times.

Much needed government reforms were also delayed because of a failure to form a working government, in the aftermath of the elections. Nonetheless, Cambodia did enjoy strong economic growth, fuelled chiefly by exports and tourism. There is anxiety, however, that the benefits of this growth remain concentrated in urban areas, and are failing to reach the poorer rural communities.

A further set-back to economic progress were the riots directed against the Thai community in January '03, which cost the government millions of dollars in compensation.

HIV/AIDS infection rates are the worst in Southeast Asia, but are reported to be falling. The emphasis remains on targeting the most vulnerable groups, including 'new groups' like garment factory workers, drug users, and sex workers. Another target group is rural communities living in extreme poverty, who are ill-equipped to deal with additional threats to their livelihoods caused by the spread of the virus.

Rural Development

Supporting local authorities and local communities to identify and set priorities for their own development is the thrust of Concern's rural development programme. It is targeting over 51,000 people, in 61 villages. The emphasis has been on ensuring the self-reliance of village-level development committees, to enable them to continue to improve the living conditions and opportunities in their communities. We are also helping to improve the effectiveness of 20 Commune Councils and 762 local organisations. Building on the strengths of local communities is proving highly successful.

Siem Reap, Pursat

Forestry To ensure the equitable and sustainable use of Cambodia's forests, Concern supported the efforts of the local communities, local authorities and non-government agencies, to improve the management of this vital resource. We are working in a total of 37 villages, where some 8,677 people rely on products from the forest. At the national level, Concern campaigned to secure the rights of local communities to manage the forests. Concern was fully involved in the formulation of a new law, 'the Community Forestry Sub-Decree,' passed by the government in December 2003, which guarantees these rights.

Pursat, Kompong Chhnang, Kompong Cham

Credit & Savings The success of Concern's micro credit programme is reflected in Angkor Mikroheranhvatho Kampuchea (AMK), which began life as an independent institution. In July 2003 (see facing page). Originally a network of local, village banks, AMK continues to provide vital access to credit and savings to poor people trying to improve their livelihoods. Concern remains its largest shareholder, and continues to provide technical assistance in the form of two international staff members seconded to the bank.

Kompong Speu, Pursat, Banteay Meanchey



Shanta Sinha, head of MVF, at the Dublin launch of the campaign, May 2003. Picture: Maxwell

SCHOOL WORKS

Child labour is not an inevitable by-product of poverty, nor an "evil necessity."

In fact, rather than contributing to families' well-being, child labour hampers the progress and development of both child and family. Child labour undermines development by perpetuating poverty and ignorance.

The best way to eradicate child labour is through education.

In the Indian state of Andra Pradesh the MV Foundation is pursuing just such an approach. Indeed, over the last 10 years they have successfully placed over 150,000 children in full-time education, over 4,000 bonded child labourers have been freed and 168 villages declared child labour free.

In 400 villages MV's work has ensured that every child in between five and eleven years of age is enrolled in full-time schooling.

In fact the MV Foundation have been so successful that the state of Andra Pradesh is due to be declared 'child labour free', in 2005.

MV Foundation works closely with local communities, and through awareness-raising and other activities, it helps stimulate a demand for proper educational services.

The Foundation also provides practical assistance for poorer communities by establishing bridge schools – to prepare children that have never been in formal education – whilst also providing specialist training for teachers, and support for parents.

Its work and experience has confirmed that parents overwhelmingly recognise the long-term value of school, and children themselves prefer education to working.

Alliance2015* members (Concern, Hivos and DWHH) have now joined forces to launch a global campaign against child labour. The campaign supports the spectacular success of the MV Foundation in India. We can learn much from its example.

Michael Doorly

www.schoolisthebestplaceacetowork.org

Alliance2015, is comprised of: Concern (Ireland); Cesvi (Italy); DWHH (Germany); Hivos (Netherlands); Ibis (Denmark), People in Need (Czech Republic)

INDIA

During 2003, tensions between India and Pakistan decreased considerably, with the armed forces pulling back from frontline positions, and bi-lateral relations resuming. However, no significant progress was made towards resolving the Kashmir dispute.

The monsoon allowed for a good harvest, which helped the economy to record strong growth rates. There were, however, a number of natural disasters – mainly flooding - during the year.

The economic growth buoyed the political fortunes of the ruling coalition - headed by the Bharatiya Janata Party (BJP) – which not only maintained firm control of central Government, but made gains in a number of states previously held by the opposition Congress Party. A General Election will be held in the early months of 2004.

Rebuilding Gujarat

Concern continued to support the rebuilding efforts of the communities devastated by the earthquake in Gujarat in 2001, which killed over 14,000 people and destroyed more than a million homes. Several community organisations – including Anandi, Cohesion, GVT, Prayas, SAVA, SWATI, SYVM, UNNATI and Vikas – were assisted on various activities including: provision of shelter to 1,471 families; medical support and HIV/AIDS training for 1,158 families; 16,000 families received support for agricultural and horticultural schemes. Two projects were supported by Alliance2015 partner, German Agro Action.

Gujarat State.

Local Development

Through local organisation, RCDC, Concern supported the training of 2,500 elected representatives in Nabarangur District on their roles and responsibilities, in order to maximize the use of resources for the district population of over one million. Studies were also carried out to understand the basic needs of communities in Bhubaneswar town, Keonjhar District and Sundargarh District.

Nabarangpur, Keonjhar District & Sundargarh District.

Natural Disasters Reducing the impact of natural disasters is imperative in a country prone to extreme weather conditions. In September, we responded quickly to the emergency needs of villages displaced by heavy flooding in the low-lying areas of Orissa. Working with five local partners – DSS, SHEDS, SOLAR, SWAD and USS – food supplies and emergency services were delivered to over 16,000 families. Concern later supported rehabilitation efforts, through repair of basic infrastructure, and the supply of seeds to 13,000 families to replant for the new season.

In Puri district, the worst impact was mitigated somewhat through our emergency preparedness programme. Over 2,320 local leaders had already attended training and practical activities and work had started on planting 50,000 trees, raising 100 homesteads, and providing for four flood resistant seed/grain stores.

Orissa State

Education Concern supported local organisation, MVF, (through Alliance2105 partner, Hivos) in its work to eliminate child labour through education. It managed a number of activities targeted at getting children to attend school in Ranga Reddy District. While Concern's contribution was a small part of the overall budget, more than 150,000 children were reached during the year.

Andra Pradesh State



Total Spend; €1,632,771 (Stg £1,131,510)
Funded by; Concern €536,573, DCI-Maps €624,016, Concern USA €228,883, APSO €50,000, ECHO €8,769, Non-Monetary Donations €184,530



Total Spend; €1,600,041 (Stg £1,108,828)
Funded by; Concern €592,857, DCI-Maps €555,933, British Govt €-24,740 (Stg £-17,145), EU €40,952, Concern USA €218,514, APSO €41,250, GLE Ltd €128,573 (Stg £89,101), Other Donors €46,702



Total Spend; €2,424,513 (Stg £1,680,188)
Funded by; Concern €787,696, DCI-Maps €586,000, British Govt €173,622 (Stg £120,320), EU €545,648 (Stg £378,134), Concern USA €27,684, APSO €23,750, UNHCR €275,392 (Stg £190,847), Other Donors €4,721



Total Spend; €1,950,367 (Stg £1,351,604)
Funded by; Concern €995,839, DCI-Maps €505,669, Concern USA €267,293, APSO €36,250, Other Donors €23,255, Non-Monetary Donations €122,061

CENTRAL AFRICA

Overview Over the last number of years, a crisis of enormous proportions has been unfolding in the Democratic Republic of Congo (DRC). Between 3-4 million people have died as a result of conflict, hunger and disease. The world has averted its gaze.

Now, with a peace agreement signed and a peace process in place, it is to be hoped that the world might begin to pay attention. The crisis - which has its roots in the Rwandan Genocide of 1994 - has profound implications for the whole region.

Following elections in 2003, Rwanda itself remains relatively stable. Despite ongoing violence in Burundi - including the assassination of the Papal Nuncio - there is cautious optimism that the peace process may begin to bed down over the coming years.

In the midst of all this, the huge level of insecurity in Uganda is often forgotten (see Emergency section).

Although Tanzania remains stable, it continues to cater for large numbers of refugees from neighbouring countries. The scale of the refugee crisis will continue to depend on events in Rwanda, Burundi and DRC.

If the situation in the DRC is allowed to unravel, we can be certain that many other countries also be dragged into the ensuing chaos. The Great Lakes region requires all the attention and assistance we can muster.

Mike Williams, Regional Director



Members of Gatorora II Agricultural Coop, Borambi Commune, Burundi.
Picture: Pieterella Pieterse/Concern

BURUNDI

Despite an optimistic start to the year, growing insecurity gradually undermined confidence in the peace process and led to a new cycle of violence. Many agencies have left or scaled back operations as the conflict has intensified. The Papal Nuncio, Michael Courtney, was the latest victim of the violence, when he was murdered in December 2003.

In May, Pierre Buyoya Government handed over the reins to the new Hutu presidency of Domitien Ndayizeye. But the peaceful transition was short-lived as dissatisfied rebel groups returned to violence.

The conflict is causing untold deaths, and massive displacement of people. Fighting has been particularly intense around the capital, with indiscriminate mortar shelling, rocket attacks and hand-to-hand fighting.

Concern has kept the doors open despite these serious pressures, but has been forced to scale back some operations. We suffered a serious setback in October when a long-serving member of our national staff was murdered. Two weeks later, the Government Administrator of Karinzi, a close working partner, was also killed.

Food Focusing on the needs of small-scale farmers, Concern is reaching over 27,000 people in the three provinces of Cibitoke, Bujumbura and Bururi. We supported 156 farming groups to improve the management of their farms in an attempt to increase production. Training was also conducted on better farming methods and veterinary services. Other community groups were facilitated in exploring activities such as fish farming and beekeeping. Seed multiplication centres were supported and a community-government partnership on maize and potato research is ongoing.

**Cibitoke,
Bujumbura & Bururi**

Education Access to a good education is every person's right, but children, parents and local authorities must be actively involved. Concern worked to build these partnerships as the cornerstone of its new education programme in Cibitoke. While identifying priorities for the programme, training was provided to 60 teachers and two classes were piloted for children who have fallen behind in schooling. Concern staff attended seminars on training teachers. Concern has successfully handed over management of its orphan programme to the Ministry of Social Services.

Cibitoke

Emergency Over 600 women and children were given supplementary feeding every month in two centres in Bujumbura province, as the security situation deteriorated. Ten women's groups were given land and seeds to grow their own produce. Efforts were also made to monitor the health situation by training 60 community workers in nutritional screening techniques.

In Cibitoke, 300 traditional birth attendants and 150 community health workers were given training to strengthen our Community-based Health Care programme. The HIV/AIDS Mainstreaming programme also began, concentrating first on the training of Concern staff in HIV/AIDS awareness, care and prevention.

Bujumbura, Cibitoke



Tanzania - Women draw water from Concern built well, Minima village, Mtwara Rural, Tanzania.
Picture: Pieterella Pieterse/Concern

RWANDA

The ruling Rwandan Patriotic Front (RPF) won a landslide victory in the 2003 presidential and parliamentary elections. It marks an end to the transitional period of governance, in place since the genocide of 1994. A new constitution was adopted in May 2003, which included provision for women to hold 30% of all posts in government and other decision-making bodies. Reconciliation efforts were further boosted as hundreds of former Hutu refugees returned home from DR Congo.

Community Development

Over 104,000 people in three rural communities were assisted through work with local organisations, including the strengthening of local networks for future development. Up to \$100,000 of Concern funding was used by local committees to carry out essential construction work on schools, bridges and water facilities.

Gitarama, Butare and Ruhengeri

Mother & Child Concern worked to reduce death rates among women and children, with over 33,800 families reached. Focusing on critical healthcare issues: HIV/AIDS, malaria control, preventing chronic malnutrition, and better care for mothers and newborn children.

In 2003, Anti-AIDS clubs were set up in schools; subsidised sale of mosquito nets to 3,000 pregnant women; development of health insurance schemes in seven health centres; training of 345 traditional birth attendants.

Kibizi District, Butare Province

Social Education Children were trained in basic animal husbandry and agricultural skills. Child Rights were also promoted with local community groups to ensure they are better able to support the 15,000 vulnerable children targeted. Work on education will begin in 2004.

Butare & Gitarama

Agriculture Concern focused on provision of training to two government agricultural departments. A resource centre was set up and an agricultural calendar developed to assist planning and research.

Umtara Province

Credit Known as 'Abazamukana', Concern's project provides loans to individuals rather than groups. It now has over 950 clients managing a diverse range of enterprises from shoe making to beer production. It has also attracted 1,360 individual savings accounts.

Gitarama Province

TANZANIA

Erratic rains in 2003 resulted in poor harvests in much of the country. Two million people required food assistance until the 2004 season.

The government is doing its best to cope by distributing subsidised food from grain reserves and removing duty on food imports. It has called for active participation from all levels of society in the review of its Poverty Reduction Strategy.

Water & Hygiene Water is desperately scarce in Ngora district, home to over 94,000 Burundian refugees and their host communities. Poor sanitation has led to high rates of water-borne diseases.

Concern worked to improve water supply to the camps, and conducted an information campaign to promote better hygiene. In the local communities, the emphasis has been on improving the capacity of local groups to manage the water resource. A total of 42 Water User Groups have been formed and 153 teams of hygiene promoters trained. Septic tank units were built in the town prison.

In Mtwara Region, similar efforts were made to improve access to water supplies and sanitation practices.

Again, the focus was on raising the capacity of the local water committee to manage a piped water scheme. Community leaders and village health workers attended workshops on better health practices.

Ngora District, Kagera Region; Mtwara District, Mtwara Region

Community Development

Concern assisted communities through training and other activities to increase capacity to manage and plan activities. This enables communities to meet needs they identify, and also helps in local authority service delivery. In Lindi, for example, 20 village authorities received training that will help them plan and manage water/ health projects. These initiatives are central to sustainable community development.

Kigoma Region; Dar es Salaam; Masasi District, Mtwara Region; Lindi Region

Community Empowerment

Encouraging self-reliance is the focus of our work in Iringa. Training to 216 representatives of community-based organisations and 750 local government staff has covered a wide range of subjects - leadership skills, better management and use of resources.

Iringa Region



THE LOST CITY

You can't get to Kasongo by road, rail or river. This city of almost 350,000 people was once a thriving, bustling commercial centre, in the eastern Democratic Republic of Congo. No more.

Even basics like salt and sugar have to be flown in, and the city boasts just six functioning cars. Although located close to the River Congo and a main railway line, over five years of war mean there is virtually no traffic on the river, and the rail link has been destroyed.

Up to 4.7million people may have lost their lives during the years of conflict in DR Congo – many succumbing to disease and malnutrition. A further two million were forced to flee their homes.

Many simply abandoned their villages and disappeared into the forest to escape the marauding militias. Concern staff came upon some of these rudimentary encampments, in the forest near Kasongo. The conditions were shocking and, not surprisingly, malnutrition rates were high.

The local hospital once boasted the best facilities in the region.

Now it operates without electricity and much of the equipment has fallen into disrepair.

We came upon a premature baby asleep in a cardboard box – the hospital's one incubator no longer functioned and so the box had to suffice.

In many respects, the situation in Kasongo is a microcosm of the crisis throughout the country.

As one of the few international agencies working in the area, Concern established specialist care and feeding programmes in response to these needs.

Results were dramatic – in October 2002, malnutrition rates stood at 11.7 percent; by May 2003, they had fallen to 6.7 percent. In all, some 2,000 children aged under five were successfully treated by Concern.

The situation would also be improved were the rail link reopened, helping to rebuild the local economy and allowing people to rebuild their lives. Concern and other agencies are spearheading a campaign to ensure this happens in the near future.

In the meantime, people still struggle to put food on the table.

David Gough

DEMOCRATIC REPUBLIC OF CONGO

DR Congo took its first tentative steps towards peace in 2003. In July, accords were signed in Pretoria marking the official cessation of hostilities, and a transitional national government was formed.

But the impact of the war must now be addressed - schools, hospitals and homes have been destroyed. Electricity, clean water and sufficient food remain beyond the reach of many. Sporadic fighting continued in the east, and large numbers of people are displaced.

There is room for optimism. Funding commitments by international donors has increased, including the engagement of the International Monetary Fund (IMF) and World Bank. The economy is growing at 5% per annum, and foreign investment rose by 22% in 2003. But the country will need all the support it can get to build firm foundations for peace.

Nutrition Malnutrition rates in Kasongo almost halved, from 11.7% percent in October 2002, to 6.7% in May 2003, as Concern operated one therapeutic feeding centre and five supplementary centres. Some 2,000 children under the age of five were treated. The programme also tackled longer term nutritional issues providing, for example, training to nurses. Literacy classes also proved popular, and mothers were given lessons in cooking and horticulture.

Maniema Province

Community Development Involving local communities and building genuine partnerships will help ensure sustainable and equitable development. Concern worked in both rural and urban areas to improve livelihoods. Training was provided, along with basic necessities for agricultural production.

Training concentrated on subjects such as agricultural techniques, seed conservation, and management and communication skills. Small projects were encouraged to kickstart local enterprise, and basic infrastructure was repaired, including two bridges in Maniema.

Maniema Province, Kinshasa

HIV/AIDS Harnessing the support of community leaders and engaging a wide network of local organisations is vital to combat the devastating effects of the HIV/AIDS pandemic in DR Congo. Concern worked closely with local groups, particularly CODEC and the Kisenso Central Health Office and ACORD. Publicity campaigns targeted specific groups - children, sex workers, young mothers – and have won popular support among religious and local leaders. Training was provided to those living with AIDs (and their families) to assist income generating activities.

Kisenso, Kingabwa

Disasters Volcanic activity in and around Goma caused untold damage in January 2002. Creating a mechanism to provide accurate and timely information in the event of another eruption is central to our work. An information centre has been constructed and an early warning system introduced, utilising media and billboards. Local groups are being assisted to ensure a more co-ordinated response to a future disaster. Working with the Volcano Observatory and a national NGO network, CRONGD, Concern raised awareness among over 212,800 people, on the hazards of volcanic activity.

Goma, North Kivu



Total Spend; €10,764,990 (Stg £7,460,138)
Funded by; Concern €1,715,748, DCI-Maps €331,595, DCI-Other €145,981, EU €152,736, Concern USA €440,228, UN €4,469 (Stg £3,097), APSO €52,500, Cardinal Leger €97,405, Euronaid €58,206, WFP €1,134 (Stg £786), Sundry Sponsors €281,805 (Stg £195,291), Ethiopaid €170,831 (Stg £118,386), Jersey OA €7,247 (Stg £5,022), ECHO €330,498, Other Donors €150,714, Non-Monetary Donations €6,823,893



Total Spend; €1,663,219 (Stg £1,152,611)
Funded by; Concern €559,681, DCI-Maps €645,265, DCI-Other €20,680, Concern USA €89,118, APSO €27,500, ECHO €238,191, Other Donors €27,606, Non-Monetary Donations €55,178



Total Spend; €287,665 (Stg £199,352)
Funded by; Concern €206,407, DCI-Maps €67,281, Concern USA €3,977, APSO €10,000



Total Spend; €987,945 (Stg £684,646)
Funded by; Concern €138,943, DCI-Maps €430,000, DCI-Other €15,462, EU €224,512, Concern USA €72,064, APSO €7,500, Jersey OA €46,905 (Stg £32,505), Other Donors €29,966, Non-Monetary Donations €22,593



Total Spend; €365,890 (Stg £253,562)
Funded by; Concern €175,890, DCI-Maps €165,000, APSO €25,000

HORN OF AFRICA

Overview Livelihood security – a key focus for Concern over the coming years – is a major issue in the Horn of Africa. In 2003, serious food shortages occurred in Ethiopia, Eritrea and south Sudan. Increasing populations, decreasing resources, environmental degradation and increased pressure on land are combining to create huge insecurity throughout the region. Often the situation is exacerbated by conflict, while HIV/AIDS also poses an enormous threat.

Quite simply, we are seeing a steady rise in the numbers of people and communities who struggle to feed themselves and their families, on a daily basis. Their ability to cope is constantly being eroded. In such a situation, the slightest shock can tip millions into famine.

In such a situation, new thinking is required. During 2003, Concern began implementing what we believe to be a hugely innovative method of treating malnutrition. Community Therapeutic Care (see Malawi report) was introduced to Ethiopia and southern Sudan. Results were impressive. This new approach allowed us to reach many more people, proved itself to be flexible and appropriate to local conditions – and highly effective in treating hunger and malnutrition.

Angela O'Neill de Guilio, Regional Director



Tega Taddese. Picture: Fabienne Fosseze

GROUND FORCE GOES TO ETHIOPIA

"I am very happy to see this garden. The other children and I will enjoy playing in it!"

The speaker is 13 year-old Tega Taddese, from the 'Mercato' area of Addis Ababa, one of the city's poorest neighbourhoods.

In sprawling, overcrowded Addis green spaces are few and far between - in Mercato, a rarity.

The garden Tsega refers to was created by the BBC's Ground Force team. In just three short days they worked with the local community to transform a barren piece of land into an oasis of calm and beauty.

The garden sits in the compound that houses Tega's school, which caters exclusively for children from impoverished backgrounds.

The school was built by Chad-Et (Children Aid -Ethiopia), a local Concern partner, to ensure children like Tega are not denied an education. Many local families cannot afford to send their children to a government school. Over 300 children from the area attend the Chad-Et school.

The school construction was financed by Concern.

Ground Force executive producer, Carol Haslam, saw the site while on a research visit to Ethiopia. She instantly felt this would be a worthwhile project for the BBC's Ground Force team and would make a real contribution to a deprived community.

The aim was to create a garden that was both beautiful and functional.

Three days of back-breaking work by Charlie Dimmock, Tommy Walsh and the team, led to stunning results. A bare, unpromising piece of land, with an open sewer running through it, was transformed into a veritable paradise.

An array of semi-tropical plants, shrubs, trees and vegetables provide a lush and colourful backdrop. A Tea House constructed by Tommy provides much-needed shade, but also doubles as a means of harvesting water. In addition, a chicken-run was installed.

A children's play area, complete with swing and see-saw, put the finishing touches to the garden. For Anannia Admassu, head of Chad-Et, the results of the Ground Force effort are priceless. "Most of the residential area around the school is slum, so creating a good space for children to learn and play means a great deal. It's great for them - the children haven't been to parks, so for them to have a good garden is ideal!"

"It has vegetables as well as plants, and the children can learn about growing plants and watering the garden - it is educational as well as beautiful. And the local community will use it as a place to come and relax, and for wedding ceremonies and other special occasions!"

"It is a great addition - it will mean a lot for this community!"

Sarah Molloy

ETHIOPIA

After South Africa, Ethiopia has the highest number of HIV infections and deaths from AIDS, in Africa.

An estimated 2.9 million adults and 250,000 children are living with the disease.

Some 750,000 children have been orphaned.

The pandemic is a significant threat to the country's future.

To compound the problem, the 2002/2003 harvest failed, with 13.2 million people requiring food aid.

Thankfully the timely response of government and donors meant that famine was averted.

The government has now convened a task force - 'The Coalition for Food Security' - to consider the policies necessary to end food aid dependency within five years.

In March 2003, Ethiopia rejected a ruling of the UN Commission set up to examine the border dispute with neighbouring Eritrea. The physical border between the two was suspended indefinitely.

Food Concern worked to improve the availability of food and management of scarce resources by local authorities. Irrigation and infrastructure work was completed, and an early warning mechanism was established in South Wollo.

A livestock credit project was suspended for much of the year, but upon restarting over 120 people used it to build up livestock and rural assets. In Dessie Zurea, eight new springs brought clean water to 8,140 people and their livestock and enabled the irrigation of small areas of land.

Wollo

Emergency Successive harvest failures have reduced the ability of the poor to feed themselves and recover from previous shortages. Concern distributed food to over 280,000 people in 2003. The programme was expanded to Ofa Woreda in July. Overall, 55,225 moderately malnourished children and pregnant women were targeted and a further 1,516 severely malnourished children were treated under our community-based care programme. To aid recovery, seeds and tools were distributed to 16,000 families, and an employment scheme started.

Wollo & Woylita

Community Development Support was provided for the 'Community Development Association', a body comprising 12 local groups. The aim is to improve CDA skills and expertise, and financial and technical training was provided.

Addis Ababa

Street Vendors Support to the small businesses of street vendors was continued by encouraging 517 to organise into credit and saving coops. Credit amounting to €62,738 was disbursed, with a 99% success rate in loan repayments. Savings reached €10,897. As a further boost to business, 300 fuel saving stoves and 13 latrines were distributed. **For street youth**, training and apprenticeships were offered to provide a more stable existence. Employment was found for 34 youths, and another 55 are now apprenticed.

Addis Ababa

Education Over 3,200 children received basic education through Concern's support to six local partners in Addis Ababa and Amhara Region.

HIV/AIDS Working with local partners - especially ChadEt, Mekdim and Propride - Concern focused on improving living conditions for people with HIV/AIDS. Priorities included home-based care, community counselling and advocacy. Some 1,400 patients were reached.

Addis Ababa, Woredas



Pictured is Mary Wanjiku, whose small business has grown with the help of a grant from Concern. Mary also attends adult literacy classes supported by Concern. Picture: Abdi Mohammed, Concern.

KENYA

Kenya underwent sweeping political change in December 2002, following the electoral defeat of the Kenya African National Union - in power for 40 years. The National Rainbow coalition, headed by Mr Emilio Mwai Kibaki, swept into office and promised to revitalise the economy and tackle poverty.

The development challenges are extensive, as 23% of the population live in extreme poverty. In addition, HIV/AIDS has had a devastating impact. Over two million are infected, with infection rates of 40% in some areas. Estimates suggest 1.2 million children will be orphaned by the pandemic, by 2005.

Education Over 1.9 million children fail to go to school in Kenya. Tradition dictates that girls remain home and marry early. They are among the target groups for our work, along with disabled children, and those orphaned by HIV/AIDS. This work included training over 2,000 parents to encourage greater involvement in the education system.

Teachers were assisted to improve standards, while Concern supported an informal primary school catering for 200 children.

Demand for basic literacy classes for adults was high and these will be expanded in 2004.

Korogocho, Nairobi (Suba district)

Small Enterprise With the aid of a grant from Concern, 24 members of the Day Shelter Women's Group started small businesses, and their success enabled them to access new funds elsewhere. Concern will expand this work in 2004, targeting those affected by HIV/AIDS (run in partnership with Kenya Network of Women Living with AIDS).

Korogocho, Nairobi

Urban Poverty Living conditions in Nairobi's 'informal settlements' are dreadful, with non-existent social services, and uncollected waste posing a major health hazard. With local self-help group, Tumaini, Concern initiated a waste collection business that now serves over 450 households. Tumaini established links with Nairobi City Council and the Department of the Environment to campaign for a cleaner environment.

Karogocho, Nairobi

NORTH SUDAN

Talks continued between the government and the Sudan People's Liberation Army (SPLA), bringing some hope of peace to southern parts of the country.

The government and SPLA signed an agreement on security issues, in October 2003, which set the stage for a new round of negotiations in November. However as peace appeared to break out between north and south, a new conflict erupted in the west, in Darfur. Here, state forces battle with the Sudan Liberation Army and the Justice & Equality Movement. This has left huge numbers displaced and others crossing into Chad as refugees.

These conflicts must be resolved if Sudan is to make meaningful progress.

Skills Training Practical skills training – car mechanics, electrical – gave 97 male school dropouts a second chance. Working with Sudan Development Association, Concern trained 33 women in textile printing, while 16 boys and girls attended computer classes. The training centre also provided vital support to teachers.

Gadarif Province

Emergency Concern responded quickly to flooding which saw more than 2,000 people displaced in West Kordofan State.

Relief work included the provision of 500 blankets and 100 sacks of sorghum.

Abyei Town, West Kordofan State

Hygiene To ease difficult conditions in Elsalam refugee camp, Concern worked with the Sudan Social Development Organization to raise awareness on hygiene and sanitation. Safe drinking water was also provided to 16 schools, and sanitation tools given to the community. Concern worked through local committees and the Sudanese Red Crescent to ensure health messages made an impact.

Omdurman (Jeberona)

Health Education Supporting 30 students to study an informal primary health course provided by the Sudan Association for Open Learning and Development.

Khartoum State

Community Development Concern aims to increase the skills and expertise of local organisations, to allow them work on issues related to poverty reduction in their own communities. Four local NGOs were assisted in planning, developing and implementing projects. Communities now also have a vehicle to express their needs at a local and national level.

Abiye, West Kordofan State



Mohammed Idris. Picture: Danny Rowan/Concern

DIGGING FOR WATER

Mohammed Idris is drawing water from a new, covered well in Embulday, Anseba, southern Eritrea.

The well is located close to his home. Previously, he – or a member of his family – was forced to walk for an hour and a half each day in order to collect water.

This also caused serious problems for the many families in the area who kept livestock.

The new well, dug by Concern, has brought real benefits to the local community.

“The well has been here for one month. There was another well nearby but it was destroyed. Now we have safe, clean water which is close to my home. As well as serving many families in the area, the well also serves a local school and provides water for all the livestock.”

“The shallow well that was here before was not ideal, as humans had to share it with the animals and often the water was made dirty by the animals. As a result people often became ill.”

“Now, because the humans and animals don’t have to share the same water source, there is far less risk of disease. I have nine children so this is a big relief for me.”

“I am very familiar with the work of Concern in this area. I know that they have a nutrition programme for children and pregnant mothers.”

“Two of my children benefited from this work. They were both very sick but now their health has improved greatly.”

“Concern has done great work in this community. No one else has come here to offer support.”

Danny Rowan

ERITREA

The border dispute with Ethiopia – a legacy of the war of 2000 - continues to hamper progress, with the demarcation process still unresolved.

The decision to demobilise 200,000 soldiers has been delayed further and the economy now faces serious labour shortages. The agricultural sector - upon which 80% of the population rely - has been hardest hit. Women face enormous pressure in providing for the needs of their families.

Erratic rains brought another poor harvest. Estimates suggest it will meet just 20% of national food needs, leaving the country heavily dependent on external aid.

Insecurity along the border with Ethiopia continued to affect Concern’s work in the Debub zone, as cattle rustling persists and tensions run high between local communities. In Anseb, an extremist group, Eritrean Islamic Jihad, has been active, and was said to be responsible for a landmine explosion which narrowly missed a Concern vehicle. Despite these worrying trends, Concern Eritrea has shifted focus from emergency to longer-term development work.

Nutrition Children are particularly vulnerable in times of drought and food shortages. Responding to high malnutrition levels in Anseba, Concern reached nearly 10,000 children under five years with food distributions – over 217 tonnes distributed in partnership with the World Food Programme. Soap was also supplied to mothers whose children were being monitored, and water containers were distributed to 3,500 families. Training to improve the work of the Ministry of Health proved successful.

Amsat sub zone, Anseba Zone

Rural Recovery The devastating drought of 2002 left the country in danger of losing vital indigenous seed supplies, and poor farming communities had little or nothing to plant. Concern assisted the Ministry of Health in purchasing 278 metric tonnes of local seed, and redistributing it to 6,157 farmers. Not all of the harvest was successful, as poor rains hit again, particularly in Qohaito plateau.

Longer term work to address problems such as soil erosion and water scarcity was also initiated. With funding from the Irish Government, over 1,700 hectares were treated, to limit soil and water erosion. Some 6,800 people worked on a variety of other soil and water conservation activities. The income received gave a good boost to the local economy.

Anseba zone, Adi Keyith sub zone, Debub Zone

Water In Anseba subzone, women and children formerly faced a six hour walk to collect water (see facing page). Concern started work to improve access to safe water for some 1,825 families. Five water structures were almost completed by year’s end. In a second subzone, Senafe, Concern provided ten new sources of drinking water for 4,201 families, and 8,000 water containers were distributed. Five ponds used by livestock were also rebuilt.

Senafe & Anseb sub zones, Debub



Elman FC- Peacemakers and football club. Picture: Concern

SOMALIA

Peace talks that began in October 2002 have not brought any tangible benefits. As the economy continues to worsen and unemployment rises, peace and security remain elusive.

While faction leaders, members of the Transitional National Government (TNG), and representatives of Somali civil society continue to meet, existing divisions continue to hamper progress towards establishing a new government.

Education Concern helped to raise standards through teacher training and support, while ensuring greater access - particularly for girls - by improving school infrastructure and supplying textbooks/ copybooks. An additional 1,830 pupils enrolled in the 15 schools supported by Concern - the total now stands at 5,925 and 38% are girls. The drop out rate has fallen. Adult education and sports training were also provided.

Mogadishu & Lower Shabelle

Food Concern provided essential tools and training to increase food production among the rural poor. Irrigation improvements, and the supply of a tractor to farmers, ensured that land under cultivation increased by nine percent, giving 525 families the expectation of a better harvest. Support was also given to the development of farmer associations.

Kurtunwaarey District

Water Improving access to safer water reduced the frequency of waterborne diseases among 2,458 families. Workshops were held on hygiene and local water management. Concern also provided tools and helped organise sanitation campaigns.

Kurtunwaarey & Awdegle districts, Lower Shabelle

HIV/AIDS Concern's first HIV/AIDS project for Somalia started by gathering data on the pandemic and investigating local groups working on the issue. Awareness training was held for staff.

Mogadishu

Sport Concern focused on promoting peace, and providing youth from warring clans with a chance to interact peacefully. Training and equipment was provided to Elman FC and the club members tour the country to promote the ideal and help other clubs. Elman FC represented Somalia at the Confederation of East and Central Africa Football Association (CECAFA) championship in Uganda in 2002.

Mogadishu

Emergencies We continued to prepare staff and local communities for natural disasters. Basic supplies were stockpiled and sandbags pre-positioned.

Mogadishu

SOUTHERN & WESTERN AFRICA

Overview Twelve months ago, a severe food crisis threatened much of the region. It was a crisis that required prompt and effective action. The global humanitarian community – including Concern – can take great credit for providing just such a response. Before we intervened lives were being lost. Our intervention was timely and effective – there is absolutely no doubt that lives were saved and a major humanitarian crisis spanning many countries was averted.

On a more positive note, peace appears finally to be taking hold in Angola. Three decades of the war have devastated the country but, now, at least, we can start rebuilding. Its been a long time coming.

Looking to the future, there is little doubt as to the most serious challenge we face: HIV/AIDS. Quite simply, the pandemic cuts across all that we do – and threatens all we do. This is being factored into all our work, with all programmes having a HIV/AIDS component.

Brid Kennedy, Regional Director



Total Spend; €3,649,384 (Stg £2,529,023)
Funded by; Concern €1,427,151, DCI-Maps €800,000, Euronaid €51,329 (Stg £35,571), DCI-Other €25,178, EU €55,503, Concern USA €185,534, UN €789 (Stg £547), APPO €80,000, WFP €7,981 (Stg £5,531), Dutch Embassy €269,136, MWHB €32,423, Sticht Vluchteling €209,027, ECHO €67,482, Other Donors €73,182, Non-Monetary Donations €364,669



Total Spend; €370,175 (Stg £256,531)
Funded by; Concern €287,108, DCI-Maps €36,549, Concern USA €22,768, APPO €23,750



Total Spend; €2,926,511 (Stg £2,028,072)
Funded by; Concern €490,069, DCI-Maps €553,126, British Govt €471,229 (Stg £326,562), EU €638,161, DEC €-102,345 (Stg £-70,925), APPO €45,000, WFP €87,159 (Stg £60,401), Community Fund UK €343,384 (Stg £237,965), Other Donors €72,162, Non-Monetary Donations €328,566



Total Spend; €2,938,468 (Stg £2,036,358)
Funded by; Concern €1,445,867, DCI-Maps €407,129, DCI-Other €423,999, Concern USA €2,154, DEC €242,870 (Stg £168,309), UN €5,792 (Stg £4,014), APPO €66,250, Sundry Sponsors €11,621 (Stg £8,053), ECHO €110,748, Non-Monetary Donations €222,038



Total Spend; €901,891 (Stg £625,010)
Funded by; Concern €702,409, British Govt €170,732 (Stg £118,317), APPO €28,750



Paulo Vitorino plants potatoes with seed supplied by Concern (Angola).
Picture: Pieterella Pieterse/Concern

ANGOLA

The first full year of peace, after 30 years of war, has allowed a flowering of hope in this war-ravaged country. As refugees from neighbouring countries and the internally displaced return to their homes, there is finally an opportunity for recovery and reconstruction.

However, landmines and a severely depleted infrastructure continue to place considerable constraints on this work.

Food Over 50,000 families were given the chance to rebuild their lives by getting access to food and the means to feed themselves. Seeds, animals, tools, and technical guidance were distributed by Concern, along with food to overcome temporary shortages. Fruit tree nurseries and seed multiplication activities encouraged new sources of income. Attention was paid to demobilised UNITA soldiers, to assist their re-integration into communities.

Community Management Groups and Community Seed stores were established. Partnership with the Ministry of Agriculture remains critical to long-term success.

Ekunha Municipality, Huambo; Kunhinga Municipality, Bie; Calandula Municipality, Malanje.

Health In the absence of healthcare services, Concern provided critical support to over 250,000 people in Huambo, Kuito and Malange. At the outset, the priority was to treat illnesses, but as the situation improved, we were able to focus on promoting hygiene and better health practices, particularly in relation to reproductive health. Traditional Birth Attendants were trained, and Community Health Volunteers supported to promote basic hygiene among communities. There was a marked reduction in cases of hygiene-linked illnesses.

Attention was paid to improving the health of vulnerable groups, particularly children and pregnant women. Over 10,000 moderately malnourished and 1,000 severely malnourished children were successfully treated in Bei, Malange and Huambo, over the year. But as the situation improved, Concern was able to close one of its three feeding centres, and put the emphasis on educating families about nutrition values.

Kuito, Huambo, Bei & Malange provinces

NIGER

Niger remains one of the poorest counties in the world, with 85% of its population living on less than US \$2 a day. They also depend largely on land that is increasingly being taken over by the desert. Literacy rates are among the lowest in the world. Only 41% of children enrolled in primary school last year, with that figure even lower in rural areas. Just one in three girls attend school.

Education Concern works in Tahoua region where literacy levels are among the lowest in the country. The aim is to increase the number of children getting a good education, through the active involvement of communities and local authorities. We work closely with the Ministry of Education to achieve this, including support to its ambitious plan 'Education for All' by 2013.

Concern also worked to build the capacity of Ministry staff, so they can take on their roles in a newly-decentralised system. Computer training for staff was also organised.

We are also addressing the need for a better teaching standards. For teachers with no training, Concern brought advisors, inspectors and teacher trainers together to develop a 'survival kit' guide. It has already been distributed to over 650 teachers, with some training in its use, to assist them to teach over 26,000 students. In addition, we are supporting the structures that facilitate professional development for teachers in order to ensure that there are incentives to improve teaching levels. New classrooms and several teacher resource centres will be constructed to assist this process.

Finally, the programme aims to address the lack of reading material for children, particularly in the five national languages of Niger. In partnership with GTZ and UNICEF, 33,000 books were printed in local languages and French, with stories written and illustrated by local writers and artists.



Francisco Sinto, 12 at Buine Primary School, built by Concern.
Pieterella Pieterse/Concern

MOZAMBIQUE

The country suffered another year of drought - to which Concern responded - that hit hardest in the southern and central provinces.

At the political level, the country experienced a welcome degree of stability. Local and municipal elections ran smoothly, auguring well for the 2004 presidential elections.

Local Community An important step towards realising the development goals of local communities is to improve planning and decision-making. Concern encouraged this process by supporting a model of decentralised, participatory governance in Machaze District.

Serving over 75,000 people, Community Councils were supported in drawing up a District Plan, which will enable them to attract and channel national, regional and local funds to the needs of the people. Income generating schemes organised by the Councils were also funded.

To ensure that Local Development Committees continued to play an effective part in this decentralisation process, they received training on subjects as wide-ranging as conflict management, leadership, land law and natural resources management.

In Maputo, community involvement focused on the role being played by civil society groups. Four organisations were given financial support and training to enable them to play a more effective role in combating urban poverty.

Machaze District & Maputo

HIV/AIDS This continues to have a devastating impact on the country, and while Concern is still in the planning phase, we are working with four other leading European agencies to deliver a joint AIDS project. All are members of Alliance2015 (www.alliance2015.org) It will be a cross-sectoral project that draws on the expertise of the partner agencies to make an impact in education, nutrition, prevention of mother-to-child transmission, and civil society capacity building.

Education Concern's support enabled the construction of five more schools this year. Two resource centres were also built, with five more under construction. Ongoing support to 12 school councils encourages parents to be directly involved in their children's development, and they have been particularly active in promoting education for girls. The success of our approach has led to the preparation of two similar education programmes, in Manica and Zambezia provinces.

Nampula & Chimoio cities

Emergency Concern focused on distributing food to 3,500 families in Machaze District. Community projects were also started to alleviate the worst effects, including the repair and maintenance of water pumps, cisterns and wells; the setting up of irrigation schemes and the clearing of fertile land; the introduction of drought resistant crops and livestock re-population. These drought prevention methods led to a further 1,200 families getting access to clean water, and 770 families expected to increase their crop production.

Machaze District, Manica Province



CARE IN THE COMMUNITY

The concept is simple, the results dramatic. Four years ago, Concern and Valid International began pioneering a radical new approach to the treatment of malnutrition.

Traditionally, agencies responded to food shortages and crises by establishing large-scale specialist care and feeding centres. While this approach has saved countless lives, it also suffered a number of disadvantages: it is labour intensive and expensive to operate; diseases spread quicker amongst large numbers of ill or malnourished people; arguably, it can undermine or weaken the capacity of existing health services in the area.

In addition, when a mother brings a child to a centre for care she may often have to travel long distances and be away from home for an extended period. This can have negative consequences for family members who remain behind and can also impact on their ability to grow crops and produce food.

Community Therapeutic Care (CTC) is radically different. Rather than treat those affected in one specialist centre, women and children are treated in their own homes.

Initially, mothers bring their malnourished child to easily-accessed distribution points for a medical examination.

The mother is then given a week's supply of specialised food with which she can feed the child at home.

She can return to the distribution point on a weekly basis, as required.

Thus, mothers are empowered through nursing their sick children back to health. In addition, family and community life is less disrupted by enforced absences.

Also, the risk of disease and infection is obviously far lower.

Community Therapeutic Care is deeply-rooted in the community. Local people are trained to act as Outreach Workers, monitoring the progress of children and families.

And these skills and training stay within the community, meaning it is better-placed to respond should the need arise again.

To date, Concern and Valid have successfully operated the CTC model in Malawi, south Sudan and Ethiopia.

In Malawi, almost 4,500 children have been successfully treated, and up to 44,000 in Ethiopia.

Macdara Doyle

MALAWI

In the wake of the severe food crisis of 2002, Malawi has gradually returned to the path of development. The emergency response was critical to allowing communities time to replant crops in the hope of more favourable rains, but considerable development challenges remain if the country is to lay foundations for a better future.

From April 2003, Concern phased out its emergency work and began longer-term work that addresses the root causes of poverty.

Post-emergency By April 2003 we had phased out food distribution to the 10,000 families we were reaching at the height of the food crisis.

A survey was conducted to learn the lessons from the programme. Key findings suggested that food distributions were successful in enabling families to focus on planting for the next harvest, rather than being forced to sell seeds and other agricultural inputs, or look for alternative work, to feed themselves in the short-term.

Dowa, Mchinji, Lilongwe & Kasungu Districts

Food With the need for food distributions reduced, Concern turned its attention to ensuring successful food production. We also tackled drought prevention and mitigation efforts. Achievements include:

Nearly 10,000 families were assisted in agricultural production: Seeds and fertiliser were distributed to plant over 2,000 hectares of maize, 1,000 hectares of groundnuts, 900 hectares of beans, and 1,200 hectares of soya bean.

Over 9000 families were trained in crop storage and processing to ensure food stocks lasted through to the harvest. Families were also encouraged to build up seed stocks in preparation for the next season.

Over 340 poultry groups were strengthened through the distribution of 7000 chickens and training on best animal husbandry practice. By the middle of the year over 10,000 eggs and 6,000 chicks were produced.

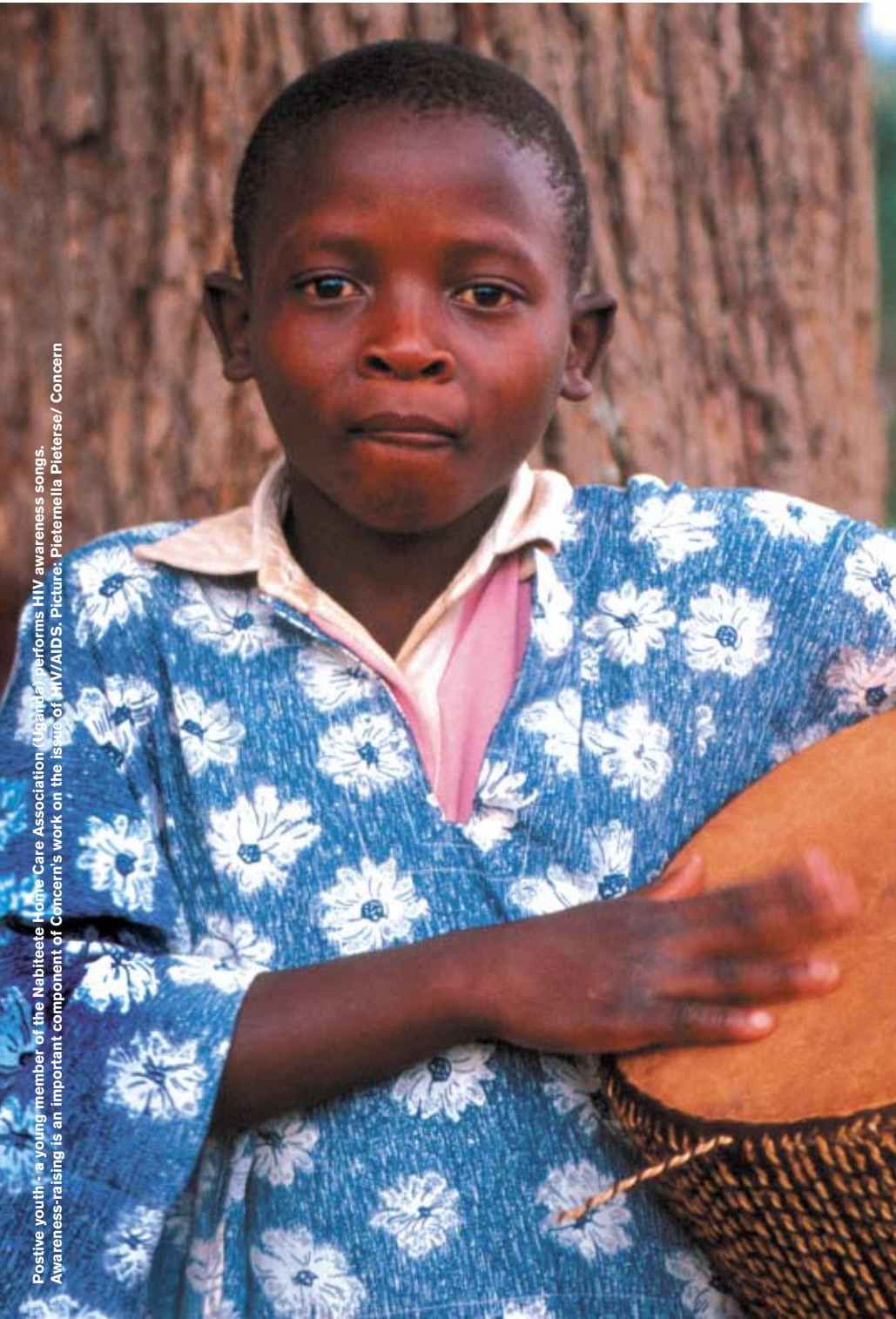
26 women's groups were supported in their efforts to start bakery businesses. Another 26 groups began the production of paprika for which there was a known demand. These projects will give poor families the chance to supplement their agricultural income.

Dowa, Mchinji, Lilongwe & Kasungu Districts

Health Concern's community-based approach to treating malnourished children and pregnant mothers proved hugely successful (see facing page). The programme treated over 1,194 severely malnourished children, and 3,241 moderately malnourished children, through outpatient care and supplementary feeding. Over 500 women also received treatment.

In collaboration with Valid International, Concern went on to conduct training with the staff of the District Health Office, in Dowa District, to enable them to take over the programme. It was then able to shift its resources to a new district, Nkhotakota, where it has introduced a similar approach to therapeutic care, with the participation of the District Health Office and selected church missions.

Dowa & Nkhotakota Districts



POSITIVE STORIES

Positive Youth is an educational video developed by Concern and the Dublin Aids Alliance, which seeks to engage both Irish and Zambian youth in discussing the global AIDS pandemic.

In particular, the video seeks to explore the personal challenges faced by youth in both countries, as they seek to 'positively' confront the single greatest problem facing humanity.

Positive Youth was kindly funded by Development Cooperation Ireland, and by Concern.

Aimed at a teenage audience, the video addresses issues of transmission, stigma, access to treatment, and efforts to reduce the incidence of AIDS, particularly in the developing world.

Shot in Zambia and Ireland over the course of eight months, Positive Youth features young people in both countries talking openly and movingly about the issue.

The video also features U2's Bono addressing this issue with characteristic passion. "AIDS," he says plainly, "is allowed to persist for the stupidest of reasons - money."

Today, there are more than 40 million people infected by the HIV virus - and 29 million of those live in sub-Saharan Africa. It is now the leading cause of death on that continent, overtaking even malaria.

Development Cooperation Ireland states that the pandemic is "perhaps the most critical challenge faced by developing countries..."

AIDS is a problem that confronts all of humanity and it will require all of humanity to defeat it.

The Positive Youth video and education will be available for distribution to secondary schools, youth clubs and training colleges in both Ireland and Zambia.

Michael Doorly

ZAMBIA

Good rains and a good harvest brought relief to much of Zambia in 2003, following the serious food crisis of 2002. Nonetheless, pockets of real hardship and need remain, particularly in the Concern area of operation, Western Province.

On World Aids Day, President Mwananawasa confirmed that 16% of Zambians were infected by HIV/AIDS. The battle against the disease was intensified as the National AIDS Council decentralised its functions to District Task Forces to tackle local priorities. As international funding becomes more available, channelling this effectively to communities remains the considerable challenge.

Mongu District of Western Province, where we operate, is one of the poorest regions in the country. Almost 90% of the population live in poverty, which is compounding the relatively high HIV/AIDS rates. Poor soils, periodic flooding and drought, and under-developed farming techniques, are just some of the issues to be addressed.

HIV/AIDS By supporting the work of the Mongu District HIV/AIDS Task force (DATF), we expect to strengthen the network of those dealing with the problem, including people living with AIDS, youth groups, government agencies, traditional leaders, the private sector, non-governmental organisations and religious groups.

The Task Force comprises volunteers with local experience in tackling the problems of HIV/AIDS. Concern is supporting efforts to improve its coordination functions; facilitating workshops to discuss approaches to the disease; acting as an effective channel of funds to meet local priorities; and identifying gaps to respond fully to the crisis.

Concern is supporting the compilation of a DATF database and development of education materials in the local language. We are also funding local projects, and dramas, that serve very effectively to raise awareness of the problem, in farming communities.

Food Concern is working through local farmer associations to distribute 440 kg of maize seeds and 1,700 kg of rice seeds for the next planting season, in communities chronically short of both commodities. Over 120 families benefited from this critical supply of seeds. They have agreed to pay back in-kind, after the harvest, to replenish community seed stocks, and permanent seed banks and storage facilities were built to facilitate this.

Collaboration with the farmers associations was developed further, to encourage the introduction of better farming methods such as inter-cropping maize with legumes (cowpeas), conserving moisture and minerals in the soil, and the manufacture of compost. Demonstration plots were created and the new techniques are expected to catch on over time. Work to address HIV/AIDS within these farming communities through drama sessions performed by a local group, is ongoing.

**Mongu District,
Western Province**



Total Spend; €3,285,467 (Stg £2,276,829)
Funded by; Concern €1,966,916, DCI-Maps €450,000, DCI-Other €58,233, British Govt €3,854 (Stg £2,671), Concern USA €301,930, UN €-323 (Stg £-224), APSO €75,000, WFP €54,085 (Stg £37,481), UNAMA €18,950 (Stg£13,132), MRRD €122,017, ECHO €115,040, Other Donors €1,997, Non-Monetary Donations €117,768



Total Spend; €2,495,025 (Stg £1,729,052)
Funded by; Concern €43,019, DCI-Other €85, British Govt €20,473 (Stg £14,188), EU €916,419, UN €27929, SIDA €179,470, ECHO €1,307,630



Total Spend; €1,354,895 (Stg £938,942)
Funded by; Concern €364,455, DCI-Maps €368,500, Community Fund UK €36,596 (Stg £25,361), British Govt €18,111 (Stg £12,551), EU €166,136, Concern USA €206,925, UN €49,519 (Stg £34,317), APSO €51,250, Jersey OA €90,898 (Stg £62,992), Other Donors €2,505



Total Spend; €270,985 (Stg £187,793)
Funded by; Concern €170,984, DCI-Other €90,434, Concern USA €9,567



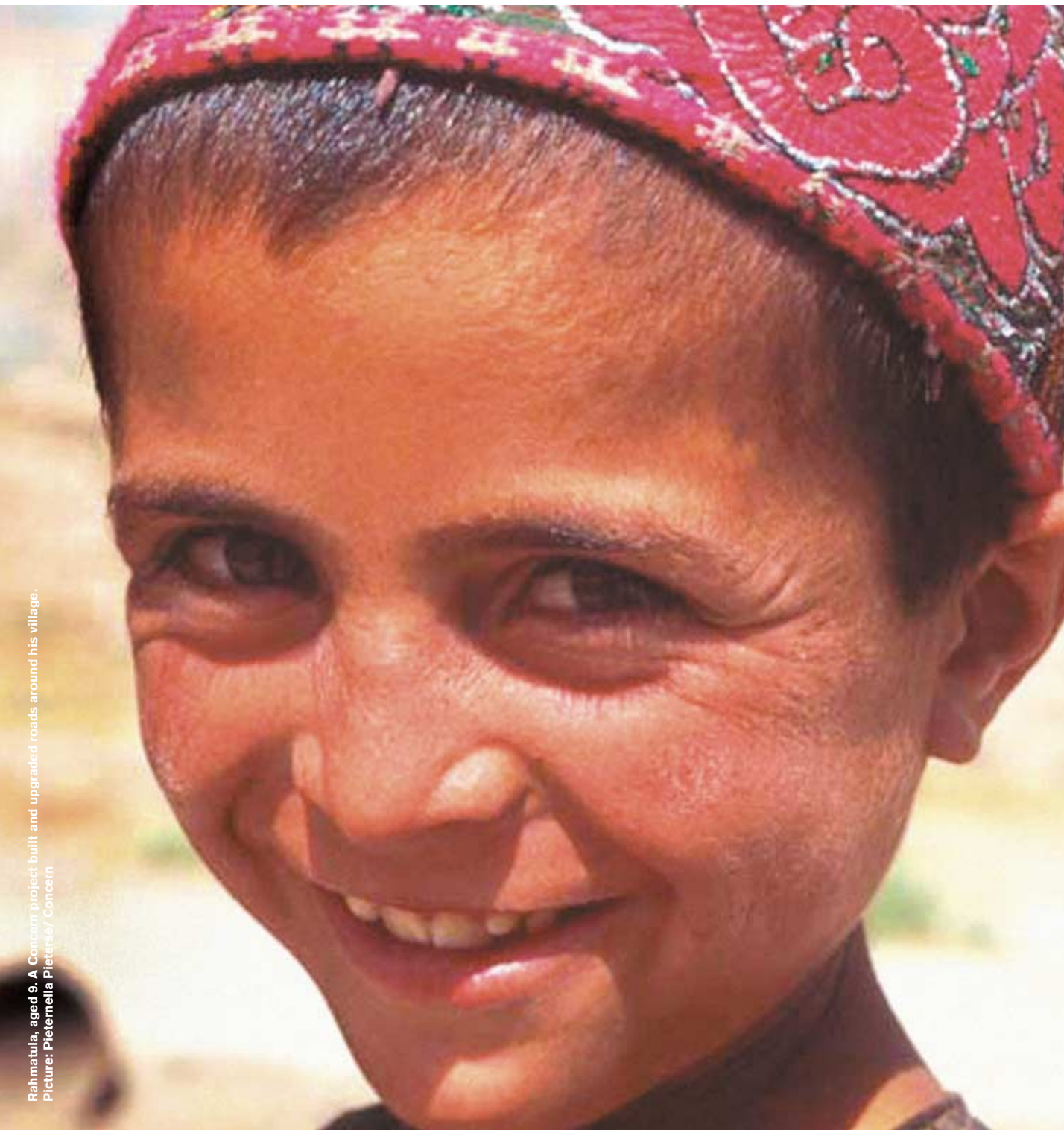
Total Spend; €1,061,029 (Stg £735,293)
Funded by; Concern €445,559, DCI-Maps €486,922, DCI-Other €30,496 (Stg £21,134), EU €4,679, Concern USA €11,073 (Stg £7,674), WFP €43,750, ECHO €25,192, Other Donors €13,358

WORLDWIDE

Overview Conflict continues to be a major impediment to development and progress. At best, it freezes all social and economic development in any given country. At worst - and too often this is the outcome - it throws whole countries and regions into reverse. From Concern's perspective, it also places severe constraints on where we operate and how many people we can reach. It also prevents us from longer-term programming and work.

In Afghanistan, while widespread conflict may have ceased, the country is still prone to instability. The claims of competing warlords, often vying for control of the lucrative drugs trade, are contributing hugely to the levels of insecurity. Until these issues are addressed, we cannot hope to see meaningful progress and development.

Anne O'Mahony, Regional Director



Rahmatulla, aged 9. A Concern project built and upgraded roads around his village.
Picture: Pietermella Pieterse/ Concern

AFGHANISTAN

Afghanistan remains one of the poorest countries in the world, with life expectancy at less than 43 years. Recovery, after over 23 years of conflict, is slow, but progress is being made.

Stability and a sense of security have returned to some areas of the country. The Afghan Transitional Authority – the de facto government – did succeed in getting a draft constitution approved, after considerable debate at the constitutional assembly (Loya Jirga). Scheduled elections may be delayed by the slow pace of voter registration, particularly amongst women.

Rebuilding Lives Concern worked in 12 districts supporting the efforts of over 300,000 people attempting to rebuild their lives, after the war. This included improving food production by distributing wheat seed and fertiliser to over 2,500 farmers, and setting up crop nurseries. To improve access to local markets and services, Concern supported the rebuilding of 40km of road; and to get children back to schools, seven primary schools were rebuilt. Meanwhile, in Takhar and Badkshan provinces, Concern began a wide-ranging programme to improve the availability of food, health and other services to these rural communities.

Takhar, Badakshan, Kunduz & Baghlan

Earthquake As well as providing shelter and other essential items to those affected by an earthquake in Nahrine, Concern helped ensure better access to safe water. Four wells were built, and materials provided for two irrigation tanks, which enabled 1,857 families to get clean water.

Sharikona and Tawashakh (Nahrine Old Town), Baghlan Province

Drought Relief Concern brought relief to over 1,500 families in drought-affected communities in Rustaq, by providing additional food supplies and raising awareness on health issues. Nutrition levels among women and children improved in particular as a result of its interventions.

Rustaq, Takhar Province

Infrastructure Lack of basic infrastructure in the country prevents local communities from gaining access to water and services, as well as from reaching local markets to sell their produce. Concern helped address these problems in northeast Afghanistan, by repairing over 32 km of road, building four major bridges, repairing culverts and constructing 50 wells.

Takhar & Baghlan Provinces

Women Concern is focusing on encouraging women to get involved in community decisions, Concern is helping local development efforts through an innovative 'National Solidarity Programme'. While still in its early stages, the programme started by facilitating communities to elect bodies to represent them, and prepare proposals and implement development projects, funded by government.

Warsaj District, Takhar Province



ISLAND LIFE

In the harsh environs of La Gonâve, families often find it hard to make ends meet. The island – located in the west of Haiti – is home to 100,000 people and is probably the most underdeveloped area of an already poor country.

Most subsist on small trading, charcoal production and limited agricultural work. The island wants for both physical and social infrastructure. In this context, access to cheap credit and small loans provide an invaluable means for families to invest in small-scale economic activities and generate a better income.

Five years ago, Concern set out to do just this. Working with a local partner - Asosyasyon Animate Payizan in La Gonâve (AAPLAG) – Concern established a series of 'village banks', to provide access to finance for poorer families. The banks are organised around a network of womens' groups.

Mme Ibene Jourdain is Secretary of one such body – the Morne Augustin Women's Group. She is also what is known locally as a 'mamam de cartel'. Interested women form themselves into 'cartels' of 4-5 members (friends, other women they trust) and elect

a 'mamam' to represent them in the larger forum of the women's group.

Ibene works as a small trader and has benefited from a credit facility. This was used to increase and diversify the range of goods she sells.

"I buy everything on the mainland and sell it in the weekly market at Palma."

"Since receiving the credit, my business seems to be working very well. I am happy now. I can pay the school fees for my three children. Sometimes, in the past, they were sent home because I could not pay the fees for that month. This does not happen anymore."

And for Ibene, there have been other positive benefit to membership of the women's group – she has received advice and education on family planning, a subject she confesses she knew little about previously.

"I have decided not to have any more children."

She and her husband are confident that they can provide properly for their three children and ensure they have enough money for school fees, uniforms, books and food.

Fabienne Fossez

HAITI

January 1, 2004 marked the 200th anniversary of Haitian independence - but far from preparing to celebrate, the country had descended into turmoil well in advance of that date.

As demonstrations called for the resignation of President Aristide, in the northern city of Gonaïves, the campaign for his removal erupted in armed violence. This soon spread to other towns as former members of the disbanded Haitian Armed Forces became involved (the army was disbanded under Aristide).

The campaign for Aristide's removal stemmed from an unresolved dispute around the 2000 elections. The dispute had resulted in all international aid to Haiti being frozen.

As high inflation left the vast majority of people unable to purchase food, aid agencies stepped up their work to assist the most vulnerable communities.

Food With unreliable harvests and scarce water, the population of the islands of **La Gonâve** face constant food shortages. To improve food production, Concern provided 20 local groups with seeds and training. Irrigation and water access were improved with the construction of eight cisterns and protection of seven wells.

La Gonâve

Health The slum of San Martin is one of the most densely populated and disadvantaged areas of **Port-au-Prince**. Through upgrading of infrastructure and equipment in local health centres, Concern ensured the local health service was better able to tend to the needs of the populace. Sanitation for 650 families improved with the construction of water cisterns and cleaning of latrines.

Port-au-Prince

Water Three new springs, protected by local water committees, were established to provide safe water to 600 families in the **Central Plateau**. In **Saut D'Eau** 3,000 people benefited from repairs to the piped water system, carried out by Concern. Coverage and quality of vaccination services also improved, in partnership with local health centres. A total of 15 traditional birth attendants trained in better practices. Water cisterns and latrines were built in 45 schools for 6,000 schoolchildren. Teachers attended workshops on health, HIV/AIDS, nutrition and management.

Central Plateau, Saut D'Eau

Credit With repayment rates at 100%, the rural bank supported by Concern in the **Central Plateau** continued to help small traders. The success of a similar programme in **La Gonâve** enabled Concern to hand over operations to a local bank.

Central Plateau, La Gonâve

HIV/AIDS Concern concentrated on sensitising health workers to the challenges of dealing with the virus, along with support for a local association of people living with HIV/AIDS.

Emergency Haiti remains vulnerable to natural disasters, but bad infrastructure, environmental degradation and poverty hamper its response. Concern is working with local groups to enhance their capacity to respond.

Agents of Change Concern piloted an innovative programme which targeted decision-makers who can influence development policies and attitudes. By inviting them on 'exposure visits', Concern raised their awareness about critical poverty issues and how they can be addressed.

DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

The impact of market reforms undertaken in 2002 is still unclear, but there is anxiety that they may worsen the plight of the poorest families, particularly if the country's social services are unable to cope with new demands. External development assistance into the country remains critically low.

There has been heightened tension in the region over nuclear issues, but, ironically, one apparent by-product of the war in Iraq was the willingness of the US to resolve the nuclear issue diplomatically. Talks are moving slowly, but are ongoing.

Irrigation Concern focused on repairing and maintaining irrigation systems to increase production of the country's staple crop – rice. Concern has concentrated on the provinces of South Pyongan and South Hwanghae which account for 45% of national rice production. Over 270 pump houses have been repaired and rebuilt; two weirs and four small dams were under construction; two mobile repair units were made available to facilitate work. Rice production is expected to have risen by between 25%-30%.

South Pyongan & South Hwanghae

Water Given the poor condition of DPR Korea's water and sanitation infrastructure, we focused on rehabilitating these facilities, and on raising awareness on hygiene issues. So far, over 95,000 people in Pukchang county have benefited, and new programmes were started in Hoichang and Dokchon provinces, which will reach a further 60,500 people. The projects concentrated on rehabilitating water systems in towns and rural areas; constructing latrines in schools and health clinics; improving standards of water testing in laboratories; promoting hygiene and good health practices.

Pukchang county, Hoichang & Dokchon

Agriculture Concern is working with four cooperative farms serving the 15,000 strong communities of Anju and Pukchang counties, to improve agricultural production. Training in food processing, pest management techniques and storage is an essential component of this programme, as well as distributing seeds and tools and equipment, such as noodle machines and maize shellers. Crop yield reportedly up 30% as a result.

Anju & Pukchang provinces

Environment Flooding and environmental degradation has seriously affected the ability of farmers to produce food, as well as to provide wood for fuel and fodder. Concern focused on tree nursery management in seven counties to halt flood damage. A total of 14 nurseries were given training and introduced to improved management and terracing techniques. Fuel wood and fodder were produced for 30,000 cooperative farm inhabitants. Storage and cellaring areas were also restored, irrigation systems constructed and seeds and saplings were provided to all nurseries.

South Pyongan

Winterisation Extreme winter temperatures particularly affect the health and well-being of young children. Concern focused on provision of insulation to 45 pre-school educational and health facilities to ensure they can continue to educate 9,500 young children over the harsh winter.

Hoichang, Singyang & Yangdok counties

HONDURAS/EL SALVADOR

The issue of free trade continues to be a source of controversy in the region. In December 2003, the governments of Honduras and El Salvador, along with some neighbouring countries, negotiated a free trade agreement with the United States. This is awaiting ratification by the respective national parliaments.

In Honduras, civil society groups continue their campaign demanding greater participation in national issues, such as the formulation and monitoring of a poverty reduction strategy paper (PRSP), and the fight against corruption. However, the Government has tended to keep these national development processes off-limits to all but a select few individuals and groups.

Concern's emergency work in both countries was concluded in 2003 and we have now withdrawn from the region. However, with our support, some of the Honduran staff established their own organisation to continue with elements of this work.

Emergency Preparedness

In a region prone to natural disasters it is not enough to respond after the event. Preparatory and preventative measures are essential. During 2003, Concern and three local partner organisations successfully completed a project in Honduras aimed at strengthening the capacity of communities to cope with natural disasters. Some 2,500 families, in 63 communities, received training in simple and practical steps to take during an emergency. These included: forming local and municipal emergency committees, first aid and rescue teams, planning evacuation routes and safe shelters, establishing early warning systems and learning to rapidly evaluate damage and needs. Small infrastructural projects were also undertaken to address specific areas of vulnerability.

Yoro & Santa Barbara departments, Honduras

Earthquake response

Concern completed its response to the two earthquakes that shook El Salvador in early 2001. A rehabilitation project run by a Salvadoran partner harnessed the active participation of the local community to build 27 permanent houses, based on a self-construction method. In addition, 27 innovative water and sanitation units were built, as well as nine latrines and 50 fuel-efficient kitchens. The project went further by strengthening the organisational skills and capacities of the five participating communities, thus reducing their vulnerability in the event of future natural disasters.

Zacatecoluca Municipality, El Salvador

One of the 280 pupils at Bethel Feeder School, repaired and refurbished by Concern.
Picture: Pietermella Pieterse



LEARNING LESSONS

Sierra Leone is being rebuilt from the ground up. Little escaped the ravages of the civil strife that tore the heart out the country over a period of 10 years. Roads, bridges, clinics, schools – all were destroyed.

But since the elections of May 2002, which marked a formal end to the conflict, that rebuilding has been carried on at a feverish pace.

Bethel Feeder School is not easy to find. Located in the heart of Freetown's old city, it somehow squashed itself in between a clutter of houses, shops and impossibly narrow streets.

Bethel School provides education for primary school children, from first up to third class. Some 280 children come here to learn five days a week.

Mrs. Fiedicia Cole is the deputy head at Bethel. The school, she explains, was burnt down during the war. When Concern staff stumbled across what was left of the building they found teachers conducting their classes in a burnt-out shell.

"The school was burnt down in 1998. It was during the war when most of us had fled this part of town and rebels had taken over. Concern had helped us with the provision of school furniture not long before the fire, before we had to abandon the school.

"Luckily we managed to hide the benches in the cellar of the church opposite the school. When we came back into town we found the classes burnt out but the furniture intact!"

"When Concern came back to help us with the reconstruction they replaced almost everything. We got a new roof, new doors and windows, new furniture, new paint, new pavement in the school compound. New toilets and new taps were installed for teachers and students.

"Just look around you and see how good the place looks now. We have 280 children here every day. Now they come to learn in a good, clean and safe environment. Concern did a great job for us."

Pietermella Pieterse

SIERRA LEONE

A fragile peace returned to Sierra Leone, but its borders remain volatile, particularly those with Liberia. The long-term stability of the country remains vulnerable to continued refugee movements and rebel activities.

The United Nations mission, UNAMSIL, began withdrawing its troops in August 2003. Some 12,000 troops remain and they continue to provide some protection to humanitarian operations and maintain an important presence in Freetown.

The government has made efforts to regain control in rural areas and, in the longer-term, plans to decentralise some of its functions to district level. Progress on tackling poverty has been slower. The production of the Poverty Reduction Strategy Paper – vital to secure much needed foreign assistance – is unlikely to be completed before the June 2004 World Bank deadline.

Food Concern focused on increasing food production, strengthening farm networks and diversifying into small agro-processing enterprises to improve living conditions for almost 25,000 people in Kholifa Mabang Chiefdom. With agricultural training and the strengthening of cooperative efforts, the ability of local groups to plan, store and manage agricultural produce improved. Some 3.58 tonnes of groundnuts were distributed, along with over 51 tonnes of seed rice, in addition to cassava cuttings and potato vines, to help crop yields. A total of 40 women farmers attended sessions on food processing and preservation to encourage cash sales from a wider variety of foods.

Health Tackling all aspects of the health system was the focus of our work was to reduce mortality rates, particularly among women and children, in rural areas. Activities included improving roads and bridges to ensure people could get to the clinics, as well as building one MoH health clinic, rehabilitating one health post, and construction of latrines.

Training was given to traditional birth attendants, local health promoters, and the communities themselves on general health and sanitation issues, including tackling HIV/AIDS. Drugs and medical supplies were also provided to ensure fully functioning and effective MoH clinics. Concern participated in a study – coordinated by the World Health Organisation – to assess the efficacy of current malaria treatment.

Education Getting schools functioning again is essential. School Management Committees were trained in building relationships with local authorities and communities, as well as providing advice on fundraising, maintenance and HIV/AIDS awareness. Concern also undertook work to improve the physical infrastructure of schools, and textbooks, learning aids and furniture were provided. A six classroom school, with latrines, a well and teacher accommodation were built by Concern. Three more schools are under construction.

Kholifa Mabang Chiefdom, Tonkolili District – Northern Province (all)

Health In Mabella the MoH Health clinic was reconstructed. The Kent health post was rehabilitated. The focus in both Kent and Mabella was the provision of drugs for curative care along with supporting the Primary Health Care clinics and training of traditional birth attendants and local health promoters.

Freetown- Mabella (urban), Kent (rural) - Western Area, Freetown

Refugees 7,500 Liberian refugees continued to emergency assistance in the camps at Taiama. Concern worked to provide water and sanitation facilities: including the building of 1,888 latrines, showers, laundry areas and garbage pits.

Taiama, Kori Chiefdom, Moyamba District

FUNDRAISING 2003



Caroline Corr launches the 2003 Concern Fast, with the help of Daniella, Shawndale and Timi Shogbamimu of Nigeria and Athy, County Kildare. Picture: Maxwells



Ground Force presenters Charlie Dimmock and Kirsty King, pictured in the new Chad-Et garden, made over by the Ground Force team, in Addis Ababa, Ethiopia (see Ethiopia report). Picture: Fabienne Fossez/ Concern



Travis perform at the hugely-successful Concert for Africa, in the Usher Hall, Edinburgh, June 2003. The concert was organised by Concern and the Sunday Herald. Picture: David Gillanders



Pupil Neasa Molony and teacher Catherine Kelly of Colaiste Bride, Clondalkin, Dublin, with Scott Mean and Jim Alexander of the Dream Team. Colaiste Bride raised the highest overall amount for the Concern Fast. Picture: Robbie Reynolds



Dublin footballers Jason Sherlock and Paul Curran, with Concern's Tom Arnold, at the 2003 Golf Classic. Picture: Tommy Clancy



David Gough, of Concern Northern Ireland with Lady of the Lakes, Sarah Stevenson and John Brownlee MD of Fermanagh Springwater, launch the cause-related partnership that will see Concern's water projects benefit from sales of Fermanagh Spring Water.

HOW THE COUNTRIES COMPARE...

Republic of Ireland

Area: 70,000 sq km
 Population: 3.8m
 GDP per capita: \$29,866
 Infant Mortality (per 1000 births): 6
 Life Expectancy: 76.6
 Living with HIV/AIDS: 0.11%
 Literacy Rate: 99
 Access to Safe Water: NA
 Human Development Rank: 18

Afghanistan

Area: 652,000 sq Km
 Population: 22m
 GDP per Capita: NA
 Infant Mortality: 165
 Life Expectancy: 43.1
 Living with HIV/AIDS: NA
 Literacy Rate: 36
 Access to Safe Water: 13%
 Human Development Rank: NA

Angola

Area: 1,247,000 sq Km
 Population: 12.8m
 GDP per Capita: \$701
 Infant Mortality: 154
 Life Expectancy: 40.2
 Living with HIV/AIDS: 5.5%
 Literacy Rate: 42%
 Access to Safe Water: 38%
 Human Development Rank: 164

Bangladesh

Area: 144,000 sq Km
 Population: 140.9m
 GDP per Capita: \$350
 Infant Mortality: 51
 Life Expectancy: 60.5
 Living with HIV/AIDS: <0.1%
 Literacy Rate: 40.6%
 Access to Safe Water: 97%
 Human Development Rank: 139

Burundi

Area: 28,000 sq Km
 Population: 6.4m
 GDP per Capita: \$99
 Infant Mortality: 114
 Life Expectancy: 40.4
 Living with HIV/AIDS: 8.3%
 Literacy Rate: 49.2%
 Access to Safe Water: 78%
 Human Development Rank: 171

Cambodia

Area: 181,000 sq Km
 Population: 13.5m
 GDP per Capita: \$278
 Infant Mortality: 97
 Life Expectancy: 57.4
 Living with HIV/AIDS: 2.7%
 Literacy Rate: 68.7%
 Access to Safe Water: 30%
 Human Development Rank: 130

DR Congo

Area: 2,345,000 sq Km
 Population: 49.8m
 GDP per Capita: \$99
 Infant Mortality: 129
 Life Expectancy: 40.6
 Living with HIV/AIDS: 4.9%
 Literacy Rate: 62.7%
 Access to Safe Water: 45%
 Human Development Rank: 167

DPR Korea

Area: 121,000 sq Km
 Population: 22,409m
 GDP per Capita: NA
 Infant Mortality: 42
 Life Expectancy: 63.1
 Living with HIV/AIDS: NA
 Literacy Rate: 100%
 Access to Safe Water: 100%
 Human Development Rank: NA

East Timor

Area: 19,000 sq Km
 Population: 0.71m
 GDP per Capita: NA
 Infant Mortality: 85
 Life Expectancy: 49.5
 Living with HIV/AIDS: NA
 Literacy Rate: NA
 Access to Safe Water: NA
 Human Development Rank: NA

Eritrea

Area: 121,000 sq Km
 Population: 3.8m
 GDP per Capita: \$164
 Infant Mortality: 72
 Life Expectancy: 52.5
 Living with HIV/AIDS: 2.8%
 Literacy Rate: 56.7%
 Access to Safe Water: 46%
 Human Development Rank: 155

Ethiopia

Area: 1,104,000 sq Km
 Population: 67.3m
 GDP per Capita: \$95
 Infant Mortality: 116
 Life Expectancy: 45.7
 Living with HIV/AIDS: 6.41%
 Literacy Rate: 40.3%
 Access to Safe Water: 24%
 Human Development Rank: 169

Haiti

Area: 28,000 sq Km
 Population: 8.1m
 GDP per Capita: \$460
 Infant Mortality: 79
 Life Expectancy: 49.1
 Living with HIV/AIDS: 6.1%
 Literacy Rate: 50.8%
 Access to Safe Water: 46%
 Human Development Rank: 150

Honduras

Area: 112,000 sq Km
 Population: 6.4m
 GDP per Capita: \$2,453
 Infant Mortality: 32
 Life Expectancy: 65.7
 Living with HIV/AIDS: 1.6 %
 Literacy Rate: 74.6%
 Access to Safe Water: 90%
 Human Development Rank: 116

El Salvador

Area: 21,000 sq Km
 Population: 6.3m
 GDP per Capita: \$4,497
 Infant Mortality: 34
 Life Expectancy: 69.7
 Living with HIV/AIDS: 0.6%
 Literacy Rate: 78.7%
 Access to Safe Water: 74%
 Human Development Rank: 104

India

Area: 3,288,000 sq Km
 Population: 1,033,400m
 GDP per Capita: \$462
 Infant Mortality: 67
 Life Expectancy: 63.3
 Living with HIV/AIDS: 0.79%
 Literacy Rate: 58%
 Access to Safe Water: 84%
 Human Development Rank: 127

Kenya

Area: 583,000 sq Km
 Population: 31.1m
 GDP per Capita: \$371
 Infant Mortality: 78
 Life Expectancy: 46.4
 Living with HIV/AIDS: 15.01%
 Literacy Rate: 83.3%
 Access to Safe Water: 57%
 Human Development Rank: 146

Niger

Area: 1,267,000 sq Km
 Population: 11.1m
 GDP per Capita: \$175
 Infant Mortality: 156
 Life Expectancy: 45.6
 Living with HIV/AIDS: NA
 Literacy Rate: 16.5 %
 Access to Safe Water: 59%
 Human Development Rank: 174

Laos

Area: 237,000 sq Km
 Population: 5.4m
 GDP per Capita: \$326
 Infant Mortality: 100
 Life Expectancy: 53.9
 Living with HIV/AIDS: <0.1%
 Literacy Rate: 65.6%
 Access to Safe Water: 37%
 Human Development Rank: 135

Liberia

Area: 111,000 sq Km
 Population: 3.09m
 GDP per Capita: NA
 Infant Mortality: 157
 Life Expectancy: 41.4
 Living with HIV/AIDS: NA
 Literacy Rate: 54.8%
 Access to Safe Water: NA
 Human Development Rank: NA

Malawi

Area: 118,000 sq Km
 Population: 11.6m
 GDP per Capita: \$166
 Infant Mortality: 114
 Life Expectancy: 38.5
 Living with HIV/AIDS: 15%
 Literacy Rate: 60.1%
 Access to Safe Water: 57%
 Human Development Rank: 162

Mozambique

Area: 802,000 sq Km
 Population: 18.2m
 GDP per Capita: \$200
 Infant Mortality: 125
 Life Expectancy: 39.2
 Living with HIV/AIDS: 13%
 Literacy Rate: 45.2%
 Access to Safe Water: 57%
 Human Development Rank: 170

Pakistan

Area: 804,000 sq Km
 Population: 146.3m
 GDP per Capita: \$415
 Infant Mortality: 84
 Life Expectancy: 60.4
 Living with HIV/AIDS: 0.11%
 Literacy Rate: 44%
 Access to Safe Water: 90%
 Human Development Rank: 144

Rwanda

Area: 23,000 sq Km
 Population: 8.1m
 GDP per Capita: \$196
 Infant Mortality: 96
 Life Expectancy: 38.2
 Living with HIV/AIDS: 8.88%
 Literacy Rate: 68%
 Access to Safe Water: 41%
 Human Development Rank: 158

Sierra Leone

Area: 72,000 sq Km
 Population: 4.6m
 GDP per Capita: \$146
 Infant Mortality: 182
 Life Expectancy: 34.5
 Living with HIV/AIDS: 7%
 Literacy Rate: 36%
 Access to Safe Water: 57%
 Human Development Rank: 175

Somalia

Area: 638,000 sq Km
 Population: 9.08m
 GDP per Capita: NA
 Infant Mortality: 133
 Life Expectancy: 47.9
 Living with HIV/AIDS: 1%
 Literacy Rate: 24%
 Access to Safe Water: NA
 Human Development Rank: NA

Sudan

Area: 2,506,000 sq Km
 Population: 32.2m
 GDP per Capita: \$395
 Infant Mortality: 65
 Life Expectancy: 55.4
 Living with HIV/AIDS: 2.6%
 Literacy Rate: 58.8%
 Access to Safe Water: 75%
 Human Development Rank: 138

Tanzania

Area: 945,000 sq Km
 Population: 35.6m
 GDP per Capita: \$271
 Infant Mortality: 104
 Life Expectancy: 44
 Living with HIV/AIDS: 7.83%
 Literacy Rate: 76%
 Access to Safe Water: 68%
 Human Development Rank: 160

Uganda

Area: 241,000 sq Km
 Population: 24.2m
 GDP per Capita: \$249
 Infant Mortality: 79
 Life Expectancy: 44.7
 Living with HIV/AIDS: 5%
 Literacy Rate: 68%
 Access to Safe Water: 52%
 Human Development Rank: 147

Zambia

Area: 752,000 sq Km
 Population: 10.6 m
 GDP per Capita: \$354
 Infant Mortality: 112
 Life Expectancy: 33.4
 Living with HIV/AIDS: 21.5%
 Literacy Rate: 79%
 Access to Safe Water: 64%
 Human Development Rank: 163

Zimbabwe

Area: 390,000 sq Km
 Population: 12.8m
 GDP per Capita: \$706
 Infant Mortality: 76
 Life Expectancy: 35.4
 Living with HIV/AIDS: 33.73%
 Literacy Rate: 89.3%
 Access to Safe Water: 83%
 Human Development Rank: 145

CONTENTS

Legal and Administrative Information	68
Report of Council	69-77
Statement of Council Members' Responsibilities	78
Report of the Independent Auditors	78
Statement of Accounting Policies	79-80
Consolidated Statement of Financial Activities	81
Consolidated Balance Sheet	82
Company Balance Sheet	83
Consolidated Cash Flow Statement	84
Notes Forming Part of the Financial Statements	85-98
Appendix 1 Income Summary	99
Appendix 2 Analysis of Income	100-101
Appendix 3 Five Year Summary of Consolidated Statement of Financial Activities	102
Appendix 4 Multi Annual Planning Scheme (MAPS)	103

LEGAL STATUS

Concern is the registered name of Concern Worldwide, an Irish company incorporated under the Companies Act, 1963, which is limited by guarantee, with no share capital.

**ORGANISATION
Group Companies**

Concern's activities are carried out in association with its subsidiary, Concern Worldwide (UK). Concern also has an Irish subsidiary, Concern Charity Trading Limited, which raises funds for Concern's overseas work, through shop trading, and the provision of logistical and other support to fundraising activities. During 2003, Concern established a wholly owned subsidiary, AMK Limited, which is incorporated in Cambodia, and engaged in the provision of micro credit to rural communities in that country. Concern also has two wholly owned dormant subsidiary undertakings, Africa Concern Limited and Concern Worldwide (England and Wales). Concern Worldwide (UK) has a wholly-owned subsidiary, Concern Worldwide (GB) formerly Children's Aid Direct. This company was acquired in August 2002 and carries out fundraising activities in Great Britain.

Branches

The work of the organisation in the developing world is carried out through branches located in the countries of operation.

Related Organisations

Concern Worldwide (US) Inc. is a related, though operationally independent, organisation based in New York which supports the mission of Concern Worldwide by providing financial and human resources for programmes, recruiting expatriate staff, and raising awareness of Concern Worldwide and its mission. Concern Worldwide (US) Inc. is not controlled by Concern and, therefore, is not consolidated in the results of Concern.

Concern remains a member of Alliance 2015, in conjunction with four major European NGO's - HIVOS (the Netherlands), IBIS (Denmark), Deutsch Welthungerhilfe (German Agro-Action) and CESVI (Italy). The Alliance seeks to implement joint programmes, to coordinate advocacy and campaigning work, and to negotiate as a group with co-funders in areas where there is a convergence of interests.

**COUNCIL, OFFICERS
AND MANAGEMENT**

Concern is administered by a Council which is elected at

Annual General Meetings. The Council in turn elects a committee of Officers who, together with the Chairperson, act on the Council's behalf between Council meetings.

Two sub-committees are appointed from Council; an Audit and Finance Committee to monitor the organisation's finances and governance arrangements, and a Monitoring and Evaluation Committee which seeks to ensure that the quality of the organisation's humanitarian work is maintained.

Neither Council members nor Officers receive any remuneration in respect of their services to the charity. Expenses are reimbursed where claimed.

There have been no contracts or arrangements entered into during the financial year in which a Council member was materially interested, and which was significant in relation to Concern's activities.

Council delegates the day-to-day management of the organisation to an executive management team, which comprises the Chief Executive and his Deputy, together with the managers of the operational and functional divisions.

COUNCIL MEMBERS

Mr. David Regan
Chairperson

- Ms. Evanna Barry
- Ms. Catherine Corcoran
- Mr. Eamonn Corcoran
- Ms. Anne Cummins
- Mr. Paul Delahunty
- Mr. Brendan Duffy
- Mr. Mike Glynn
- Professor David Gwynn-Morgan
- Mr. Joseph Heeney
- Mr. Shaun Henry
- Mr. P.J. Howell
- Ms. Mary Humphreys
- Ms. Rose Hynes
- Ms. Liz Joyce
- Ms. Sally-Anne Kinahan
- Ms. Mary Liston
- Mr. Charles MacNamara
- Mr. John McCarthy
- Mr. Patrick McManus
- Mr. Martin Meehan
- Mr. Jim Miley
- Mr. Eamonn Moore
- Ms. Helen O'Connell
- Ms. Marie O'Haire
- Ms. Siobhan O'Halloran
- Mr. Tom O'Higgins
- Ms. Frances O'Keefe
- Ms. Margaret O'Keefe
- Mr. David O'Morchoe
- Ms. Nora Owen
- Mr. David Ritchie
- Mr. Eamon Shields
- Mr. Mark Shinnick

OFFICERS AND OTHER INFORMATION

OFFICERS

- Mr. David Regan**
Chairperson
- Mr. Brendan Duffy**
Vice-Chairperson
- Ms. Frances O'Keefe**
Vice-Chairperson

- Mr. Mike Glynn
- Mr. Jim Miley
- Ms. Mary Humphreys
- Mr. Eamonn Moore
- Mr. Tom O'Higgins
- Mr. David Ritchie

SECRETARY

Mr. Jim Miley

PRINCIPAL BANKERS

Bank of Ireland
2 College Green
Dublin 2

SOLICITORS

McKeever Rowan
5 Harbourmaster Place
IFSC
Dublin 1

AUDITORS

KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2

REGISTERED OFFICE

52-55 Lower Camden St
Dublin 2

REGISTRATION NO.

39647

**EXECUTIVE
MANAGEMENT TEAM**

- Mr. Tom Arnold**
Chief Executive
- Mr. Paddy Maguinness**
Deputy Chief Executive
- Mr. Hugh Byrne**
Senior Policy Analyst
- Mr. Howard Dalzell**
Policy & Advocacy Director
- Mr. Barbara Gilroy**
Human Resources Director
- Mr. Ray McElroy**
Finance Director
- Mr. Paul O'Brien**
Overseas Director

**1. CONCERN'S
OBJECTIVES AND
POLICIES**

Concern works for the relief, support, and advancement of people in the least-developed parts of the world; its particular focus is on people living in extreme or absolute poverty. Our overall objective is to assist in creating a world in which nobody lives in poverty, fear, or oppression, where everybody has access to a decent standard of living, with the opportunities and choices essential to having a long, healthy and creative life.

Concern strives to extend its programmes to reach out to more people in need, while maintaining and improving the quality of its work with its existing target groups. Concern will continue to address the short, medium, and longer-term needs of these groups. Its work continued, in 2003, as a mixture of emergency response, long-term development, development education, and advocacy programmes.

2. SUPPORT

Public fundraising in Ireland and the United Kingdom was a critical and successful element of Concern's income generation for 2003. Our fundraising work is guided by high professional standards.

Concern recognises and applauds the spirit of generosity that is evident at community level, in Ireland and UK, towards responding to our fundraising efforts for poor communities abroad; this

generosity is most evident in the lead up to Christmas. Our Christmas Fast campaign has become a flagship operation, not only in terms of donations, but in relation to sending out our message that the poorest of the world's population can be reached, thanks to this additional income.

Concern is privileged to have a substantial financial commitment from a growing number of regular giving donors, who avail of our planned giving contribution schemes. This is more than an expression of financial support; we interpret this regular giving as a mandate to reach out to the poorest, without the burden of recurring fundraising costs. Regular giving income, which, once the initial cost has been incurred has minimal on-going costs, now represents Concern's largest and most cost-effective category of income. We wish to thank the thousands of regular givers, our most unseen benefactors.

Concern also received a number of bequests in 2003 and was pleased with the growth in this income category.

Concern entered a strategic relationship with the Irish Government in 2003, particularly through its multi-annual planning scheme (MAPS) support which totalled €10.1 million. This is the first instalment of a significant multi-year programme support, impacting very many of Concern's operations around the world. This is enabling Concern to move from a series of loosely related projects to more integrated programmes that have the potential for greater impact.

In 2003, Concern also received major financial co-funding support from the European Union, the United Nations, the British Government, and from a distinguished list of other Government agencies, private donors, and major trusts. Concern continues to enjoy the financial support of staff from many organisations, who contribute through salary deduction and other schemes.

The Council wishes to acknowledge the financial support provided by its affiliate in the United States, Concern Worldwide (US), which continues to provide significant funding for Concern's overseas programmes.

Concern wishes to thank all of its donors, without whom we would not be able to report on another successful year of overseas operations.

We depend on our staff and volunteers around the world, whose commitment and motivation explain why we achieved so much to alleviate poverty and distress in 2003. This was a difficult year for very many of our staff, who faced difficulties, and sometimes extreme danger, to perform their duties. This commitment is our most critical strength.

**3. CONCERN'S WORK
IN 2003**

**Overseas Activities in
Developing Countries**

Details of Concern's overseas activities for each country of operation are contained in the Annual Review, which accompanies this report.

In 2003, Concern worked in the countries listed below:

- Afghanistan
- Angola
- Bangladesh
- Burundi
- Cambodia
- Democratic Republic of Congo
- East Timor
- Eritrea
- Ethiopia
- Haiti
- Honduras
- India
- Iraq
- Kenya
- Democratic People's Republic of Korea
- Kosovo/Serbia
- Liberia
- Lao People's Democratic Republic
- Malawi
- Mozambique
- Niger
- Pakistan
- Rwanda
- Sierra Leone
- Somalia
- Sudan, North and South
- Tanzania
- Uganda
- Zambia
- Zimbabwe

During 2003, significant progress was made in focusing on our five key organisational programmes, comprising

- Livelihood Security
- Health
- Education
- HIV/AIDS
- Emergency Response and Preparedness

We are constantly trying to learn what works best in terms of development effectiveness and impact within our programmes. In consequence, we established, during 2003,

an internal mechanism, the Programme Planning and Monitoring Group (PPMG), to capture this learning. There is a PPMG for each of our priority programme areas, involving staff from our Overseas and Policy divisions. The key objectives of the PPMGs are to improve the quality and effectiveness of our own programmes; find innovative aspects of our programmes which may be replicable by governments and other organisations; and contribute to effective advocacy by ensuring that Concern's advocacy positions are firmly based on our practical experience on the ground.

Examples of the work done within each of the organisational programmes are given below.

(i) Emergency Response and Preparedness

In late 2002 and early 2003, Concern conducted a number of assessments in Iraq, pre and post the Coalition intervention. The pre-war assessments concluded that a short war would not lead to a major humanitarian crisis and this was confirmed by a post war assessment. Concern supported a number of local partners in the north of the country, and assisted in school reconstruction in Salah al-Uddin province. As Iraq was not in the bottom 40 of the Human Development Index (HDI), Concern completed operations in October 2003 and withdrew from the country. Concern continued to develop its new programmes in Malawi, Zimbabwe, Zambia and Niger, all of which were initiated in 2002. Concern provided financial assistance to partner

organisations in Kosovo and Serbia, following the termination, in 2002, of its own operations in the region. In 2003, emergency rehabilitation operations ceased in Honduras and the organisation withdrew from the country in August.

Concern maintained its response to the food crisis in Africa, particularly in Ethiopia, Eritrea, Zimbabwe, and South Sudan. In Zimbabwe, Concern is an implementing partner for the UN World Food Programme, and its operations concentrated on the establishment and supervision of distribution plans for approximately 40,000 metric tonnes of emergency food, in respect of over 500,000 people in four Districts. In Ethiopia, the programme focused on general distributions, supplementary feeding, and community therapeutic care in South Wollo and Woliyita.

In South Sudan, severe flooding occurred in Aweil West/North in September 2003, destroying large areas of crops. Concern responded by providing mosquito nets, blankets, and plastic sheeting to the most affected communities.

At an operational level, Concern continued to respond to 'forgotten' emergencies in Burundi, Democratic Republic of Congo, Angola and Uganda. In Liberia, Concern's development and emergency programmes were interrupted by the unrest in the country, but despite a brief evacuation, it was possible to resume our programmes and re-commence emergency operations. Concern responded to the emergency relief efforts in

Bangladesh, following severe flooding in August and September 2003. Heavy rains in late August in the Orissa region of India led to Concern providing financing for work rehabilitation programmes, and for the distribution of seeds for replanting. Repeat flooding later in the year hampered the response programmes, and extended Concern's intervention to the end of the year.

In Pakistan, Concern continued its infrastructure work in the refugee camps, and responded promptly to the flooding crisis in Balochistan, focusing on the distribution of shelter materials. In Uganda, tensions continued due to the unstable political environment, and Concern provided water and sanitation facilities in internally displaced people's centres (IDPs), in Soroti and Katakwi.

Our Emergency Unit in Dublin reached full capacity in 2003, greatly improving Concern's emergency preparedness and response capabilities. To further enhance the overseas response capability, the Supplies and Logistics Unit transferred to the Overseas Department in November 2003. Training for our overseas teams will be implemented in 2004.

A number of key policies covering emergencies were finalised, including a revised organisational Security Manual, and a Programme Participant Protection Policy, which focused on ensuring that the rights of our programme beneficiaries are protected. Furthermore, the Emergency Unit prepared a draft strategy on Disaster Risk Reduction (DRR), and completed training

on DRR in Somalia. Security awareness training was completed in all countries of operation (110 staff), as a joint initiative with our Alliance 2015 partner, German Agro Action. This was prioritised by Concern as being paramount, due to the increasingly insecure climate that prevails worldwide.

(ii) Livelihood Security

The livelihood security programme is the largest area of intervention overseas in Concern. Approximately 45% of our overseas expenditure is devoted to this programme, and includes interventions on food security, micro-finance, and support to local development organisations. In order to achieve wider impact, Concern formulated and officially adopted a policy on livelihoods in 2003. The policy has been disseminated throughout Concern, and guidelines have been developed.

Concern continued to support the most vulnerable with projects in agriculture production (potatoes, rice, sorghum, maize and other staples), second cropping (e.g. Malawi), livestock restocking and rearing, as well as in programmes around access to markets (Afghanistan). From the post-emergency contexts of Malawi, Zambia and Sierra Leone to the food insecure environments of South Sudan, Ethiopia, Eritrea, Burundi, Democratic Republic of Congo, and Afghanistan, these programmes are based on building the capacities of community-based groups to plan and manage their own agricultural and food security projects.

The programme in Eritrea provided employment opportunities to farmers as a short-term measure to address much needed cash income. In Afghanistan, improved wheat seed was distributed to 2,000 poor farmers. Over 6,000 animals were vaccinated against disease, while agricultural extension was provided to approximately 3,000 farmers.

Concern officially reviewed its micro-finance policy in 2003 through a participatory process involving micro-finance specialists within and outside the organisation. Perhaps the most significant change in the policy is that it is now stronger and more explicit on working exclusively through partners. Other issues of significance have been to emphasise the livelihoods basis of micro-finance, and how ongoing access to finance can promote sustainable livelihoods. The micro-finance institution created by Concern in Cambodia, Angkor Mikroheranhvatho Kampuchea (AMK) has moved to its next stage of development. In July 2003, AMK became completely operationally separate from Concern and it is now beginning to receive wider support. The capacity of AMK to improve and expand the provision of micro-finance services has been enhanced. As of September 2003, AMK provided micro-credit services to 16,061 clients. Micro-finance activities, whether managed by community based organisations (CBOs), partner NGOs, or directly by programme staff, are a central component of Concern's livelihood programme in Bangladesh. A total of 2,228

groups of the poorest and most vulnerable people are now actively involved in regular savings activities. These groups have access to credit facilities from their own funds, or from the Revolving Loan Fund (RLF). The savings of the 34 CBOs vary from € 22,000-€ 176,500, depending on the maturity of the groups.

Local Development Organisation (LDO) support is both a programme and an approach in Concern. Concern Rwanda worked closely with two local non-government organisations (NGOs) to identify various types of associations (interest groups, craft, agriculture, fish-farming, bee-keeping & blacksmiths) who are in need of assistance. In 2003, over 40 new associations were assisted, both materially and financially. Another key component of Concern's livelihood work is support for decentralisation and bottom-up planning. In Rakai, Katakwi, and Soroti districts in Uganda, Concern supported decentralisation, and found it to be a good learning experience. In Rakai District, local government partners have reached a state of maturity, whereby sub-county local government can independently support lower level structures to plan, mobilise resources, and implement projects. In 2003, 44 community projects were implemented with minimal Concern support.

Government decentralisation programmes were also supported in Mozambique, East Timor and Afghanistan. The Concern Cambodia programme focuses on building the capacity of the recently-formed Commune

Councils. Local organisations and Commune Councils were trained on participatory methodologies. Participants gained skills in conducting Participatory Rural Appraisals (PRAs), which involve communities in the analysis of their problems. Two area-based projects in Laos operate joint village and district government development plans. The projects are jointly implemented by Concern and district or sub-district government staff.

(iii) Basic Education

In June 2003, Council approved the newly developed Education Policy. The policy aim is to sustainably improve the livelihoods of extremely poor women, men, and children, by stimulating their demand for, and increasing access to, quality Basic Education. The education programme works with the already existing government system and helps to build capacity at all levels. We also see the local community and local NGOs as key partners in education. A number of formal and non-formal education programmes continued across Concern, from Bangladesh, to Haiti, Rwanda, Sierra Leone, Somalia, Burundi, Niger, Democratic People's Republic of Korea, Ethiopia and Mozambique. Partnerships with influential donors were developed, to influence national level change and reform processes. Concern is a member of the Irish Coalition of the Global Campaign for Education, and a member of the Global Campaign in many of our target countries. In Sierra Leone, Concern is a member of the National Task Force for Education, which has

been instrumental in influencing the integration of peace education throughout the curriculum. In Niger, Concern works on advocacy issues in partnership with Oxfam-Quebec.

The number of children and adults benefiting from Concern's work in Education is increasing. In Mozambique, enrolment in Chimoio city schools has increased from 30,676 in 2001-2002, to 33,261 in 2002-2003. Total enrolment in the Mozambique programme is approximately 40,000 children. In Burundi, the programme is targeting poor children who have dropped out of the formal primary system. The Burundi Education team has carried out awareness-raising sessions with communities. As a result, 160 (100 girls) children have been integrated into four 'catch up classes' and 284 (171 girls) children have rejoined the formal primary system. Over 2,000 children in Ethiopia have benefited from the non-formal classes. Here, the programme works to build the capacity of five local NGOs to establish, implement, and maintain non-formal education for out-of-school children.

A number of strategies have been undertaken to improve the quality of education, including teacher training, committee development, and improvements to school buildings. Teacher training is a core part of the programme in Niger. Together with inspectors, advisory teachers, and the regional Teachers College, Concern organised and developed a short basic training for 600 volunteer educators. Fourteen school principals and teacher

representatives were trained in evaluation, sociology and psychology in Haiti. Three hundred Haitian teachers were trained on hygiene, nutrition, HIV/AIDS, immunisation, and the use of appropriate didactic materials.

Support from the community is vital if schools are to function and develop. The education programme in Bangladesh focuses on increasing attendance and retention, improving the quality of education through increased family and community participation, and strengthened School Management Committees (SMCs). Concern's work in Sierra Leone, Rwanda, Mozambique, Somalia, and Kenya, all have components of school community linking. For example, in Rwanda, the programme aims to build the capacity of the Parent Teachers Associations who will work with the community and parents to encourage and support poor children to participate in primary education. In Somalia, community education committees manage the schools, and 33% of the members are women.

There is a sense of community ownership in the villages where Concern is working in Somalia, as parents are very involved in school construction and maintenance. They have to be, as there is no government to assist them. In Sierra Leone, the completion of the reconstruction of one school in Yoni chiefdom resulted in an increase in enrolment from 300 children to 356; three new schools in Kholifa Rowalla will provide a safe, secure environment for approximately

668 children. In Mozambique, the World Bank Fast Track Initiative is encouraging the Government to implement lower-cost semi-conventional construction as a way to spread resources further.

(iv) Health

Primary Health Care (PHC), Nutrition, and Water and Sanitation, have traditionally been strong areas of intervention for Concern. Child survival programmes continued in 2003 in Bangladesh and Rwanda, while other countries with PHC included Ethiopia, Angola, Sierra Leone, Haiti, and Burundi. Concern assisted in dealing with a cholera outbreak in Malawi, and, in Honduras, Concern trained a team of community health volunteers. Council approved Concern's Health Policy in 2002; the focus for 2003 was on the development of the global framework for health, through the Health PPMG. This framework sets out the parameters for Concern's work in health, and details the objectives, indicators and scale of the programme.

In Sierra Leone, Haiti, Angola and Bangladesh, Concern supported the training of Traditional Birth Attendants (TBAs). Trained TBAs, community volunteers, and schoolteachers helped to raise health awareness throughout communities, through information dissemination, and billboards, etc. at government health centres. Training also helped with the establishment of a sustainable mechanism for health promotion, demand creation, and the optimum utilisation of community resources for health services and referral. In Bangladesh,

through the Essential Services Project, the quality of care at government health centres has improved. Hospital bed utilisation by the community increased from 31% in 2000 to 75% in 2003 in Keraniganj, and the number of normal deliveries at Union-level (Government administrative unit) health facilities increased from 39 in 2000, to 80 in 2002, and to 156 in 2003. The home management of preventable diseases has likewise improved, as awareness has increased throughout the community, and 95% of diarrhoeal cases, and 98% of acute respiratory tract infections, are now being treated by community volunteers.

Water and sanitation was a major part of programmes in Afghanistan, Democratic People's Republic of Korea, Pakistan, East Timor, Tanzania, Rwanda, Uganda, Somalia, Liberia, Kenya and Haiti. In Tanzania, Concern continued to manage water, sanitation, and vector control in three refugee camps in Ngara. Water and sanitation were main components in other parts of the country as well, including Mtwara and Dar es Salaam. Significant numbers of children and adults are benefiting directly from the water and sanitation intervention in Tanzania, Haiti, Sierra Leone, Angola, South Sudan and Kenya. In Haiti, 6,000 children, in Lower Central Plateau, now have access to latrines and potable water while they are at school. The Community Health Project in Saut d'Eau (Haiti) enabled 600 families to have access to potable water, and 3,000 inhabitants of the village have access to potable-piped water. In Port au Prince, Haiti,

2,400 families have access to latrines which are managed and maintained by a trained committee of user's representatives, and 800 families have access to cheaper water through public fountains, managed by a trained committee of community based organisation (CBO) representatives. Since January 2003, Concern Kenya has been building the capacity of a CBO, Tumaini Self Help, which works to ensure safe disposal of waste.

During 2003, Nutrition programmes, incorporating activities such as nutritional monitoring / surveillance, therapeutic and supplementary feeding, were continued in Democratic Republic of Congo and Malawi, while our ongoing nutrition programmes continued in Bangladesh, Angola, Ethiopia, Eritrea and Burundi. Concern continued its partnership with Valid International to implement Community Therapeutic Care (CTC) programmes in selected countries. This innovative approach takes a community approach to therapeutic feeding, whereby mothers and their severely malnourished children spend as little time as possible in a Therapeutic Feeding Centre (TFC). Instead, a mother can take her child home once the child has been stabilised; follow up takes place on a weekly basis through clinics. This CTC programme was extended to Ethiopia and Eritrea in 2003.

Community-managed nutrition interventions in Bangladesh have been successfully developed, and more than 90% of target beneficiaries are registered. The programme has made significant progress, with

monitoring data showing a reduction in severe malnutrition among under 2 year old children from 4.87% to 2.0%, and in moderate malnutrition from 34.5% to 22.5%. The nutrition team in Angola continued to distribute supplementary food to the moderately malnourished of Kuito, Cunje and Chitembo, two days a week. Concern utilises the WFP criteria and adheres to the National Nutritional protocol in all nutritional programmes. Morbidity related to malnutrition for the under five age group decreased significantly. This is reflected in the shortening length of stay in the programme, the improved weight gains, and the decreasing mortality seen.

(v) HIV/AIDS

Evidence of the HIV/AIDS pandemic causing major problems continues to be clearly seen in many countries across Africa. In several countries in Sub-Saharan Africa, high levels of AIDS mortality now match the high rate of new infections, creating a cycle of illness and death, due in great part to the almost complete absence of large-scale prevention or antiretroviral treatment programmes (UNAIDS Dec. 2003). Communities and families are affected directly and indirectly, as scarce resources in households are sold in order for families to buy medicine, or indeed to pay for funerals. The debilitating effects also have a major impact on food security, as adults are either no longer able to work, or spend much of their time taking care of sick family members.

Concern has clearly identified HIV/AIDS as both a programme and a cross-cutting issue which must be considered in all our programmes. Following Council approval of the organisational policy on HIV/AIDS, staff were recruited in a number of countries, focusing on developing areas of intervention. Countries like Uganda and Ethiopia have specific HIV/AIDS programmes, while Bangladesh and Rwanda incorporate HIV/AIDS as part of their child survival programmes. By the end of 2003, a number of countries had completed training with their staff and partners, including Tanzania, Mozambique and Malawi, Zambia, and Malawi. In Uganda, further specialists were recruited and it was possible to establish a national focus group, and guidelines were completed for intervention programmes.

In Haiti, Concern commenced an urban HIV/AIDS partnership project. In Malawi, Concern engaged with a number of potential AIDS support organisations, to plan for future mitigation activities.

Concern will continue to initiate and monitor new strategies and projects to implement the organisation's HIV/AIDS policy. A particular focus will be a mainstreaming approach to HIV/AIDS throughout the organisation. Mainstreaming involves making an integrated response to HIV/AIDS in development sectors. Concern's new education programmes, for example, include HIV/AIDS activities as a core part of each programme.

In Mozambique, Concern is supporting school councils to enable them play a central part in addressing HIV/AIDS. They will become catalysts for the creation of networks, "circles of support", at different levels, from the school through to the community, at district, province and national level.

Partner organisations in Tanzania, which run HIV/AIDS programmes, received funding and organisational development support from Concern, to build their capacity and their effectiveness towards helping their target groups cope with HIV/AIDS. Partner organisations are now showing increasing interest in tackling the disease.

In line with its HIV/AIDS policy, Concern in Kenya is developing an awareness and knowledge of HIV/AIDS among staff. In 2003, this has included staff training, and making information leaflets, and other supports, available in the work place. From 2004, the programme aims to increase awareness of HIV/AIDS, and to promote the rights of those affected by HIV/AIDS, through capacity building of volunteers, providing home based care, to start and run small businesses. With local partners, Concern will support up to 180 individuals and 9 groups to identify, develop, and maintain, small businesses. The profits will assist to support the family member who is ill. The programme will support initiatives to 'care for the carers' all of whom are also HIV positive.

Advocacy

The Concern Strategic Plan aims to develop advocacy as a major component of our work. Advocacy will improve the effectiveness of emergency, and long term development programmes, and influence policy makers to remove the underlying causes of poverty. In March 2003, an advocacy policy was approved by Council, that encourages advocacy at local, national and international levels, through campaigning, education and networking activities. The major focus of our advocacy programme reflects our programme areas, and some wider development issues. The priority areas for advocacy include:

- The quantity and quality of Overseas Development Assistance (ODA) in developed countries, with specific attention being given to the need for the Irish Government to deliver on its commitment to reach the UN target of 0.7% of GNP by 2007.
- Tackling the scourge of hunger, specifically in Africa. This advocacy focus connects to our Chief Executive's membership of the UN Hunger Task Force, and to much of our Livelihoods work.
- The need to ensure humanitarian space for NGOs working in complex emergencies and conflict situations.
- HIV/AIDS; reduction in the incidence and prevalence of the pandemic, and lobbying for better care for those infected or affected.

In addition to the above priorities, there is ongoing advocacy work in relation to our programmes for education (Stop Child Labour) and health (Promotion of Community Therapeutic Care).

At the European level, through membership of EUROSTEP, Concern has been active in the debate on the new European Constitution. Concern advocates to ensure that development policy is not marginalised, and that development and humanitarian aid is not used to achieve political or security objectives. Through VOICE, Concern advocated for the protection of humanitarian space and neutrality within the new EU Constitution.

With assistance from Concern and other members, EUROSTEP achieved support for a joint position paper on the European Convention, which set out the importance of a strong development focus within the new European Constitution. The joint paper was signed by Minister Kitt, along with Ministers of Austria, Belgium, Germany, the Netherlands, Sweden and the UK.

In its draft, the EU Constitution has clearly included the eradication of poverty as the overarching objective of development co-operation. It reaffirmed the shared competence of the European Union in the areas of Development Cooperation and Humanitarian Assistance with the member States. Furthermore, it made adequate reference to the principle of policy coherence, and specifically states that Union policies, which impact on

developing countries, should take into account the development objectives.

Closer to home, Concern made a number of presentations to Oireachtas committees on Democratic Republic of Congo, Uganda, and Ethiopia. Furthermore, Concern continued to support the Dochas-led 'Human Security' initiative, which will focus on the Irish Presidency of the EU in the first half of 2004.

Development Education

In 2003, Concern's Development Education work focussed on four key objectives;

- To integrate Development Education into organisational programme activities, as well as into advocacy and marketing dimensions of the organisation.
- To enhance Concern's leading role in the promotion, growth, and support of Development Education in Ireland.
- To ensure continuity and development of our Development Education formal sector programme.
- To contribute to the goals of the Alliance 2015 Development Education and Advocacy project.

In meeting these objectives Concern has been engaged in a wide variety of activities, ranging from hosting the annual Concern Debates competition involving over 170 secondary schools, to developing a video on HIV/AIDS with Irish and Zambian youth.

For many years now, Concern has given financial support to important development education and campaign groups throughout the country. In 2003, we were pleased to support Frontline Defenders, the National Youth Council of Ireland, One World Centres in Galway, Belfast and Tralee, Fairtrade Mark Ireland, Banulacht, 80:20, Comhlámh, and the Debt and Development Coalition.

We also rolled out the first year of our 'Stop Child Labour, school is the best place to work' campaign, which is being run in conjunction with two of our Alliance 2015 partners. The campaign is inspired by the work of the MV Foundation in India, which has successfully withdrawn over 250,000 children from work, and enrolled and retained them in the formal education system.

The unit also was pleased to partner Development Corporation Ireland (DCI), 80:20, and Aidlink, in developing www.developmenteducation.ie, a website for students, development workers, and others interested in learning more about justice, human rights, and development issues. Staff were actively engaged in a wide variety of networks, including the Global Campaign for Education, the Development Education Advisory Board, One World Week Committee, the Board of Fairtrade Mark Ireland, and the Dochas Development Education group.

Grants Award Policy

In 2003, Concern secured a number of partnerships at the overseas operational level.

This has significantly increased the number of community-based and local NGO partnerships, and the proportion of overseas expenditure now allocated to such partnerships continues to increase.

Concern made a number of more traditional arms length grants to a variety of organisations around the world, whose ethos and approach are compatible with that of Concern. Strict criteria are applied in vetting all such grant applications. Expenditure in this traditional category of grants remains a low proportion of total overseas expenditure.

4. POLICY DEVELOPMENTS

Concern completed several new policy documents during 2003. These, and previously developed policy documents, are applied to guide and focus Concern's strategic approach to its work.

The following policies were completed and put into effect in 2003:

- HIV/AIDS
- Advocacy
- Human Resources
- Training & Development
- Livelihoods
- Basic Education

Each of these documents, and other related material, are available on our website www.concern.net.

The current Concern Strategic Plan runs until end of 2005. The process of reviewing our overall policy and preparing for the next Strategic Plan commences in 2004.

5. SUPPORT FUNCTIONS

High quality support functions are essential to the delivery of the overseas programme described in some detail above. During 2003, we have continued to invest in our Human Resources (HR), Finance, and Information Technology (IT) functions. We conducted strategic reviews of our Finance and IT functions, and a number of key recommendations made, will be implemented in 2004.

Significant progress was achieved in extending communications and information systems to our UK and overseas operations. The concern.net infrastructure was successfully implemented in eight of our overseas operations, and electrical upgrading was undertaken in eleven field offices. Similarly, our UK offices completed the transition to concern.net infrastructure.

6. REVIEW OF FINANCIAL OUTCOME FOR 2003

The financial outcome for 2003 is set out in the 'Consolidated Statement of Financial Activities'.

Total monetary income for 2003 reached €74.86 million, which, with the addition of donations in kind, brought our total income for the year to €98.83 million, a new record for Concern. While the great bulk of the income growth in 2003 is attributable to an unprecedented level of donations in kind, particularly in relation to Zimbabwe and Ethiopia, there was also a significant increase in monetary income in comparison to the previous year. The increase in

monetary income is attributable mainly to an improvement in our regular giving income. Total income has increased from approximately €32 million in 1998 to its current record level.

Monetary income from public donations for Ireland and UK reached €42.22 million, an increase of €5.89 million on 2002, and this mainly relates to improved regular giving income. Concern's public income in UK was bolstered by a very strong income flow from its acquisition, in 2002, of Children's Aid Direct, now renamed Concern Worldwide (GB). This new subsidiary has loyal donors across Great Britain, who have accepted Concern's commitment to apply their donations to programmes compatible with the aims and objectives of the original Children's Aid Direct company.

Total income, at €98.83 million, including donations in kind, represents a 32% increase on 2002. This is mainly due to the heavy commitments taken on by Concern, particularly in Zimbabwe and Ethiopia, to handle food relief and distribution activities on behalf of the World Food Programme (WFP), and other international agencies.

Concern received €6.7 million in monetary donations from its donors in Ireland and UK, in respect of its emergency and hunger appeals for Africa. The Ethiopia appeal alone raised €3.5 million, of which one third was raised in the United Kingdom. The UK proportion was even higher in relation to the other Africa appeals. The response to the Africa appeals was extraordinary, given the absence of any

sustained media attention in 2003 towards the food crisis in Africa.

Concern continues to achieve improvements in its income flow in respect of the Christmas Fast Appeal, which was a resounding success again at Christmas 2003. Community-based fundraising generally continues to improve, as does the response from the corporate sector.

Concern received a total of €13.69 million in funding from the Irish Government in 2003. The bulk of this income (€10.1 million) represents the Multi Annual Planning Scheme (MAPS) funding provided by Development Cooperation Ireland, but Concern also received additional co-funding from the Irish Government in respect of start-up funding for emergencies, and for emergencies themselves, and APSO funding of €1.06 million is included in this total.

The European Community continued to support Concern's overseas emergency and development programmes, and provided co-funding of €6.73 million in 2003. Concern also benefited from the fundraising efforts of its affiliate, Concern Worldwide (US). The United Nations and the British Government were additional significant co-funders. Total co-funding income reached €31.76 million, exceeding the 2002 income by €2.3 million.

Total direct charitable expenditure in 2003 was €82.57 million, compared to €60.38 million in 2002. Of this total, €23.97 million was derived from food and material aid, provided by the World Food Programme and other

international agencies, principally in respect of Zimbabwe and Ethiopia.

Fundraising and promotional expenditure for 2003 totalled €12.13 million, a 7% reduction from the 2002 level. This figure includes fundraising costs associated with the highly successful Africa appeals, though the bulk of the expenditure relates to the continued effort to secure additional committed regular givers. The costs of the 2003 regular giving campaign were expended in that year, leaving subsequent income from these donors free of significant continuing costs. The regular giving campaign in 2003 was, once again, a resounding success for Concern. Regular giving now represents the single biggest income category for Concern, bringing with it the benefit of negligible recurring costs, as our regular givers remain committed to our relief and development programmes. This donor commitment has made it possible to plan forward with confidence, and to invest in longer-term capacity building programmes.

Management and administration costs for 2003 amounted to €0.88 million, which amounts to 1% of total expenditure and is considered reasonable.

Reserves & Financial Position

In 2003, Concern maintained its policy of retaining only sufficient reserves to safeguard the continuity of its overseas operations, thereby committing the maximum possible resources to its current programmes. Concern operates a strict policy of

planning for break-even on current operations. However, the policy permits the carry-forward, from year to year, of unspent public donations which have been donated for specific purposes by the public. Following this approach, Concern brought forward, from 2002, €8.9 million in unspent restricted public donations, mainly in respect of six countries. It was possible, in 2003, to apply the bulk of these resources to the programmes or countries intended by the donors, with the balance going forward to 2004. During 2003, Concern received fresh restricted public income, largely related to its Africa appeals, and a portion of this remains unspent at end of 2003, and is also carried forward to 2004 programmes. The total carried forward is €6.44 million.

The company's prudent break-even strategy, and its strict control of reserves, is further strengthened by its commitment, year by year, to specifically plan to achieve levels of public income and co-funding income which are required to fulfil its expenditure requirements. Consequently, expenditure is only committed and undertaken when income is properly planned, and can be anticipated with a high degree of certainty. In this way Concern ensures that expenditure programmes do not outpace income receipts. Concern targets the achievement of sufficient free reserves to provide start-up finance for new programmes, and to have sufficient working capital for programme continuity. It also utilises its free reserves in responding to sudden emergency requirements, such as the

earthquake in Iran at the end of 2003. The total reserves at end of 2003 were €30.54 million. After allowing for reserves pertaining to unspent restricted donations, Concern has unrestricted reserves of €24.10 million. While some of these unrestricted reserves are associated with fixed assets, the free element approximates to three months' overseas monetary expenditure.

Investment Policy

In 2003, Concern retained its mix of long-term and short-term investment of its cash resources.

The bulk of Concern's reserves are placed in fixed term interest-bearing deposits, with maturity dates to satisfy Concern's cash flow requirements; these deposits are placed with financial institutions authorised by Council, with investment thresholds determined by the ratings of each financial institution.

Concern's long-term investment of €6.35 million, placed with Irish Life in late 2001, has recovered value substantially from the 2002 position, which was caused by the stock market decline. This is a long-term investment, with 80% in World and European equities, in ethically-acceptable investment products. An adjustment to reflect the market valuation at 31 December 2003 is contained in the accounts for 2003, and shows an improvement of €0.42 million in the value of the investment at year-end, by comparison to the previous year.

However, the investment is still €0.84 million below its original value.

7. OTHER INITIATIVES

Council approved a plan to refurbish its Dublin headquarters in Camden Street. This freehold building has deteriorated over the years, and a comprehensive plan was prepared to modernise the building and improve the layout and services. Planning permission was achieved towards the end of 2003, and a builder was appointed. The refurbishment will take place during 2004.

In 2002, Concern took in-house the activity to secure regular giving donors in Ireland, assimilating this activity into its Concern Charity Trading subsidiary. Following the success of this arrangement, it was decided in 2003 to extend this operation, on an in-house basis, to cater for aspects of Concern's regular-giving activities in the United Kingdom. This initiative has been completed and is working well.

8. GOVERNANCE AND COMPLIANCE

Concern completed a comprehensive review of its UK governance arrangements during 2003. Following this review, Council approved management proposals to rationalise the subsidiary structure in the UK, and to create a stronger and wider-ranging role for its UK operations. The objective of these proposals was to increase the capacity of Concern to raise co-funding income and public income in UK, and to create a stronger

identity through its UK operations with civil society in the UK.

A company has been established in the UK, registered with the Charity Commission for English and Wales, with its headquarters in London. This company commenced operations in January 2004, and will be responsible for all activities in Great Britain and Northern Ireland. It has absorbed the activities of the old UK company, which was registered in Northern Ireland, and the activities of Concern Worldwide (GB) - the recently acquired Children's Aid Direct - both of which companies become dormant from January 2004.

During 2004, work will commence to create a more proactive board for the new Concern Worldwide (UK), representative of UK civil society, and an Executive Director, based in London, was appointed in early 2004.

Concern aims to meet all of its legal and compliance obligations. While some of these derive from its legal obligations as a company, it has additional responsibilities to its donors and co-funders.

Concern's major co-funders insist on high standards of accountability and control, in terms of funding applications and our programme management. There is an increasing incidence of formal audit reviews of our operations by auditors acting for our co-funders. ECHO, the emergency funding division of the European Union, was particularly active in this regard in 2003.

Following a series of ECHO audits, which were conducted across all European NGOs, Concern has received a top rating from ECHO, thereby positioning Concern for continuing ECHO funding for several years.

Concern continues to invest in new systems of accounting and control, and will introduce a new comprehensive accounting system in 2004. Concern places major emphasis on its annual planning and performance review processes, regarding these as the cornerstones of its well-being and reputation. Council exercises formal control of overseas programmes, income management, and overhead control, through its ongoing governance processes. Concern recognises the importance of producing clear and meaningful annual reports and financial statements, and was rewarded for this, once again, in 2003, by achieving first prize, in its sector, in the annual Published Accounts Awards competition, organised by the Leinster Society of Chartered Accountants. This is the ninth occasion over the last fifteen years that Concern has won this award.

Council resolved in 2003 to establish a formal Board Audit Committee, enlarging the current role of the Finance Sub Committee, and this new committee is now operational. This brings Concern to its desired standard of governance in this regard. An internal auditor position has also been approved and was filled in early 2004.

Following the review of overall governance, initiated in 2002,

proposals were completed in 2003 in relation to overall company governance. One aspect of this is the standardisation of the UK governance operations, which is dealt with above. In addition, however, the opportunity was taken to formalise arrangements to more clearly define the affiliate relationship of Concern with Concern Worldwide (US). The redefinition has been expressed in the mutually agreed Statutes of Affiliation, supported by a Licensing Agreement governing the use, by the US affiliate, of Concern's brands and trade names.

9. STAFF AND VOLUNTEERS

Concern acknowledges with gratitude the work of its staff and that of its volunteers at home and overseas, in 2003. The major achievements in 2003 are due to the dedication and belief of all of these people. In very many situations, courage was also required, given the uncertain and often perilous nature of our operations abroad. Concern reached so many people in need in 2003 whose lives have been improved because of this commitment. Council wishes to record this with great gratitude.

10. POLITICAL CONTRIBUTIONS

There were no political contributions in 2003, which require disclosure under the Electoral Act, 1997.

11. AUDITORS

The Auditors, KPMG, have agreed to continue in office under Section 160 of the Companies Act, 1963. A

resolution proposing their reappointment will be put to the Annual General Meeting. The Council wishes to record its appreciation of the dedicated service and support, over many years, of Mark Dobbyn, its KPMG audit partner, who has retired from KPMG.

12. LOOKING AHEAD

Concern will continue to reach out to more and more needy people, while continuing to support its existing programmes to the highest standards. Our approach to our work will revolve around the principles of coherence, innovation, and quality.

Like any organisation seeking excellence in performance, we will work to improve the quality and effectiveness of our work with the poor. We will apply modern management principles to this task, allied to a caring and sensitive approach to those communities which we try to help, and to the staff who work for us.

We will try harder to engage with local organisations and communities in our field locations, to improve our partnership linkages. Our specific emphasis will be on trying to scale up our operations by empowering and resourcing local organisations and communities, so that we can have our work replicated on the ground by competent local partners.

We will try harder to inform our donors and co-funders about our work achievements, sharing with them a candid assessment of the lessons learned by us, as we attempt to

fit our programmes to the realities on the ground.

Our emphasis will be on securing the best local and international staff. We will invest heavily and productively in training and development of our staff, mindful of our obligations to the poor, and of our need to provide for management succession within the organisation.

We will work harder to make our marketing and communications efforts more coherent and relevant to our existing and intended donors, with particular emphasis on linking our marketing and fundraising initiatives into our community networks in Ireland and UK. We are committed to treating our donors with care, keeping them more informed of our work, and refraining from exploiting their generosity.

We will strengthen and refresh our senior management team, to ensure that its focus is appropriate, and to provide staff with sensitive and motivational leadership.

On behalf of Concern

David Regan
Chairperson

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

Company law requires the Council members to prepare financial statements for each financial year, in accordance with applicable Irish law and accounting standards, which give a true and fair view of the state of affairs of the group and of the profit or loss for that period. In preparing those financial statements, the Council members are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Council members are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and of the group and which enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2001, and all Regulations to be construed as one with those Acts. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of Council

David Regan
Council Member

David Ritchie
Council Member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONCERN WORLDWIDE

We have audited the financial statements on pages 79 to 98.

This report is made solely to the company's members, as a body, in accordance with section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF COUNCIL MEMBERS AND INDEPENDENT AUDITORS

The company's Council members are responsible for preparing the Report of Council. As described above in the Statement of Council Members' Responsibilities, this includes the responsibility for preparing the financial statements in accordance with applicable Irish law and accounting standards. Our responsibilities, as independent auditors, are established in Ireland by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts.

As also required by the Acts, we state whether we have obtained all information and explanations we require for our audit, whether the financial statements agree with the books of account, and report to you our opinion as to whether:

- the company has kept proper accounting records
- the report of the Council members is consistent with the financial statements

We also report to you if, in our opinion, information specified by law regarding Council members' remuneration and transactions with the company is not disclosed.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the group and company at 31 December 2003 and of the surplus and cashflows of the group for the year then ended and have been properly prepared in accordance with Companies Acts 1963 to 2001 and all Regulations to be construed as one with those Acts.

We have obtained all of the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The balance sheet of the company is in agreement with the books of account.

KPMG

26 April 2004
Chartered Accountants
Registered Auditors

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2003

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

BASIS OF PREPARATION

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by The Institute of Chartered Accountants in Ireland.

The financial statements have also been prepared to comply with "Accounting and Reporting by Charities: Statement of Recommended Practice," (Charities SORP), the revised statement of recommended practice issued by the Accounting Standards Board in 2000, and the Accounting Standards Board "Statement on Update Bulletin 1 of the Charities SORP" issued in December 2002. Any variation with these statements has been fully disclosed and explained.

BASIS OF CONSOLIDATION Group Companies

The consolidated financial statements include the financial statements of Concern Worldwide and all of its subsidiaries, drawn up to 31 December each year. A full list of all subsidiaries is included in note 22.

Branches

The work of the organisation in the developing world is carried out through branches located in the countries of operation. Expenditure on goods and services made directly by or on behalf of local branches is expensed when the costs are incurred, with the exception of service payments to local staff which are recognised on an accruals basis.

The full cost of vehicles, equipment and other assets, incurred by branches is included in expenditure in the year of acquisition. Cash balances of branches are reflected in the consolidated balance sheet.

Affiliated US organisation

Concern Worldwide (US) Inc. is a related, though operationally independent, company based in New York, which supports the mission of Concern Worldwide by providing financial and human resources for programmes, recruiting expatriate staff and raising awareness of Concern Worldwide and its mission. Concern Worldwide (US) Inc. is not controlled by Concern and, therefore, is not consolidated in the results of Concern.

Grants to meet operational costs of Concern Worldwide (US) Inc. are included in relief and development expenditure and fundraising and promotion costs, and are expensed in the period when funds are transferred. Grants received from Concern Worldwide (US) Inc. to fund overseas projects are recognised in the same way as grants from other international co-funders.

MONETARY INCOME

Incoming monetary resources are recognised by inclusion in the statement of financial activities only when realised in the form of cash or other assets, the ultimate cash realisation of which can be assessed with reasonable certainty.

In the case of voluntary donations and related tax refunds, income is recognised when the donations are entered into the organisation's accounting system.

In the case of grants from governments and other co-funders, income is recognised when the expenditure, which it is intended to fund, has been incurred, and there has been reasonable assurance of receipt.

Income due to Concern from co-funders but not yet received at year end is included in debtors in the balance sheet, and funds already received from co-funders but not yet expended are shown in creditors.

MONETARY EXPENDITURE

Monetary expenditure is analysed between direct charitable expenditure, fundraising and promotion, management and administration, and trading.

The costs of each activity are separately accumulated and disclosed, analysed according to their major components.

Costs, which cannot be attributed directly to one activity, are allocated to activities in proportion to estimated benefits received.

It is our policy to expense the costs of recruiting members of the public as committed long-term donors, even though the associated income streams mostly arise in subsequent years.

DONATED COMMODITIES

Donated commodities distributed by the organisation as part of programmes designed, implemented and managed by Concern, are valued and included in both incoming resources and direct charitable expenditure in the year in which they are distributed.

Local food products and non-food donations are valued at the estimated market price in their country of origin at the time of receipt.

Donations of food aid, which are sourced outside of the area in which they are distributed, are valued at estimated insurance values provided by the donor.

CAPITAL GRANTS

Capital grants received are treated as deferred income in the balance sheet and are credited to the statement of financial activities by instalments on a basis consistent with the depreciation policy adopted for the relevant assets.

SAVINGS AND MICRO CREDIT SCHEMES

As part of its overseas activities the organisation provides funds under savings and micro credit schemes either directly to individual members of local communities or via local community groups. Responsibility for managing these schemes is generally retained by the organisation

until such time as it is possible to transfer the management of the schemes to the local community.

The net cost of contributions to these schemes is included in charitable expenditure and no amounts are reflected in the balance sheet.

FUND ACCOUNTING

Concern maintains various types of funds as follows:

Restricted Funds

Restricted funds represent grants, donations and legacies received which can only be used for particular purposes specified by the donors. Such purposes are within the overall aims of the organisation.

Unrestricted Funds

General Funds: These represent amounts which are expendable at the discretion of Council in furtherance of the objectives of the charity. Such funds may be held in order to finance working capital or capital investment, and particularly to finance start-up of new programmes pending receipts of funds.

Designated Funds: Concern may at its discretion set aside funds for specific purposes, which would otherwise form part of the general reserve of the organisation. Specifically, Concern sets aside a reserve so that it can protect its ongoing programme of work from unexpected variations in income, and to ensure that it has the resources to become operational in emergencies without having to await the outcome of fundraising appeals. In addition, some of Concern's funds need to be invested in fixed assets for ongoing use by the charity.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the original cost of the tangible fixed assets, less estimated residual value, over their expected useful lives, on a straight-line basis at the following annual rates:

Freehold premises:	3%
Office furniture:	10%
Office equipment:	20%
Computer equipment:	33%
Motor vehicles:	20%

GOODWILL

Goodwill arising on the acquisition of a subsidiary, Concern Worldwide (GB), formerly Children's Aid Direct, represents the excess of the consideration given over the fair value of the identifiable net assets when they were acquired. Goodwill is capitalised in the balance sheet and amortised over the estimated five year economic life of the goodwill, which is five years.

PENSIONS

The regular cost of providing benefits in respect of the defined benefits scheme is charged to the statement of financial activities over the service lives of the members of the scheme on the basis of a constant percentage of pensionable pay. Variations from regular costs arising from periodic actuarial valuations are allocated over the expected remaining service lives of members.

The group also operates a defined contribution scheme. Pension contributions are charged to the statement of financial activities as incurred.

FOREIGN CURRENCIES

The financial statements are prepared in euro (€).

Transactions in foreign currencies are recorded in euro at the rate ruling on the date of the transaction or at a contracted rate. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the year-end rate of exchange. The resulting gains and losses are dealt with in the consolidated statement of financial activities.

The results of Concern Worldwide (UK) and Concern Worldwide (GB) are firstly recorded in sterling and subsequently translated into euro at the average exchange rate for the year. Any gain or loss thus arising is dealt with through reserves and reflected in the consolidated statement of financial activities after net incoming resources.

STOCKS

Stocks comprise relief supplies held for transfer to overseas operations. Stocks are stated at cost, less provisions for obsolescence and any other diminution in value. Cost is the purchase price, net of any trade discount, plus any additional costs associated with bringing the items to their current location and condition.

INVESTMENTS

Investments are recorded in the balance sheet at the lower of cost and net realisable value. In the case of donated shares, this initial cost is deemed to be the market value of the shares on the date of donation.

Although this valuation basis differs from the market value approach preferred by the statement of recommended practice "Accounting and Reporting by Charities", Council considers this basis is more appropriate given the fluctuations in market valuations of such investments.

TAXATION

No charge to taxation arises as the group, with the exception of Concern Charity Trading Limited, has been granted exemption by the Revenue authorities in Ireland and the UK.

Irrecoverable value added tax is expensed as incurred.

LIQUID RESOURCES

In the consolidated cash flow statement, liquid resources are the investments included in current assets and comprise equity holdings, donated shares, and cash on deposit at banks requiring more than 24 hours notice of withdrawal.

SERVICE PAYMENTS TO LOCAL STAFF OVERSEAS

Provision is made for commitments to local staff to provide service-related payments in the event of resignation or termination of employment. Termination arises when programmes are completed or when staffing requirements change. Amounts payable are linked to length of service.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	Restricted Funds €'000	Unrestricted Funds €'000	Total 2003 €'000	Total 2002 €'000
Incoming resources-continuing activities					
Income from fundraising activities		8,892	33,323	42,215	36,324
Grants from governments and other co-funders		31,762	-	31,762	29,426
Trading	4	-	414	414	326
Deposit interest		-	464	464	493
Donated commodities		23,973	-	23,973	8,136
Total incoming resources		64,627	34,201	98,828	74,705
Resources expended					
Direct charitable expenditure					
- monetary expenditure	1	41,633	16,970	58,603	52,243
- utilisation of donated commodities	1	23,973	-	23,973	8,136
Fundraising and promotion	2	1,445	10,687	12,132	13,071
Management and administration	3	-	875	875	647
Trading	4	-	382	382	311
Total resources expended		67,051	28,914	95,965	74,408
Net incoming resources - continuing activities	5	(2,424)	5,287	2,863	297
Exchange loss on restatement of sterling net assets		(40)	(279)	(319)	(190)
Reversal/ (charge) of unrealised losses on revaluation of investments	13	-	424	424	(1,265)
Net movement in funds		(2,464)	5,432	2,968	(1,158)
Total funds at beginning of year		8,902	18,665	27,567	28,725
Total funds at end of year		6,438	24,097	30,535	27,567

On behalf of Council

David Regan
Council Member

David Ritchie
Council Member

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2003

	Note	2003		2002	
		€'000	€'000	€'000	€'000
Fixed assets					
Tangible fixed assets	8		2,570		2,368
Intangible fixed assets - goodwill	9		363		526
			<u>2,933</u>		<u>2,894</u>
Current assets					
Stocks	11	392		453	
Debtors and prepayments	12	7,173		7,078	
Investments	13	17,960		14,275	
Cash at bank and in hand	14	8,983		11,074	
		<u>34,508</u>		<u>32,880</u>	
Creditors: amounts falling due within one year	15	<u>(5,419)</u>		<u>(7,172)</u>	
Net current assets			<u>29,089</u>		<u>25,708</u>
Total assets less current liabilities			<u>32,022</u>		<u>28,602</u>
Provisions for liabilities and charges	16		(1,434)		(974)
Capital grants	17		(53)		(61)
Net assets			<u>30,535</u>		<u>27,567</u>
Funded by:					
Restricted funds	18		6,438		8,902
Unrestricted funds	18		24,097		18,665
Funds			<u>30,535</u>		<u>27,567</u>

On behalf of Council

David Regan
Council Member

David Ritchie
Council Member

COMPANY BALANCE SHEET AT 31 DECEMBER 2003

	Note	2003		2002	
		€'000	€'000	€'000	€'000
Fixed assets					
Tangible fixed assets	8		2,151		1,963
Financial fixed assets	10		—		—
Current assets					
Stocks	11	323		383	
Debtors and prepayments	12	5,896		6,429	
Investments	13	17,960		14,275	
Cash at bank and in hand	14	6,388		8,053	
		<u>30,567</u>		<u>29,140</u>	
Creditors: amounts falling due within one year	15	<u>(5,436)</u>		<u>(6,296)</u>	
Net current assets			<u>25,131</u>		<u>22,844</u>
Total assets less current liabilities			<u>27,282</u>		<u>24,807</u>
Provisions for liabilities and charges	16		(1,434)		(974)
Net assets			<u>25,848</u>		<u>23,833</u>
Funded by:					
Restricted funds	18		6,182		8,341
Unrestricted funds	18		19,666		15,492
Funds			<u>25,848</u>		<u>23,833</u>

On behalf of Council

David Regan
Council Member

David Ritchie
Council Member

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	2003 €'000	2002 €'000
Net cash inflow from operating activities	19	1,347	4,783
Return on investments (deposit interest received)		481	483
Capital expenditure and financial investment	20	(550)	(1,765)
Net cash inflow before use of liquid resources		1,278	3,501
Management of liquid resources within one year	20	(3,183)	(1,090)
(Decrease)/increase in cash in the year		(1,905)	2,411
Reconciliation of net cash flow to movement in net cash resources			
		2003 €'000	2002 €'000
(Decrease)/increase in cash in the year		(1,905)	2,411
Cash flow from increase in liquid resources	20	3,183	1,090
Change in net funds resulting from cash flows	21	1,278	3,501
Revaluation of liquid resources	21	514	(1,241)
Exchange difference	21	(241)	(109)
Net cash resources at beginning of year		25,349	23,198
Net cash resources at end of year	21	26,900	25,349

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 DIRECT CHARITABLE EXPENDITURE

	2003 €'000	2003 €'000	2002 €'000	2002 €'000
(i) Monetary expenditure				
Overseas relief and development expenditure		52,148		46,779
Support costs				
Payroll costs	3,064		2,539	
Staff training and recruitment	157		141	
Travel	447		425	
Insurance	119		57	
Office/service costs	1,211		808	
Support of related US organisation	390		413	
Costs recharged to overseas fields	(434)		(386)	
Total relief and development expenditure		4,954		3,997
Development education				
General material and costs	170		163	
Grants and subscriptions	99		86	
Direct mail	475		561	
Staff training and recruitment	11		7	
Payroll costs	488		444	
Office/service costs	258		206	
Total development education		1,501		1,467
Total monetary expenditure		58,603		52,243
(ii) Utilisation of donated commodities		23,973		8,136
		82,576		60,379

2 FUNDRAISING AND PROMOTION

	2003 €'000	2002 €'000
Direct mail	949	1,122
Media advertising	752	544
Fundraising campaigns	1,320	1,581
Support of related US organisation	174	213
Donor recruitment, including related payroll costs (i)	5,189	6,322
Staff training and recruitment	77	42
Payroll costs	2,155	1,876
Public and media relations	171	150
Office/service costs	1,345	1,221
	12,132	13,071

(i) These expenditures arise from the strategic decision to focus on recruiting members of the public as committed long-term donors. The full costs of recruitment are reflected in the financial statements as they arise, even though the revenue from these donors is spread over several years. The 2003 charge includes payroll costs of employees engaged in donor recruitment of €1,181,937, (these costs were outsourced in previous years).

3 MANAGEMENT AND ADMINISTRATION

	2003	2002
	€'000	€'000
Payroll costs	445	369
Staff training and recruitment	10	9
Office/service costs	420	269
	<u>875</u>	<u>647</u>

4 TRADING

Concern Charity Trading Limited commenced trading in October 2000. The principal activity of the company is to raise funds from its charity shops to fund the humanitarian work of Concern Worldwide. The company operates from leased premises in Cork, Limerick and Dublin. The trading company also provides some fundraising support services to the parent company.

5 OTHER INFORMATION

Net incoming resources for the year is after charging/(crediting) the following items:	2003	2002
	€'000	€'000
Depreciation of tangible fixed assets	339	362
Amortisation of goodwill	123	136
Amortisation of government capital grants	(3)	(2)
Auditors' remuneration	56	47
(Profit)/loss on disposal of tangible fixed assets	(7)	8
Reimbursement of Council members expenses	1	1

6 TAXATION

There is no charge to taxation in respect of the parent company and its UK subsidiary companies, Concern Worldwide (UK), Concern Worldwide (GB) and Concern Worldwide (England and Wales), as all companies have been granted charitable exemption by the Revenue Authorities in Ireland and the UK.

Concern Charity Trading Limited does not enjoy charitable exemption and is liable to corporation tax. A tax charge did not arise in this company in 2003 as the company donated its entire profits to the parent company and received relief from corporation tax for the donation.

7 STAFF

(a) Numbers and costs

The average weekly number of employees during the year in Ireland and the UK was 175 (2002:141).

The aggregate payroll costs of these employees were as follows:

	2003	2002
	€'000	€'000
Wages and salaries	6,298	4,553
Social welfare costs	616	435
Pension and related costs	439	397
	<u>7,353</u>	<u>5,385</u>

(b) Salary range

A total of 18 employees (2002: 10), earned remuneration in excess of €50,000 p.a. as follows:

	2003	2002
	No. employees	No. employees
€50,000 to €70,000	12	5
€70,001 to €90,000	5	4
€90,001 to €110,000	1	1

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions.

8 TANGIBLE FIXED ASSETS - GROUP

	Freehold premises	Office furniture & equipment	Computer equipment	Motor vehicles	Total
	€'000	€'000	€'000	€'000	€'000
Cost					
At beginning of year	1,789	1,253	918	129	4,089
Additions in year	367	53	119	22	561
Disposals in year	-	-	-	(18)	(18)
Exchange difference	(21)	(7)	(25)	-	(53)
At end of year	<u>2,135</u>	<u>1,299</u>	<u>1,012</u>	<u>133</u>	<u>4,579</u>
Depreciation					
At beginning of year	520	350	777	74	1,721
Charge for year	65	127	120	27	339
Eliminated on disposals	-	-	-	(14)	(14)
Exchange difference	(7)	(6)	(24)	-	(37)
At end of year	<u>578</u>	<u>471</u>	<u>873</u>	<u>87</u>	<u>2,009</u>
Net book value					
At 31 December 2003	<u>1,557</u>	<u>828</u>	<u>139</u>	<u>46</u>	<u>2,570</u>
At 31 December 2002	1,269	903	141	55	2,368

The net book value of the group tangible fixed assets is made up as follows:

	Company	Subsidiaries	Total
	€'000	€'000	€'000
Freehold premises	1,348	209	1,557
Office furniture	184	174	358
Office equipment	468	2	470
Computer equipment	112	27	139
Motor vehicles	39	7	46
At 31 December 2003	<u>2,151</u>	<u>419</u>	<u>2,570</u>
At 31 December 2002	1,963	405	2,368

9 INTANGIBLE FIXED ASSETS - GOODWILL

	Goodwill
	€'000
Cost	
At beginning of year	657
Exchange difference	(52)
At end of year	<u>605</u>
Amortisation	
At beginning of year	131
Charge for year	123
Exchange difference	(12)
At end of year	<u>242</u>
Net book value	
At 31 December 2003	<u>363</u>
At 31 December 2002	526

10 FINANCIAL FIXED ASSETS - COMPANY

During 2003, the company provided financing to its wholly owned subsidiary, AMK Limited, of €532,585 in exchange for ordinary share capital. The funds were provided solely in order to enable AMK Limited to provide micro credit services in rural Cambodia. The portion of the funding applied by AMK Limited for this purpose by 31 December 2003 is included in direct charitable expenditure in the statement of financial activities, unused funds held in cash by AMK Limited at year end are reflected in the consolidated bank and cash balances.

11 STOCKS

Stocks are comprised of relief supplies held for transfer to fields. In the opinion of Council, the replacement cost of stock on hand at the year end did not differ significantly from the balance sheet figures above.

12 DEBTORS AND PREPAYMENTS

	Group		Company	
	2003 €'000	2002 €'000	2003 €'000	2002 €'000
Amounts due from co-funders	6,440	6,410	4,947	5,503
Prepayments	303	235	293	226
Sundry debtors	380	366	380	365
Amount due from subsidiary	-	-	226	268
Deposit interest receivable	50	67	50	67
	7,173	7,078	5,896	6,429

13 INVESTMENTS

	Group		Company	
	2003 €'000	2002 €'000	2003 €'000	2002 €'000
Fixed term deposits	12,360	9,189	12,360	9,189
Investment with Irish Life	5,508	5,084	5,508	5,084
Donated shares	92	2	92	2
	17,960	14,275	17,960	14,275

Interest bearing fixed term deposits are maintained with financial institutions in Ireland and the UK.

In October 2001, €6.35m was invested with Irish Life Investment Managers. The market value of the investment at 31 December 2003 was €5.508m (2002: €5.084m), resulting in an unrealised gain for the year of €0.424m. This gain has been shown in the consolidated statement of financial activities, thus reflecting the value of the investment at the lower of cost and net realisable value.

The market value of donated shares on hand at 31 December 2003 was €91,556 (2002:€1,678)

14 CASH AT BANK AND IN HAND

	Group		Company	
	2003 €'000	2002 €'000	2003 €'000	2002 €'000
Funds held in Ireland and the UK	5,945	7,645	3,350	4,624
Funds held in countries of operation	3,038	3,429	3,038	3,429
	8,983	11,074	6,388	8,053

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2003 €'000	2002 €'000	2003 €'000	2002 €'000
Trade creditors and accruals	2,244	2,200	1,468	1,182
Bank overdrafts	43	-	-	-
Amounts received from co-funders but unspent	3,132	4,972	2,989	4,607
Amount due to subsidiaries	-	-	979	507
	5,419	7,172	5,436	6,296

16 PROVISIONS FOR LIABILITIES AND CHARGES

	Group & Company	
	2003 €'000	2002 €'000
Overseas local staff service payment provisions	1,334	874
Cost provision to repatriate overseas personnel	100	100
	1,434	974
Overseas local staff service payment provision		
At beginning of year	874	624
Charge for year, net of payments made	460	250
At end of year	1,334	874
Cost provision to repatriate overseas personnel		
At beginning and end of year	100	76
Charge for year	-	24
At end of year	100	100

17 CAPITAL GRANTS

	Group	
	2003 €'000	2002 €'000
Receivable		
At beginning of year	92	96
Exchange difference	(8)	(4)
At end of year	84	92
Amounts released to consolidated statement of financial activities		
At beginning of year	31	30
Amortised during the year	3	2
Exchange difference	(3)	(1)
At end of year	31	31
Net book value at end of year	53	61

18 FUNDS

(a) Reconciliation of funds

	Group €'000	Company €'000
Net incoming resources	2,863	1,591
Exchange loss on restatement of sterling net assets	(319)	-
Reversal of unrealised losses on revaluation of investments	424	424
Net movement in funds	<u>2,968</u>	<u>2,015</u>
Total funds at beginning of year	27,567	23,833
Total funds at end of year	<u>30,535</u>	<u>25,848</u>

(b) Analysis of group net assets between funds

	Restricted funds €'000	Unrestricted funds €'000	Total funds €'000
Funds balances at 31 December 2003 are represented by:			
Tangible fixed assets	-	2,570	2,570
Intangible fixed assets	-	363	363
Current assets	6,438	28,070	34,508
Current liabilities	-	(5,419)	(5,419)
Provisions for liabilities and charges	-	(1,434)	(1,434)
Deferred income	-	(53)	(53)
	<u>6,438</u>	<u>24,097</u>	<u>30,535</u>

18 (c) Movements in Funds

The movements in funds, classified in accordance with the organisation's accounting policies, are as follows:

		Balance at 31 December 2002 €'000	Income €'000	Expenditure €'000	Transfers €'000	Exchange gain/(loss) €'000	Balance at 31 December 2003 €'000
Restricted funds							
Afghanistan		1,737	1,728	(2,966)	-	-	499
Angola		-	2,257	(2,257)	-	-	-
Bangladesh		-	2,865	(2,865)	-	-	-
Burundi		-	1,100	(1,100)	-	-	-
Cambodia		56	1,415	(1,467)	-	(3)	1
Cambodia microfinance		-	254	(254)	-	-	-
DPR Korea		-	2,455	(2,455)	-	-	-
DR Congo		-	959	(959)	-	-	-
East Timor		-	566	(566)	-	-	-
Eritrea		-	2,163	(1,612)	-	-	551
Ethiopia		1,182	11,523	(10,857)	-	-	1,848
Haiti		-	1,012	(1,012)	-	-	-
Honduras		-	118	(118)	-	-	-
India		1,658	366	(1,900)	-	(4)	120
Iraq		-	402	(402)	-	-	-
Kenya		-	197	(197)	-	-	-
Kosovo		-	-	-	-	-	-
Laos		-	569	(569)	-	-	-
Liberia		-	1,160	(1,160)	-	-	-
Malawi		2,356	1,811	(2,990)	-	-	1,177
Mozambique		-	2,465	(2,465)	-	-	-
Niger		-	83	(83)	-	-	-
Pakistan		583	620	(750)	-	-	453
Rwanda		-	1,032	(1,032)	-	-	-
Serbia		95	-	(95)	-	-	-
Sierra Leone		-	1,081	(1,081)	-	-	-
Somalia		-	873	(873)	-	-	-
Sudan North		-	81	(81)	-	-	-
Sudan South		-	4,110	(3,163)	-	(4)	943
Tanzania		-	1,702	(1,702)	-	-	-
Uganda		-	1,205	(1,205)	-	-	-
Zambia		1,156	198	(847)	-	(28)	479
Zimbabwe		-	17,587	(17,222)	-	(1)	364
Other		79	772	(848)	-	-	3
Total Restricted funds	(i)	<u>8,902</u>	<u>64,729</u>	<u>(67,153)</u>	<u>-</u>	<u>(40)</u>	<u>6,438</u>
Unrestricted funds							
General funds	(ii)	-	34,625	(28,914)	(4,047)	(279)	1,385
Designated funds:							
Tangible fixed asset fund	(iii)	2,894	-	-	3,477	-	6,371
Working capital fund	(iv)	15,771	-	-	570	-	16,341
Total unrestricted funds		<u>18,665</u>	<u>34,625</u>	<u>(28,914)</u>	<u>-</u>	<u>(279)</u>	<u>24,097</u>
Total funds	(v)	<u>27,567</u>	<u>99,354</u>	<u>(96,067)</u>	<u>-</u>	<u>(319)</u>	<u>30,535</u>

18 (c) Movements in Funds (continued)

The above funds carried forward at 31 December 2003 represent:

- (i) Income from appeals and donations which have not yet been applied in the relevant countries.
- (ii) Funds for use at the discretion of the Council to expand further the activities of the charity.
- (iii) The net book amounts already invested or committed for purchased goodwill and tangible fixed assets for use by the charity.
- (iv) The net amount that Council has agreed to be set aside to ensure that it can protect its ongoing programme of work from unexpected variances in income and at the same time retain an effective emergency response capacity.
- (v) The reserves held by the group at 31 December 2003 are made up as follows:

	Company	Subsidiaries	Total
	€'000	€'000	€'000
Restricted reserves	6,182	256	6,438
Unrestricted reserves	19,666	4,431	24,097
	<u>25,848</u>	<u>4,687</u>	<u>30,535</u>

19 RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003	2002
	€'000	€'000
Net incoming resources	2,863	297
Deposit interest earned	(464)	(493)
Depreciation	339	362
Goodwill amortisation	123	136
Grant amortisation	(3)	(2)
Loss on disposal of donated shares	-	(24)
(Profit)/loss on disposal of tangible fixed assets	(7)	8
Decrease / (increase) in stocks	61	(131)
(Increase) / decrease in debtors	(112)	917
(Decrease)/ increase in creditors	(1,796)	3,493
Increase in provisions for liabilities and charges	460	274
Exchange loss	(117)	(54)
Net cash inflow from operating activities	<u>1,347</u>	<u>4,783</u>

20 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS AND MOVEMENTS DURING THE YEAR

	2003	2002
	€'000	€'000
Capital expenditure & financial investment		
Payments to acquire fixed assets	(561)	(1,100)
Payments to acquire subsidiary undertaking	-	(680)
Proceeds on disposal of fixed assets	11	15
Net cash outflow from capital expenditure & financial investment	<u>(550)</u>	<u>(1,765)</u>
Management of liquid resources		
Increase in investments	3,183	(1,090)

21 ANALYSIS OF MOVEMENTS IN CASH RESOURCES

	Opening balance	Net Cash inflow	Non-cash flows	Exchange difference	Closing balance
	2003	2003	2003	2003	2003
	€'000	€'000	€'000	€'000	€'000
Cash at bank and in hand	11,074	(1,862)	-	(229)	8,983
Bank overdrafts	-	(43)	-	-	(43)
	<u>11,074</u>	<u>(1,905)</u>	<u>-</u>	<u>(229)</u>	<u>8,940</u>
Fixed term deposits	9,189	3,183	-	(12)	12,360
Investment with Irish Life	5,084	-	424	-	5,508
Donated shares	2	-	90	-	92
	<u>25,349</u>	<u>1,278</u>	<u>514</u>	<u>(241)</u>	<u>26,900</u>

22 SUBSIDIARIES

The holding company, Concern Worldwide, controls five subsidiaries, as follows:

Concern Worldwide (UK), which is registered as a company limited by guarantee and does not have a share capital. The subsidiary's registered office is at 47 Frederick Street, Belfast, Northern Ireland, and operates in Northern Ireland and Great Britain. The main activities of Concern Worldwide (UK) are to fundraise for, and otherwise support, programmes of work which relieve poverty, distress and suffering in the poorest countries of the world. On 1 January 2004 the assets, liabilities and activities of Concern Worldwide (UK) were transferred into Concern Worldwide (England & Wales) and Concern Worldwide (UK) became dormant.

Concern Charity Trading Limited, which is registered as a company limited by guarantee and does not have a share capital. The subsidiary, which was incorporated in 2000, is registered, and operates in, the Republic of Ireland. The main activity of Concern Charity Trading Limited is to raise funds from its charity shops to fund the work of the holding company. It also supports specific fundraising activities on behalf of the parent company.

Concern Worldwide (England & Wales) has its registered office at First Floor, 248-250 Lavender Hill, Clapham Junction, London. It did not commence activities until 1 January 2004 at which time it took over the assets, liabilities and activities of both Concern Worldwide (UK) and Concern Worldwide (GB).

The holding company holds 92 out of a total of 99 issued ordinary shares in Africa Concern Limited. This company is registered at Camden Street, Dublin and is dormant.

The holding company also holds all of the issued ordinary shares in AMK Limited. This company is incorporated in Cambodia and has its office at Number 174, Street 370, Phnom Penh. It is engaged in the provision of micro credit to rural communities.

Concern Worldwide (UK) also controls a subsidiary, Concern Worldwide (GB), formerly Children's Aid Direct. Children's Aid Direct was acquired on 28 August 2002 and subsequently renamed Concern Worldwide (GB). This company's registered office is also at First Floor, 248-250 Lavender Hill, Clapham Junction, London, and the company is active in Great Britain. Concern Worldwide (GB) fundraises for programmes of work which relieve poverty, stress and suffering, in the poorest countries of the world.

Prior to being acquired by Concern Worldwide (UK), Children's Aid Direct had entered into a company voluntary arrangement (CVA). All known creditors of the company are members of the CVA, which is being supervised independently by PricewaterhouseCoopers (UK). The CVA is still in process and is expected to conclude in 2004, when the cash realised from the company's assets will be distributed among the members of the CVA. Under the terms of acquisition, Concern Worldwide (UK) made a donation to the CVA in return for ownership of Children's Aid Direct and the goodwill of the company's donors. No other assets or liabilities transferred to the group. On 1 January 2004, the assets, liabilities and activities of Concern Worldwide (GB) were transferred into Concern Worldwide (England & Wales) and Concern Worldwide (GB) became dormant.

23 CONCERN WORLDWIDE (US) INC.

Concern Worldwide (US) Inc. is a not-for-profit organisation registered in the United States of America, and is an affiliate of Concern Worldwide. Concern Worldwide (US) Inc. is governed by an independent board of directors which retains full control over the financing and operating policies of the company.

The principal activity of Concern Worldwide (US) Inc. is the raising of funds from the US government and the general public. Concern Worldwide (US) Inc. has entered into agreements with Concern Worldwide whereby it will provide sub-awards from these funds exclusively to Concern Worldwide for the period that these agreements will remain in force.

The total amount of cash grants received by Concern Worldwide from Concern Worldwide (US) Inc., in 2003 was €5,172,247. These grants are accounted for in the same way as grants from all other co-founders.

Concern Worldwide provides funds to Concern Worldwide (US) Inc. to contribute towards its operational costs. The total amount transferred in 2003 was €564,901; this amount is included in the expenditure of Concern Worldwide, analysed according to the purposes for which the funds were applied.

24 PENSIONS

The group has continued to account for pensions in accordance with SSAP 24 and the disclosures given in note 24(a) are those required by that standard. FRS 17 Retirement Benefits, which applies only to defined benefit schemes, is not mandatory for the group until the year ending 31 December 2005. In the meantime, phased transitional disclosures are required by the Standard in respect of the group's defined benefit scheme, and, to the extent that these disclosures are not given in note 24(a) SSAP 24 Disclosures, they are set out below in note 24(b), FRS 17 Retirement Benefits.

(a) SSAP 24 Disclosures

Non contributory defined benefit pension scheme

The company operates a non-contributory defined benefit pension scheme for qualifying members of staff. The scheme provides for pension, life assurance and permanent health benefits based on annual salaries. The contributions are paid into a separate fund, the assets of which are vested in independent trustees. Contributions to the scheme are charged to the revenue account so as to spread the cost of pensions over employees' working lives with the company. Contributions are determined by a qualified actuary on the basis of a periodic valuation.

The most recent valuation was as at 1 May 2001. The assumptions which have the most significant effects on the results of the valuation are those relating to the expected rate of return on investment and the rate of increase in salaries. It was assumed that the rate of long term investment returns will exceed the rate of pensionable salary increases by 2%.

The actuarial valuation of 1 May 2001 showed that the scheme was fully funded on a discontinuance basis. The market value of the assets of the scheme at the actuarial date of 1 May 2001 was €4,851,453, which was in excess of 100% of the accrued benefits to the members after allowing for expected future increases in earnings. However, as this valuation derives from the triennial actuarial valuation of 1 May 2001, it does not reflect market movements since that date. In this context the annual valuations conducted to comply with FRS 17 are a more useful indicator of current circumstances. Following the 2002 FRS 17 valuation Concern increased the employer contribution to 22% of pensionable salary in order to improve the funding status of the scheme. This change took effect during 2003.

The pension charge for 2003 was €179,346, (2002: €175,242) of which €167,356, (2002: €165,661) related to employees in Ireland. The actuarial report is available for inspection by members.

Non contributory defined contribution pension scheme

The company also operates a defined contribution pension scheme for qualifying members of staff. The scheme provides for pension, life assurance and permanent health benefits based on annual salaries. The contributions are paid into a separate fund, the assets of which are vested in independent trustees.

The pension charge for 2003 was €248,391, (2002: €283,712) of which €228,624, (2002: €175,641) related to employees in Ireland and the UK.

(b) FRS 17 Retirement Benefits (Defined Benefit Pension Scheme)

An actuarial assessment of The Concern Pension Scheme was carried out at 31 December 2003 by KPMG Pension and Actuarial Consulting for the purpose of preparing this FRS17 disclosure. The scheme assets are stated at their mid-market value at each balance sheet date.

24 PENSIONS

(b) FRS 17 Retirement Benefits (Defined Benefit Pension Scheme), continued

The financial assumptions used to calculate the retirement benefit liabilities under FRS17 were as follows:

Valuation method	2003	2002	2001
	Projected unit method	Projected unit method	Projected unit method
Discount rate	5.50%	5.50%	6.25%
Inflation rate	2.50%	2.50%	3.25%
Salary increases	3.50%	3.50%	4.25%

The market value of the assets of the scheme and the expected rates of return were:

	Long term rate of return expected at 31 December 2003	Value at 31 December 2003	Long term rate of return expected at 31 December 2002	Value at 31 December 2002	Long-Term rate of return expected at 31 December 2001	Value at 31 December 2001
		€'000		€'000		€'000
Equities	7.75%	2,970	7.75%	2,519	8.5%	3,528
Bonds	4.75%	684	4.75%	647	5.5%	580
Property	6.75%	232	6.75%	242	7.5%	422
Cash	2.50%	43	2.50%	52	3.25%	5
Total market value of pension scheme assets		3,929		3,460		4,535
Value of additional voluntary contributions		145		101		100
Present value of funded pension liabilities		(4,843)		(4,356)		(3,602)
Net (deficit) / surplus in funded pension scheme		(769)		(795)		1,033

Had FRS 17 been reflected in the primary financial statements, the following are the amounts that would have been included in the statement of financial activities and the statement of total recognised gains and losses:

	2003	2002
	€'000	€'000
Included in payroll costs:		
Current service costs	169	143
Past service costs	-	-
Irrecoverable surplus recognised against past service costs	-	-
Settlements and curtailments	-	-
Irrecoverable surplus recognised against settlements and curtailments	-	-
Net operating profit charge	169	143
Included in finance costs:		
Interest cost	237	226
Expected return on assets	(246)	(366)
Net finance gain	(9)	(140)
Included in statement of total recognised gains and losses:		
Difference between expected and actual return on assets	(160)	1,506
Experience losses on scheme liabilities	138	49
Effect of changes in actuarial assumptions	-	345
Net actuarial (gain)/loss in statement of total recognised gains and losses	(22)	1,900

24 PENSIONS

(b) FRS 17 Retirement Benefits (Defined Benefit Pension Scheme), continued

History of actuarial gains and losses	2003	2002
	€'000	€'000
Difference between expected and actual return on assets Expressed as a percentage of scheme assets	(160) (4.07%)	1,506 43.50%
Experience losses on scheme liabilities Expressed as a percentage of scheme liabilities	138 2.90%	49 1.10%
Total actuarial (gains) / losses Expressed as a percentage of scheme liabilities	(22) 0.45%	1,900 43.62%

There is no requirement in 2003 to reflect the above amounts in the primary financial statements.

Reconciliation of funds / net assets	Restricted funds/ net assets	Unrestricted funds/ net assets	Total funds/ net assets
	€'000	€'000	€'000
Total funds / net assets at end of year	6,438	24,097	30,535
Net deficit in funded pension scheme at year end	-	(769)	(769)
Total funds / net assets at end of year (restated for FRS 17)	6,438	23,328	29,766

This reconciliation is a notional one for 2003, as FRS 17 will only become operational from 2005.

The restatement of total funds / net assets from €30,535,000 to €29,766,000 is not a requirement, and has no impact on the actual funds available to the group.

Reconciliation of movements in funded pension scheme net assets	2003	2002
	€'000	€'000
Pension scheme (deficit) / surplus at beginning of year	(795)	1,033
Current service costs	(169)	(143)
Net finance gain	9	140
Net actuarial gain/(loss)	22	(1,900)
Company's contribution for the year	164	75
Pension scheme deficit at end of year	(769)	(795)

25 COMMITMENTS

(i) The 2004 Annual Plan, which was approved by Council on 6 December 2003, allows for overseas expenditure of €65,365,542. The group is also committed to assist certain overseas projects for periods in excess of one year.

(ii) Group commitments under operating lease agreements in respect of premises used by the group, are as follows for the year ending 31 December 2004:

	Group	Company
	€'000	€'000
Payable on leases in which the commitment expires within :		
- one year	266	262
- two to five years	-	-
- more than five years	284	159
	<u>550</u>	<u>421</u>

(iii) Future capital expenditure approved by Council but not provided for in these financial statements is as follows:

	2003	2002
	€'000	€'000
Contracted	149	-
Authorised but not contracted	3,289	-
	<u>3,438</u>	<u>-</u>

26 LEGAL STATUS OF COMPANY

In accordance with Section 24 of the Companies Act, 1963, the company is exempt from including the word 'limited' in its name. The company is limited by guarantee and has no share capital. At 31 December 2003, there were 703 members (2002: 757), whose guarantee is limited to €6.35 each. This guarantee continues for one year after individual membership ceases.

The company, as a charity, is exempt from the reporting and disclosure requirements of the Companies (Amendment) Act, 1986.

27 POST BALANCE SHEET EVENTS

No significant events have taken place since the year end that would result in adjustment to financial information or inclusion of a note thereto.

28 RELATED PARTY DISCLOSURE

The company is availing of the exemption under Financial Reporting Standard No. 8 "Related Party Disclosures" not to disclose details of transactions with companies within the group.

29 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Council of Concern on 23 April 2004.

APPENDIX 1

INCOME SUMMARY FOR THE YEAR ENDED 31 DECEMBER 2003

	2003		2002	
	€'000	€'000	€'000	€'000
Monetary income				
Voluntary donations		42,215		36,324
International co-funding				
Irish Government:				
Agency for Personal Service Overseas (APSO)	1,058		840	
Multi Annual Planning Scheme (MAPS)	10,100		-	
Other grants	2,532		7,899	
British Government	2,266		2,124	
European Union	6,732		6,834	
Concern Worldwide (US) Inc.	4,113		6,140	
Other co-funding	4,961		5,589	
		<u>31,762</u>		<u>29,426</u>
Trading		414		326
Deposit interest		464		493
Total monetary income		<u>74,855</u>		<u>66,569</u>
Donated commodities		23,973		8,136
Total incoming resources		<u>98,828</u>		<u>74,705</u>

APPENDIX 2

ANALYSIS OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2003

(a) MONETARY INCOME

Funder	Funder origin	Opening balance	Cash received	Income	Exchange gain / (loss)	Closing balance
		€'000	€'000	€'000	€'000	€'000
Voluntary donations	Ireland & United Kingdom	9	41,863	42,215	(11)	350
International co-funding						
Alliance 2015	The Netherlands & Germany	(27)	258	273	-	(12)
British Government	United Kingdom	305	2,058	2,266	(28)	485
Cardinal Leger	Canada	(50)	51	97	-	(4)
Comic Relief	United Kingdom	30	19	32	(3)	40
Community Fund	United Kingdom	62	341	498	(8)	211
Concern Worldwide (US) Inc.	USA	2,358	5,172	4,113	-	1,299
DANIDA	Denmark	(5)	411	426	-	10
Diakone Emergency Aid	Germany	(8)	-	8	-	-
Dutch Embassy	Netherlands	(96)	207	269	-	(34)
European Union	European Union	619	5,381	6,732	-	1,970
Helen Keller International	Netherlands	(3)	2	4	-	(1)
IFAD	United Nations	(14)	34	45	1	(2)
Irish Government:	Ireland					
Agency for Personal Service Overseas (APSO)		-	1,058	1,058	-	-
Multi Annual Planning Scheme (MAPS)		-	10,100	10,100	-	-
Other grants		(1,591)	2,414	2,532	-	(1,473)
Jersey Overseas Aid	United Kingdom	(69)	91	150	4	(6)
Parthenon Trust	United Kingdom	(1)	-	1	-	-
SIDA	Sweden	5	220	179	-	(36)
Stichting Vluchteling	The Netherlands	(9)	237	209	-	(37)
Sundry Local	Various	(41)	421	449	4	(9)
UNHCR	United Nations	157	834	694	(10)	7
UNICEF	United Nations	(10)	109	121	1	3
UNOCHA/UNAMA	United Nations	92	129	46	(2)	7
World Food Programme	United Nations	(275)	636	1,460	(9)	540
Trading	Ireland	-	414	414	-	-
Deposit interest	Ireland & United Kingdom	67	481	464	-	50
		1,505	72,941	74,855	(61)	3,358
Comprising:						
Amount due from co-funders		6,410				6,440
Amount due to co-funders		(4,972)				(3,132)
Deposit interest receivable		67				50
		1,505				3,358

APPENDIX 2 continued

(b) DONATED COMMODITIES

Donor	Commodity received	Donor origin	Monetary value of items received	
			2003 €'000	2002 €'000
CARE/JEOP	Foodstuffs	USA	5,836	-
CARE	Foodstuffs	USA	16	152
Euronaid	Foodstuffs	European Union	292	1,474
FAO	Seed & fertilizer	United Nations	23	67
ICRC	Non food relief items	Switzerland	-	12
SCF-UK	Non food relief items	United Kingdom	-	9
EU	Foodstuffs and tools	European Union	713	-
Sundry Donors	Various	Various	9	7
UNHCR	Foodstuffs	United Nations	-	12
UNICEF	Food & non food items	United Nations	420	103
World Food Programme	Foodstuffs	United Nations	16,664	6,300
Total donated commodities			23,973	8,136

GLOSSARY

APSO	Agency for Personal Service Overseas
DANIDA	Danish Development Assistance
FAO	Food & Agriculture Organisation
ICRC	International Committee of the Red Cross
IFAD	International Fund for Agricultural Development
JEOP	Joint Emergency Operation Plan
SCF-UK	Save the Children-UK
SIDA	Swedish International Development Assistance
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children Fund
UNOCHA	United Nations Organisation for Coordination of Humanitarian Affairs

APPENDIX 3

FIVE YEAR SUMMARY OF CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	2003 €'000	2002 €'000	2001 €'000	2000 €'000	1999 €'000
Income					
Voluntary donations	42,215	36,324	32,525	22,980	18,820
Irish Government	13,690	8,739	6,112	5,027	4,442
British Government	2,266	2,124	2,915	3,025	2,616
European Union	6,732	6,834	6,436	5,475	5,311
Concern Worldwide (US) Inc.	4,113	6,140	4,381	4,432	4,335
Other international cofunding	4,961	5,589	4,907	3,723	2,754
Trading	414	326	259	-	-
Donated commodities	23,973	8,136	4,577	7,084	4,088
Deposit interest	464	493	685	638	493
Total income	98,828	74,705	62,797	52,384	42,859
Expenditure					
Direct Charitable Expenditure					
Afghanistan	3,285	11,051	3,184	324	77
Angola	3,649	3,396	4,829	4,800	2,352
Bangladesh	3,627	3,316	3,730	3,728	4,256
Burundi	1,633	1,928	1,630	1,654	2,074
Cambodia	1,683	1,574	1,773	1,927	1,605
Cambodia microfinance	261	-	-	-	-
DPR Korea	2,495	1,217	2,567	805	1,689
DR Congo	1,950	1,812	28	142	149
East Timor	572	983	1,299	2,484	359
Eritrea	1,663	1,030	654	165	-
Ethiopia	10,764	3,870	2,089	5,198	1,012
Haiti	1,355	1,221	954	797	827
Honduras	271	431	819	529	1,354
India	2,188	948	2,783	757	262
Iraq	468	-	-	-	-
Kenya	366	195	135	69	-
Kosovo	144	524	1,463	2,126	4,244
Laos	760	827	761	463	368
Liberia	1,714	1,411	919	637	443
Malawi	2,938	2,547	-	-	-
Mozambique	2,927	2,105	2,293	5,861	2,262
Niger	370	-	-	-	-
Pakistan	1,299	1,913	466	-	-
Rwanda	1,600	1,707	2,034	2,167	3,432
Serbia	136	559	696	-	-
Sierra Leone	1,061	1,279	894	681	565
Somalia	988	875	656	348	450
Sudan North	288	355	152	-	-
Sudan South	3,156	2,764	2,610	1,757	1,926
Tanzania	2,425	2,220	1,726	1,354	1,254
Uganda	1,683	1,412	947	881	860
Zambia	902	111	-	-	-
Zimbabwe	17,116	1,229	-	-	-
Other countries	384	105	224	307	159
Overseas support costs	4,954	3,997	2,709	2,163	1,445
Development education	1,501	1,467	1,056	953	853
Total direct charitable expenditure	82,576	60,379	46,080	43,077	34,277
Fundraising and promotion	12,132	13,071	11,369	5,623	4,570
Management and administration	875	647	575	423	429
Trading	382	311	238	83	-
Total expenditure	95,965	74,408	58,262	49,206	39,276
Net incoming resources for the year	2,863	297	4,535	3,178	3,583

APPENDIX 4

MULTI ANNUAL PLANNING SCHEME (MAPS) FUNDED BY THE GOVERNMENT OF IRELAND THROUGH DEVELOPMENT COOPERATION IRELAND

The 2003 MAPS funding was utilised as follows:

	€'000
Programme	9,591
Organisational development	134
HQ Cost	375
Total	10,100

Details of the programme expenditure are as follows:

Programme	Sub- Programme	€'000
Education	Primary	1,451
	Non- formal	120
Health	PHC	803
	Nutrition	1,079
Livelihood Security	WATSAN	320
	Food security	2,072
	LDO support	1,551
	Livelihood Support	1,909
	Micro Finance	286
Total programme expenditure		9,591

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