

Concern Worldwide (UK)

Annual Report and Accounts 2016

CONCERN
worldwide





Front cover image:

Nine year old Janet attends St Francis' Education Centre in Nairobi, Kenya. Her parents have been supported through a Concern cash transfer scheme which has allowed them to educate their children.

Fatema, a participant of Concern's Urban Integrated Programme outside a Pavement Dweller Centre in Dhaka, Bangladesh.

Photos: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2016

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About us

Concern Worldwide specialises in tackling hunger with the most vulnerable people in the world’s poorest places. Hunger affects everything for the world’s poorest people. We believe no one should have to live with hunger and the damage it causes. We work for a world where lives are not limited by lack of access to enough nutritious food.

Working in partnership with local organisations and communities, we combine our expertise with local knowledge to help people develop their own lasting solutions. In a world where one in nine people go to bed hungry each night, we know change is needed on a global scale. This is why, through advocacy and campaigning, we work to influence local, national and international policy.

Concern Worldwide (UK) (‘Concern (UK)’) supports the overseas programmes of Concern Worldwide. Whilst we do not implement our own projects, we contribute to their success by working closely with colleagues across the organisation and by funding programmes. We are only able to do this thanks to the generosity of a wide range of donors and supporters and we thank you all.

You can read some highlights from the work we contributed to around the world on pages 8-25. The description of this overseas work is adapted from the Concern Worldwide 2016 Annual Report.

Moyna Begum has been able to move her family out of the slum they used to live in, thanks to the tailoring business she started having received vocational training from Concern in Dhaka, Bangladesh.

Photo: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2016



A message from the Chair of Trustees

It is nearly 25 years since I travelled to Somalia as a journalist to report on Concern Worldwide’s work at the forefront of delivering humanitarian aid to tens of thousands of people in a country ravaged by war and drought. Now, as I prepare to step down after 10 years as a Concern (UK) trustee, three of which as chairman of the board, famine once more threatens Somalia and other regions within East Africa – with millions of people on the brink of starvation.

Some might despair that not much has changed in those intervening years. I would disagree. One of the first people I met on my trip to Mogadishu in 1992 was an inspiring young Somali man called Abdi-Rashid Haji Nur. Back then, he was a driver for Concern Worldwide. 13 years later and with a Master’s degree in development studies behind him, Abdi-Rashid was appointed Country Director – the first person from the developing world to hold such a position in Concern Worldwide. He is still with us in Mogadishu today, but this time, he is leading our response to fight against the threat of famine in his homeland.

Another notable change is that a quarter of a century later, there are 216 million fewer hungry people in the world. In the early ‘90s when I travelled to East Africa, more than one billion people were chronically undernourished globally. Now, that number has decreased to 796 million and that is despite a rise in the global population. It may sound like a modest reduction – progress is, of course, uneven and great disparities continue to exist, but it gives me hope that significant advances have been made in the fight against hunger.

A toxic mix of conflict and drought still fuels famine and food insecurity today as it did in Somalia when I first visited. But I am convinced that more lives have been saved and suffering averted in places like Somalia because of Concern Worldwide’s valiant work in strengthening communities to withstand the impact of the current devastating drought than would have been otherwise. That, in turn, must surely build our resolve to advocate for global funding for resilience and food security as a priority, and to continue to work alongside communities to help them better prepare for the effects of climate change and be more able to cope when crises do occur. That is what Concern Worldwide is particularly good at – and that is where real change will eventually come.

During my time on the board of Concern (UK), I have also witnessed huge shifts in the environment within which charities in the UK operate. The move towards more demanding compliance obligations and stringent governance regulations means a very different landscape exists from when I first took over the helm. Today, Concern (UK)’s trustees have a huge responsibility to meet the highest standards of practice. Maintaining that level of good governance requires considerable time, effort and skills, and the challenges are formidable. The political discourse and public feeling towards charities have also changed dramatically over the past decade. Recent years have seen people questioning the efficacy of aid and the behaviour of charities in general. At this moment of such widespread scrutiny and scepticism, it is all the more important that Concern (UK) maintains the highest standards of transparency and accountability.

As I end my tenure with Concern (UK) at a time of grave humanitarian crisis and in the face of challenges by some to the very idea of overseas aid, Abdi-Rashid’s personal commitment symbolises Concern Worldwide’s enduring covenant with the poorest of the poor to improve their lives in a lasting way. It one thing that I am proud to say has not changed over the years. Concern Worldwide’s commitment is the same as it was yesterday, is today and will be tomorrow.

This commitment is seen in the trustees, staff and volunteers with whom I have had the privilege of working over the last 10 years. I would like to take this opportunity to thank you all sincerely for your efforts and compassion which enable Concern Worldwide to deliver the highest quality programmes to the most vulnerable people in the poorest parts of the world.



Chris Elliott
Chair

A message from the Executive Director

2016 was a year of unprecedented scale for Concern Worldwide as we expanded the reach of our work to meet the needs of more than 22 million people around the world – many of them facing hunger, forced from their homes because of war and drought, and struggling to earn a living. Our work included responding to 45 emergencies in 25 countries, directly reaching 4.6 million people with vital life-saving supplies. Conflict was the driving factor in nine of the 10 worst humanitarian crises globally in 2016, contributing to exceptional levels of displacement in the world, and underscoring the strong connection between peace and food security. The growing demand for urgent humanitarian assistance and long-term resilience building from Concern Worldwide in places like Niger, South Sudan, Somalia, Syria, Lebanon and Turkey was all too tragically evident last year.

During the year I was privileged to see our emergency programmes in Turkey and Lebanon, meeting Syrian refugees – ordinary men, women and children who find themselves in extraordinary circumstances. I was inspired by our work with Syrian men, now refugees in Lebanon, who over a 12 week period had been sharing their experiences and receiving support on issues such as gender based violence, conflict resolution and parenting. These men explained to me how the programme had helped restore their dignity and the positive effect it had had on both them and their families. This may seem like a drop in the ocean given the scale of need but for those men, their wives and children it is the difference between hope and despair, between humiliation and self-respect. This is just one example of our work in the region – we are also responding at scale to the needs of vulnerable people affected by the conflict supporting 650,000 people with cash, water, shelter and education.

In the UK, our advocacy team supported our work with those affected by the crisis publishing a report to tie in with the UK government hosted conference on Syria in February 2016. The report "Paying the Price: Why donors must take a new approach to the Syria Crisis" highlighted the slow response in delivery of funding commitments and lack of forward thinking by the international community. We were also very proud of our Stitch for Syria campaign, aimed at raising awareness of the plight of female Syrian refugees and to show solidarity with them, and were overwhelmed when we received over 900 hand stitched squares from around the world. These squares were made into beautiful wall hangings and it was delightful to be able

to present these to the women in our livelihoods embroidery programme in Tripoli, Lebanon who had inspired the campaign.

Alongside our emergency work, we also reached more than 17 million people through our development programmes which help vulnerable communities to prepare for future crises and to build secure futures. Our annual report showcases examples of the breadth, scale and rich diversity of our work and most importantly its impact – from increasing crop yields for farmers, ensuring children have access to quality education, improving women’s knowledge and access to essential nutrition, to providing clean water for whole communities. Our success in securing our first ever large scale commercial contract from DFID, for a community resilience-building programme in Pakistan, was due recognition for the consistently high standard of our existing programmes.

2016 was a year of some major challenges for Concern (UK). We must acknowledge an error made with the collection of direct debits in May 2016 and its impact on valued regular donors and on us as an organisation. We have redoubled our efforts to ensure our supporters know how important they are to us, and to raise funds to achieve our mission.

Our work is only made possible by our donors and supporters and I would like to express my deep gratitude to you all as well as to our dedicated staff, volunteers and trustees. In particular, thanks must go to Chris Elliott, who after 10 years as trustee of Concern (UK), including three as chair of the board, comes to the end of his tenure in 2017. We are pleased to welcome Donald Workman as our new chair who joins us along with five other new trustees.

As we look to the future, we will continue to build on Concern Worldwide’s almost 50 years’ experience to make as great an impact as possible. We are determined to do everything we can to prevent vulnerable children, families and communities from struggling to support themselves and suffering the scandalous consequences of going without in a world of plenty.



Rose Caldwell
Executive Director



Mary France Dorlas at the entrance to her home in Grand Ravine, Port-au-Prince, Haiti. She is a participant in Concern's Integrated Reconstruction and Redevelopment Programme and has received training, seeds and tools to enable her to farm.

Photo: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2016

Our overseas work in 2016

In 2016 Concern Worldwide directly reached over 22 million people in 27 of the world's poorest and most vulnerable countries. Concern (UK) contributed funds towards work in 26 of these countries.

- | | | |
|--------------------------------|--|----------------------|
| 1 Afghanistan | 9 Kenya | 18 Republic of Sudan |
| 2 Bangladesh | 10 Democratic People's Republic of Korea | 19 Rwanda |
| 3 Burundi | 11 Lebanon | 20 Sierra Leone |
| 4 Central African Republic | 12 Liberia | 21 Somalia |
| 5 Chad | 13 Malawi | 22 South Sudan |
| 6 Democratic Republic of Congo | 14 Mozambique | 23 Tanzania |
| 7 Ethiopia | 15 Nepal | 24 Turkey/Syria |
| 8 Haiti | 16 Niger | 25 Uganda |
| | 17 Pakistan | 26 Yemen |
| | | 27 Zambia |

Emergency Response

In 2016 we responded to 45 emergencies in 25 countries, directly reaching 4.6 million people

Our emergency programmes save lives and reduce suffering by responding to natural and conflict-related disasters, and by lessening the impact of emergencies by helping communities to prepare for them. We do this on the ground and by advocating for national and global changes in investment and policy. We prioritise the needs of the poorest and most vulnerable people affected by emergencies, working with them to maintain their dignity and ensure that our approach is effective.

Responding rapidly to save lives and reduce suffering

Throughout 2016 we supported hundreds of thousands of people affected by the Syrian crisis in **Syria**, **Lebanon** and **Turkey**. Within 24 hours of a significant number of refugees in **Lebanon** being forcibly evicted, we distributed kits so that families could construct new shelters. During this process, we identified 500 particularly at-risk refugees and gave them emergency cash support. Other examples of what we achieved in 2016 are set out below:

We have one of the fastest emergency response times in **Somalia**. We can now respond within days of a disaster and scale up operations for as long as necessary. In 2016, this facilitated seven rapid responses to emergencies including a cholera outbreak, food and water shortages due to drought and support for people displaced by conflict.

Many of the areas where we work face multiple and complex emergencies, often as a result of climate change and political instability. In **Pakistan**, for example, we provided lifesaving assistance to 325,563 people in 13 districts affected by floods, drought, earthquake and conflict. In **Afghanistan**, we supported 1,000 households displaced by armed groups, provided winter kits for 170 households affected by floods and coordinated support for another 524 flood-affected families.

When Hurricane Matthew hit **Haiti**, we were able to support 10,000 people with essential household and hygiene items. On a smaller scale, we worked with other agencies to support 4,000 people made homeless by flooding and political instability in **Burundi**. Our prepositioned stocks of household items meant we could immediately assist these people.

Improving access to food, water and healthcare

People caught up in humanitarian emergencies are particularly vulnerable to disease as a result of food and water shortages and overburdened healthcare systems.

One of the biggest emergencies we faced in 2016 was the widespread drought in **Ethiopia** – the country’s worst for 50 years. Securing funding from multiple donors, we treated almost 200,000 children and adults for various levels of malnutrition and improved access to clean water and sanitation for 290,000 people. To support their ongoing nutrition and livelihoods, we distributed seeds to drought-affected, small-scale farming households.

Republic of Sudan experienced severe flooding and a significant influx of South Sudanese refugees fleeing conflict, putting extreme pressures on health systems. We treated 39,456 people, including 19,330 children under five years old, for diseases such as malaria and acute respiratory infections.

As part of an integrated response to meet the needs of drought-affected communities in **Pakistan**, we supported 257,519 people through nutrition activities and 34,500 households through water, sanitation and hygiene initiatives. The programme’s end line assessment found that the percentage of infants aged between 6 and 23 months who received a minimum acceptable diet increased from 26 to 75 per cent. The external evaluation indicated that this programme’s success was partly due to effective mobile teams and coordination with government staff.

In partnership with the World Food Programme, we distributed food to 33,141 people in **Chad** during the ‘lean period’ before the harvest. We prioritised those most vulnerable to food insecurity, such as households headed by people who are elderly, disabled, widowed or under 18, and those with three or more children under five. This and nutrition education helped to prevent acute malnutrition and illness among pregnant and breastfeeding women and children under two.

Across 131 settlements in Lebanon, where people live in tents, we provided clean drinking water and sanitation facilities; undertook drainage and flood prevention measures, and promoted hygiene. We signed agreements with 10 local authorities to carry out flood prevention works at a further 22 informal settlements.

We continued to build the capacities and supplies of 33 health centres and 12 health posts in two districts of **Niger**, improving access to healthcare for more than 200,000 people. We also used mobile teams to screen and treat children in remote areas. An evaluation of the 33 health centres we supported indicated that 27 had improved since 2015. In 2016, 16 were classed as high performers, compared with only two in 2015. None were classed as low performers.

Enabling resilience and recovery

Part of our humanitarian work aims to help communities withstand and recover from emergencies, and to help them become less vulnerable to future problems. This is particularly important as many regions where we work experience frequent natural disasters or ongoing political instability.

At the end of 2016, we began a five-year programme to help people in two provinces of **Pakistan** become more resilient to disasters. This makes Concern Worldwide the first international NGO to pilot the UK government’s resilience model, alongside UN partners and the Government of Pakistan. It complements our other work in the country, helping communities to generate more sustainable and resilient livelihoods.

As part of our long-term operation in **Haiti**, we worked with 7,465 people and 50 organisations to help vulnerable people move out of displacement camps that are due to close and establish or strengthen income generation activities. In **Kenya**, we helped protect the incomes of around 33,600 people in 2015–2016 by protecting livestock from foot and mouth and Rift Valley disease through vaccination and quarantine measures.

In part of **Central African Republic**, we found that 80 per cent of households were resorting to foraging for food and were reducing the frequency and size of their meals. We helped 86,604 people to benefit from work opportunities and provision of high-quality seeds and tools. We established 22 farmer field schools to share best practice methods, trained households in market gardening and provided cash for work opportunities. Almost 500 hectares of land were cultivated using these seeds and tools, and farmers treated 175 hectares using their new pest control skills.

257,519 people supported through nutrition activities in Pakistan

In **Ethiopia**, we supported 140,442 smallholder households to continue farming and begin recovering from extreme drought by distributing various crop seeds, and sweet potato and cassava cuttings. An impressive 96 per cent of respondents were happy with the type and variety of seeds they received, 99 per cent sowed the seeds and 92 per cent reported excellent germination results.

Preventing and reducing the impact of emergencies

Rapid emergency responses are critical, but investment in disaster preparedness has an even greater impact. In most areas where we work, our emergency and development programmes also include disaster risk reduction (DRR) activities. We do this in various ways, e.g. by building or repairing structures that can withstand extreme weather, by supporting farming methods that reduce soil erosion and flood risk, by encouraging the use of drought-resistant crops, and by teaching communities how to prevent malnutrition and communicable diseases. Examples of what we achieved in 2016 are set out below:

Pakistan is extremely vulnerable to natural disasters. To reduce risks for the people of Pakistan we undertake significant community-based disaster risk management work and, in 2016, worked with the Pakistan Humanitarian Forum’s DRR Task Force, government authorities, district departments and vulnerable communities to develop tangible action plans that enable communities to mitigate the impact of natural disasters.

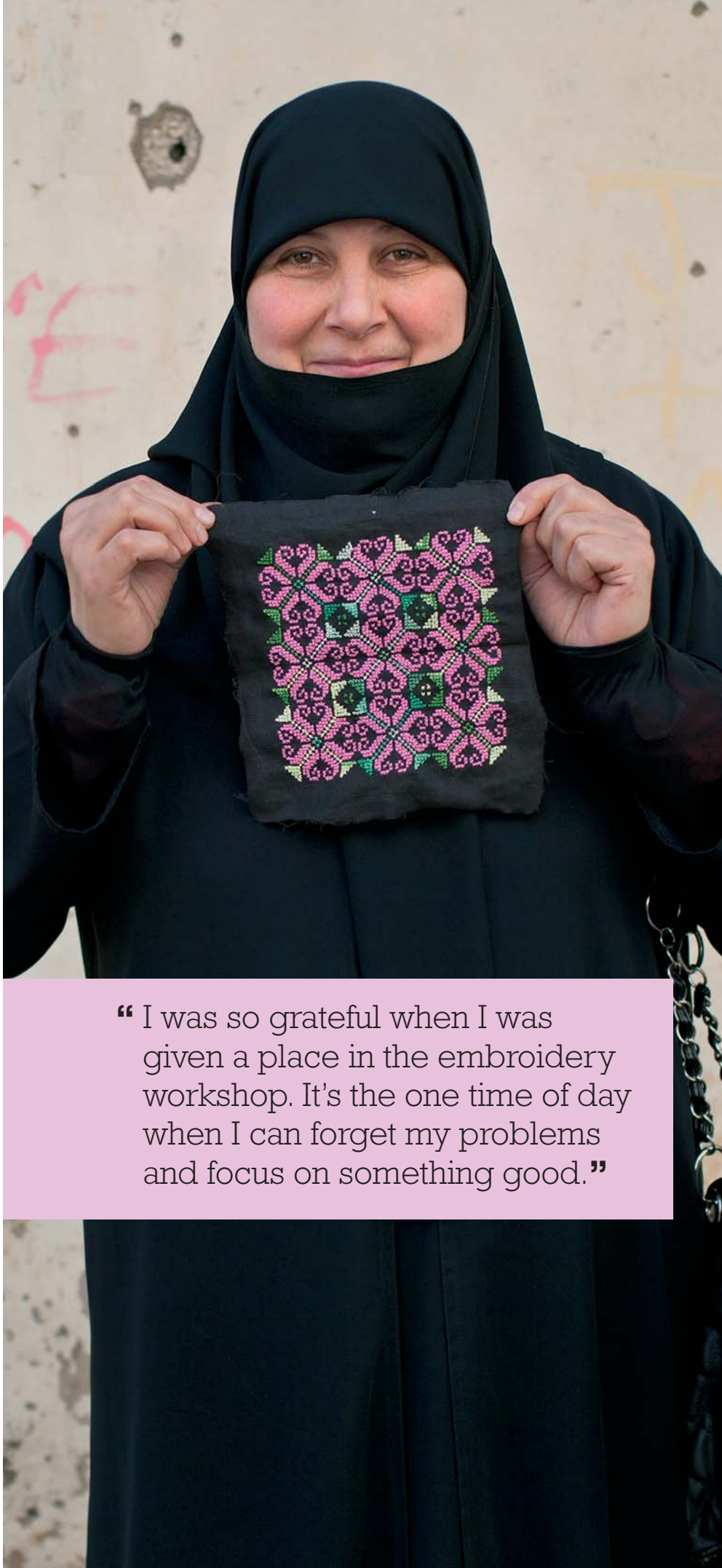
In **Nepal**, we developed a joint emergency preparedness plan with our Alliance2015 partner Welthungerhilfe. We bought and positioned 2,000 kits of relief items in a particularly vulnerable district and our partner procured another 1,000 kits. The next time the region is affected by flooding or an earthquake, we will be able to immediately support 3,000 households with essential supplies.

In **Somalia**, when the flood-prone Shabelle river went dry for the first time in almost 20 years, we took the opportunity to de-silt the riverbed. This enabled communities to use a previously non-functioning dam to control water levels, irrigate more farmland, reduce conflict over water and limit flooding during the rainy season.

In **Mozambique** and other countries affected by El Niño, we screened the nutrition levels of vulnerable populations. This data provides an early warning of any impending malnutrition crisis, enabling us to provide a timely response. Elsewhere in Mozambique, we continued to work with isolated communities to strengthen local risk management. We provided 48 existing groups with refresher training and established and trained eight new committees.

Our reconstruction programme in Port-au-Prince, **Haiti** has improved local infrastructure and boosted the economy by building drainage canals and retaining walls. These infrastructures and training on emergency preparedness meant that Grand Ravine did not flood when Hurricane Matthew – the most severe crisis affecting the country since 2010 – struck.

4.6 million people reached through emergency response programmes



“ I was so grateful when I was given a place in the embroidery workshop. It's the one time of day when I can forget my problems and focus on something good.”

Providing psychosocial support in Lebanon

The psychological effects of conflict cannot be underestimated. Yesenia* was forced to leave Syria for Lebanon with her husband and children after several members of her family were killed during the crisis. She finds life extremely stressful in Lebanon; refugees have few rights and she and her family have had to move several times.

To help provide support to women like Yesenia, Concern is working with local organisation Basmeh and Zeitooneh to bring together refugees from Syria and Lebanese women from some of the poorest communities in the neighbourhood through sewing workshops. The workshops provide training in embroidery and subsequently give the women an opportunity to sell their products and earn an income. More importantly though, they provide a place where the women can relax and help them deal with tensions in the area and at home.

Besides learning a skill, what Yesenia has most enjoyed about the sewing workshops is the feeling of solidarity between Syrians and Lebanese women.

Yesenia explained, “We feel better when we talk about our problems and try and find solutions. It doesn’t matter which country you are from when you are making embroidery. I feel we all put part of our history and our characters into these pieces.”

In addition to skills building, the workshops offer women awareness sessions on topics ranging from general health to women’s empowerment and women’s rights.

Yesenia displaying her embroidery outside the workshop centre.

Photo: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2015

*Name has been changed.

Livelihoods

In 2016 we reached one million people directly through our livelihood programmes and 4.7 million indirectly. Over three million were female.

Concern's ambition of ending extreme poverty and hunger requires people in the poorest and most vulnerable parts of the world to have access to sustainable sources of income and nutrition.

Developing work skills and enhancing support systems

Our programmes address some of the underlying problems that affect livelihoods. We use a number of approaches, such as enhancing access to markets and providing small-scale credit to invest in business development.

In **Rwanda**, 34 per cent of households in our target areas could access formal and informal credit by the end of our programme (an increase of more than 20 per cent since 2014). In Sierra Leone, we set up and trained members of 49 villages on saving and investing in local enterprises.

In **Haiti**, we repaired six kilometres of roads that were previously impassable during the rainy season. This has increased 18,392 people's access to markets. Our post-emergency cash for work initiatives in several other countries also improved small-scale farmers' and traders' access to raw materials and customers.

We provided work skills training to targeted households in several countries. For example, in **Haiti**, we provided vocational training, followed by cash support to start businesses. We also ran an initiative to provide work skills training to people in **Turkey** affected by the Syrian crisis.

We increasingly include business training and business plan advice as part of our support to targeted households. This results in increases in income, ownership of assets and employment rates. In **Bangladesh**, this helped increase recipient incomes seven-fold since 2013.

Giving beneficiaries greater choice

In line with our aim to empower people to transform their lives in a sustainable way, we increasingly use cash-based programmes rather than distributing food and tools to support extremely poor and vulnerable people.

In 2016, we implemented cash-based programmes in 21 countries, including several countries affected by the El Niño weather system. By drawing on experiences of supporting affected communities in previous years, we conducted rapid assessments to look at the potential to provide monetary support rather than food. Money has the potential to revitalise local economies and markets as well as promote household food security and investments in livelihoods.

In **Zambia**, we reached 21,259 affected households with cash transfers, and in Mozambique we targeted 8,000 households with food vouchers. In Malawi, we implemented two cash transfer projects, collectively targeting more than 17,000 households. In all three countries, we operated through a consortium of international non-governmental organisations.

In **Afghanistan**, we increased the involvement of beneficiaries in our rural livelihoods programme, letting them select appropriate seeds and livestock to support their income.

Climate-smart agriculture

Our climate-smart agriculture programmes enable communities to protect land from the impacts of extreme weather and climate change in sustainable ways, for example by cultivating more drought-resistant crops. We also enable small-scale farmers to practice conservation agriculture – protecting land from floods and drought and conserving soil moisture and nutrients.

We promote climate-smart agriculture technologies in a number of countries. For example:

In 2016 we disseminated new evidence and learning from our work in the **Democratic People's Republic of Korea** at a national conference.

In **Bangladesh**, we provided technical support on agriculture and rainwater harvesting systems, which enabled women, in particular, to increase their income.

Concern Worldwide is a core member of the Africa Climate Smart Agriculture Alliance, which aims to empower six million smallholder farmers in Sub-Saharan Africa with climate-smart agriculture options by 2021. We have a strategy in place to help achieve this ambitious target.

Reducing hunger

Food is essential to survival and health. In 2016 we promoted various technologies to reduce the hunger gap and increase vulnerable families' food security.

We provided greenhouses to cooperatives in **Democratic People's Republic of Korea** to assist winter production of vegetables. In **Uganda**, we demonstrated and encouraged the use of fuel-efficient stoves to reduce women's workload in collecting firewood, thus maximising the available time for food cultivation, while also reducing the risk of soil erosion and flooding as a result of deforestation.

Our work to reduce child stunting from malnutrition in **Rwanda** led to 77 per cent of beneficiary children's diets including at least four food groups (up from 24 per cent in 2015). In **Mozambique**, we increased the targeted children's dietary diversity by 26 per cent since 2015. Our beneficiaries in **Uganda** and **Democratic People's Republic of Korea** reported eating significantly more diverse and nutritious food as a result of our interventions.

In a number of countries, we are using the farmer field school and lead farmer approach, where we conduct practical training with groups of farmers who then share their knowledge with others. In **Zambia** and **Mozambique** we linked these groups with women's groups to ensure that increased food production is used to improve household diets as well as incomes. This reflects our integration of gender equality and gender awareness-raising in our work, to help overcome women's secondary status and exclusion from decisions that affect their lives. In many countries, such as **Malawi**, this has resulted in a higher proportion of women getting involved in household level decision-making and spending. Evidence from some of our livelihoods programmes suggests that this also has a positive impact on family health.

In Niger,
100%
of farmers in our
programme
are using at least one
new climate smart
technique and
93% are using
two

Building resilience in Haiti

Djenise Hilaive, 22, lives in Martissant, Port-au-Prince, Haiti and is a participant in Concern's Return to Neighbourhood 4 programme. The programme supports poor vulnerable households to increase their ability to earn an income by giving family members the opportunity take a training course, leading to future employment.

Djenise and her family lost their home in the 2010 earthquake and were living in a tent in a camp until they were relocated by Concern in 2013 in an earlier phase of the Return to Neighbourhood programme.

Like many people in Haiti, Djenise missed out on an education but is now learning how to cut and style hair and carry out beauty treatments. Concern is working with a partner organisation to provide this 6-month training course, with the aim that participants will work in salons or run their own business when they are finished.

Through Concern-supported training courses, hundreds of people in Port-au-Prince are being equipped with the knowledge and basic skills to earn a living. Besides hair and beauty, areas we provide training in include building construction, mobile phone repair, cooking, jewellery making, crafts and sewing.



Djenise Hilaive taking part in a hair and make-up vocational training session supported by Concern in Port-au-Prince, Haiti.

Photo: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2016



“I didn't feel good before because I had nothing to do and now I have something. For me, the training is an opportunity to do something.”

Health

In 2016, Concern’s work helped to improve the health of 11 million people, of whom 3.2 million were direct beneficiaries. Over six million were female.

Around the world, we save lives and reduce suffering by strengthening health systems and improving access to maternal and child health, clean water and sanitation. On the ground and in national and global forums, we tackle hunger and malnutrition, which underpin many preventable health problems.

Strengthening maternal and child health systems

Where possible, we support local and national health services to meet the long term needs of their populations. In the **Central African Republic**, for example, we supported the Ministry of Health to transition towards government-led healthcare in two regions.

In **Chad**, we actively participated in health, nutrition and food security ‘cluster’ meetings to coordinate work with other agencies and avoid duplication of efforts. We also trained traditional birth attendants in safe delivery methods, reducing risks for mothers and babies. In **Sierra Leone**, we are exploring alternative sources of income for these attendants to reduce risky births and harmful health practices such as female genital mutilation, and to ensure that pregnant women are referred to health facilities when required.

In internal and external evaluations of our Ebola response in **Liberia**, local communities and authorities expressed great appreciation of our participatory and long-term approach to the problems they face. In **Sierra Leone**, members of our safe and dignified burial programme used their knowledge on infection protection and control to form a local NGO, ensuring that the country is prepared for any future outbreaks.

As we approach the final year of our USAID-funded child survival programmes in Kenya and Sierra Leone, we are on track to meet our targets

on access to quality maternal, newborn and child health services, improved household knowledge and practices on these issues and stronger community capacity and policy environments for health. In both countries, we are conducting research in collaboration with Johns Hopkins University to help ensure that future health interventions are evidence-based.

Preventing under-nutrition and extreme hunger

Adequate nutrition, especially during pregnancy and the first years of a child’s life, is essential for life-long health and resilience. Examples of what we achieved in 2016 are set out below:

In **Ethiopia**, in conjunction with the national health system, we conducted one of our largest ever emergency nutrition responses. We treated more than 11,000 children for severe acute malnutrition and 100,000 children for moderate acute malnutrition across nearly 40 districts and one refugee camp.

One of our biggest achievements in **South Sudan** was conducting a timely emergency response to the food and nutrition crisis in a new area of operation. We achieved this by distributing food rations to 440,000 people and scaling up our support to health centres reaching 60,000 people. Our ongoing health programme in the country continued to maintain key progress in maternal and child health – including antenatal coverage, vaccination and exclusive breastfeeding.

The impact of El Niño on harvests triggered food security crises in several countries in 2016. We implemented emergency nutrition responses in three districts of **Malawi**, screening an average of 145,167 children under five and 53,669 pregnant and breastfeeding women each month.

Our emergency nutrition response in **Uganda** was efficiently carried out in eight districts in the West Nile region, one of the most critical areas for refugees, and in Karamoja, a high-risk area for poor nutrition. We trained government health ministry staff in the integrated management of acute malnutrition. We also supported 163 healthcare facilities, 1,177 healthcare staff, five refugee settlements and six border posts. Overall, this benefitted 237,061 members of refugee and host communities, and healthcare workers. In **Central African Republic**, we screened and treated 16,290 children for malnutrition.

Concern Worldwide is recognised as a lead organisation for nutrition interventions in many countries. Based on our work in **Uganda**, the country’s national guidelines on nutrition now include a surge approach to community and integrated management of acute malnutrition. Similarly, the Kenyan Ministry of Health has adopted this approach for national rollout and embedded it in the health system. The approach has already been scaled up in five counties. These are major achievements that will save many lives during future food crises.

Improving access to clean water and sanitation

In 2016, we finalised our 2016 - 2020 Water, Sanitation and Hygiene (WASH) strategy. The strategy promotes existing and new approaches to ensure: effective hygiene promotion; high-quality infrastructure; a continued focus on supporting extremely poor people, and using our learning to influence policy and practice. Some 2016 examples are:

In **Bangladesh**, **Kenya** and **Uganda**, we have achieved good results in ensuring that more than 85 per cent of targeted households use an improved drinking water source all year round. Health education with school children in **Bangladesh** has resulted in the number of households using reliable water sources for safe drinking water increasing by 18 per cent since 2015. Handwashing practices also increased over this period. In Kirundo, **Burundi**, handwashing after using the toilet nearly doubled to 90 per cent among our beneficiaries, significantly exceeding our target.

Our programmes in **Lebanon** and **Uganda** work with multiple levels of government to strengthen the management of water services. In **Pakistan**, we work with local government on large drinking water schemes. We ensure the sustainability of many of our water and sanitation projects by establishing and training local water user committees to manage maintain and repair water infrastructures, such as new community and school-based systems in the **Republic of Sudan** and **Nepal**.

In response to a cholera outbreak in **Central African Republic** we coordinated with other agencies, focusing on protecting water sources, promoting better hygiene practices and providing clean sanitation facilities. We used video and community messages to teach almost 6,000 people how to prevent the disease and provided schools, public places and a hospital with water purification and handwashing supplies.

In our Somalia programme, access to improved sanitation increased from 4% in 2012 to 91.5% in 2016

Community Health and Nutrition in South Sudan

14 month old twins, Anger and Chan Adim Garang are just two of the several thousand children treated at Concern-supported nutrition clinics in Aweil in the North West of South Sudan.

Their mother, Atuil Chok was struggling desperately to make ends meet whilst her husband was away on military duty but her crops failed and she and her six children were left with almost nothing to eat. Her two youngest, twins Anger and Chan, quickly became acutely malnourished. She was discovered by one of Concern’s community nutrition volunteers, nearly 60 of whom spread out across the area, searching for malnourished children and referring them to a nearby nutrition clinic.

The twins were enrolled on to what is known as the outpatient therapeutic programme (OTP), which involved educating Atuil about best practice for child nutrition and hygiene and supplying her with a week’s supply of ready-to-eat therapeutic food (a high nutrient peanut paste with added vitamins) for the twins.

She returned to the clinic once a week so Chan and Anger’s condition could be monitored. After several weeks of treatment, the children had recovered from their malnutrition, and Atuil and her family were included in a general food distribution programme to ensure the whole family was getting enough to eat to say healthy.

“ We visit households and carry out screening of children who may have fallen outside the health system.”

Above: 14 month old Chan Adim Garang being assessed for malnutrition before being admitted to the outpatient therapeutic program (OTP) run by Concern in Aweil, South Sudan.

Right: 4 month old Anger Adim Garang being weighed by Monica Mawien, a supervisor with the Concern community nutrition team.

Photos: Kieran McConville/Concern/2016



Education

In 2016, Concern’s education programming supported almost 1.6 million people, of whom 52 per cent were female.

By focusing on access to quality education and child well-being, we aim to break the cycle of extreme poverty and hunger and provide young people with skills, learning and livelihood opportunities. We focus our education resources where they will have the most impact, including in areas affected by humanitarian emergencies.

Improving learning outcomes

Our experience shows that strengthening local and national school management can lead to improved school attendance, better learning, safer schools and stronger community support for education. Some examples of what we achieved in strengthening school management in 2016 are set out below:

In **Afghanistan**, we enabled school management committees and parent teacher student associations to take the lead in monitoring school performance, improving school safety and building separate latrines for boys and girls.

In **Rwanda**, we established 1,057 school committees, reaching 40 per cent of schools nationwide. These committees helped to encourage families to send their children more frequently to school by developing a reading culture and safe learning environments. In Somalia, the success of community education committees in school management has led the government to endorse this approach and explore using it in schools across the country.

After the end of Ebola related restrictions in Liberia, parent teacher associations, supported by Concern, were central to the success of back-to-school campaigns in 61 schools. They distributed exercise books, pencils and footballs, reaching 5,028 children and increasing school attendance.

In **Sierra Leone**, school management committees, supported by Concern, refurbished facilities in 50 schools enabling vulnerable children to continue attending school.

A quality education requires more than a functioning school. While there, children need appropriate and good quality teaching and resources. To measure how well children learn, Concern Worldwide tracks early grade literacy skills, teachers’ qualifications and training, and child-centred learning. Examples of what we achieved in this area are detailed below:

Students’ reading fluency and comprehension have also risen markedly in the schools we targeted in **Bangladesh**. The number of students achieving the minimum Grade 2 standard has doubled since 2014. In Grade 4, 80 per cent of students achieved the minimum standard, up from just 16 per cent in 2014. Students that we supported in 33 schools in Afghanistan have also seen progress in reading fluency, with girls scoring significantly better than boys.

In **Somalia**, progress in Early Grade Reading Assessment (EGRA) scores has been so impressive over the past three years that the government has asked Concern Worldwide to support the Ministry of Education in administering the assessment scheme in all government-operated schools.

1,057
school committees
established in
Rwanda

Increasing school access and attendance – including access to education in emergencies

One of our education priorities is keeping students in school as they advance through the grades. Our health and livelihoods programmes contribute to this by reducing absence from school due to ill health, child labour or forced migration. We also help to repair schools and provide temporary learning spaces for children affected by humanitarian emergencies.

Some examples of what we achieved in non-emergency situations in 2016 are set out below:

In **Kenya**, we contributed to recently approved government guidelines on alternative basic education for out-of-school children and a strategic plan for the National Council for Nomadic Education. When implemented, these plans will significantly increase educational opportunities for marginalised and extremely poor slum-dwelling and nomadic children.

In **Afghanistan**, our ongoing training for school management committees and parent teacher associations helped increase the students’ daily attendance from 40 per cent to 80 per cent. Schools that we support in **Niger** reported a similarly significant increase in student attendance, from 48 per cent in 2013 to 84 per cent in 2016. In **Bangladesh**, we increased the number of children staying in targeted schools from 63 per cent in 2013 to 90 per cent in 2016.

In emergency situations we seek to maximise access to education.

Education was one of the sectors hit hardest by the 2015 earthquake in **Nepal**. Our educational support project is providing 64 schools with technical support, roofing materials, and learning resources and play equipment for early learning centres. We are building temporary classrooms for 58 schools and providing water and sanitation facilities in 33 schools affected by the disaster.

In **Niger**, we helped construct temporary classrooms for internally displaced, returnee, host community and refugee children. We also provided children with school kits and textbooks and helped set up school management committees. In vulnerable farming hamlets, we supported the education of 2,991 children by providing flexible school services and learning circles during the agricultural season, enabling them to continue learning during the busy harvest period.

Protecting student safety and wellbeing

Children who are unwell, undernourished, or distressed are unable to learn effectively. Much of our education work is centred on child wellbeing and creating a safe environment at school.

In 2016, we supported parent teacher associations and school management committees in Malawi in addressing school-related gender-based violence (SRGBV). More than 2,700 local people and committee members are working with us and Theatre for a Change to increase knowledge on gender issues and change negative attitudes and stereotypes.

In Liberia, we helped train 400 “change-makers” to address gender-based violence and gender attitudes in 100 school communities. We now plan to adopt a similar safe learning approach in **Sierra Leone** and **Bangladesh**.

90%
Number of children
staying in targeted schools
in Bangladesh

Education

Eric Karanja lives with his wife Nancy and their three children, Alice (14), Elizabeth (11) and Janet (9) in Gitari Marigu slum in Nairobi, Kenya. Eric earns a living from scavenging through tonnes of rubbish on the 30-acre Dandora dumpsite – Nairobi’s largest landfill. It’s a tough life and on a good day, he takes home only Ksh300 (£2.20) but sometimes makes nothing.

However, thanks to a cash transfer from Concern as part of the Wasichana Wote Wasome (Let all Girls Learn) programme Eric and Nancy have been able to send Elizabeth to a nearby low cost, community school. They used the money to pay Elizabeth’s school fees, and to buy school shoes and books.

“The support we received from Concern was a very big help”, explained Eric. “It boosted us. Because of them, life is improving. If you have nothing and you receive something, life becomes easier knowing that there’s someone to help.”

Around 400,000 children in Nairobi’s slums do not have access to education. As well as helping vulnerable families with school fees, Concern has provided training for teachers and promoted good hygiene practices at the school.

“My family is very important to me. I want my kids to have a better life than me. The best thing I can give them is education.”



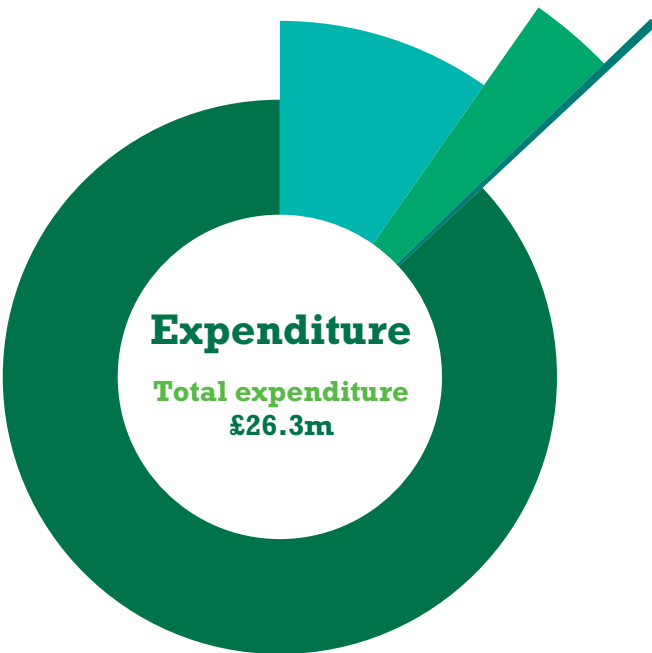
Above: Eric Karanja at Dandora dumpsite.
Right: Elizabeth in class at St Francis’ Education Centre, Dandora.
Photos: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2016

Income and expenditure



Income from governments and co-funders – £19.1m | 72.1%

Income from fundraising activities – £7.4m | 27.9%



Overseas programmes £22.8m | 86.7%

Fundraising £2.6m | 9.9%

Policy, advocacy and campaigning £0.8m | 3%

Governance £0.1m | 0.4%

Trustees’ Report and Financial Statements



Vincent Vundu is responsible for the bicycle ambulance provided by Concern which allows sick people in his community in Nkhotakota, Malawi to get vital healthcare as soon as possible.

Photo: Jennifer Nolan/Concern/2016

Legal and administrative information

Trustees of the charity

The following were members of the Board of Trustees (and also Directors of Concern (UK) for company law purposes), at the date on which the financial statements were approved:

Julian Bennet
Zamila Bunglawala
Donal D’Arcy
Chris Elliott (Chair)
Dr Sean Farren
Dr Dianne Farmer – appointed 1 March 2017
Tony Foster
Tony McCusker – appointed 1 March 2017
Jemima Jewell
Rob McGrigor (Honorary Treasurer)
Barbara O’Reilly – appointed 1 Feb 2017
Bernadette Sexton – appointed 1 March 2017
James Shaw Hamilton
Samuel Sims – appointed 1 March 2017
Peggy Walters – appointed 1 March 2017
Donald Workman – appointed 1 March 2017
Ciunas Bunworth and Patrick Forbes resigned as Trustees of the organisation on 6 June 2016
Laura Kelly resigned as a Trustee of the organisation on 4 July 2016

Executive Team

Rose Caldwell – Executive Director
Peter Anderson – Northern Ireland Director
Sarah Molloy – Director of Communications
Peter Reynolds – Director of Fundraising
Bob Ruxton – Director of International Support
Simon Starling – Director of Advocacy
Carrie Brownlee – Director of Finance and Operations

Company Secretary

Brenda Tobin

Registered office

Unit 13 and 14 Calico House, Clove Hitch Quay, Plantation Wharf, London SW11 3TN

Other offices

47 Frederick Street, Belfast, BT1 2LW

Auditor

KPMG, Chartered Accountants, 1 Stokes Place, St. Stephen’s Green, Dublin 2

Bankers

Barclays Bank plc, 1 Churchill Place, London E14 5HP
Bank of Ireland, Belfast City Branch, Belfast BT1 2BA
The Royal Bank of Scotland, Glasgow City Branch, 10 Gordon Street, Glasgow G1 3PL

Solicitor

Withers LLP, 16 Old Bailey, London EC2M 7EG

Trustees’ Report
(Incorporating a Strategic Report and Director’s Report)

The Trustees (who are also Directors of Concern Worldwide (UK) ‘Concern (UK)’ for company law purposes), have pleasure in submitting their annual report and audited financial statements of the company for the year ended 31 December 2016.

1. Structure, governance and management

1.1 Legal status

Concern Worldwide (UK) (‘Concern (UK)’) is a company limited by guarantee registered in England, not having a share capital, incorporated under the Companies Act 1985 (registered number 04323646). The company is registered as a charity with the Charity Commission for England and Wales (Charity Number 1092236) and with the Office of the Scottish Charity Regulator (Charity Number SC038107).

1.2 Organisation and related organisations

The company commenced operations on 1 January 2004 when it received a grant of the net assets and trade previously carried out by Concern Worldwide (Northern Ireland).

The activities of Concern (UK) are carried out in association with Concern Worldwide, a company registered in the Republic of Ireland which is registered as a Charity and is the sole member of Concern (UK).

1.3 Board of Trustees

As indicated above, Concern (UK) is a limited company and all of the Trustees are also full Directors of Concern (UK) for company law purposes.

Trustees, all of whom are non-executive, are drawn from diverse backgrounds in business and professional life, and bring a broad range of experience and skills to Board deliberations. The Trustees are appointed in accordance with the provisions of the Articles of Association for Concern (UK). All new Trustees appointed in the year receive a full induction so that they can familiarise themselves with their statutory responsibilities, their role as Board members, the governance framework within Concern (UK), Concern (UK)’s work and the risk environment. Ongoing training is arranged as and when a need is identified.

There are clear distinctions between the role of the Board and the executive management team to which day to day management is delegated. The principle that ‘management proposes,’ ‘Board decides,’ ‘management implements,’ ‘Board monitors,’ forms the basis of Board and the executive management team interaction. Matters such as policy, strategic planning and budgets are prepared by the executive management team for consideration and approval by the Trustees. The members of the Board cannot, under the governance regulations of the charity, receive remuneration for services to Concern (UK) and may only be reimbursed for incidental expenses claimed.

The Board meets at least four times a year. It has appointed an Audit and Finance Committee, which is made up of the Honorary Treasurer and two or more other Trustees with relevant experience. The Audit and Finance Committee operates under specific terms of reference, which include responsibility for the monitoring of the organisation’s financial systems and policies, including the audit and risk management systems. The Board met six times during 2016.

Board attendance was as follows:

Name	Meetings
Zamila Banglawala	3/6
Julian Bennet	3/6
Ciunas Bunworth	3/3
Donal Darcy	5/6
Chris Elliott	6/6
Sean Farren	5/6
Patrick Forbes	3/3
Tony Foster	5/6
Jemima Jewell	5/6
Laura Kelly	4/4
Rob McGrigor	5/6
James Shaw-Hamilton	6/6

2. Identity, vision and mission

Our identity – who we are

Concern (UK) is a non-governmental, international, humanitarian organisation dedicated to the reduction of suffering and working towards the ultimate elimination of extreme poverty in the world’s poorest countries.

Our vision for change

A world where no one lives in poverty, fear or oppression; where all have access to a decent standard of living and the opportunities and choices essential to a long, healthy and creative life; a world where everyone is treated with dignity and respect.

Our mission – what we do

Our mission is to help people living in extreme poverty achieve major improvements in their lives which last and spread without ongoing external support.

3. Public Benefit Statement

Concern (UK) works for the public benefit through its humanitarian and development work and through advocating for the rights of the very poorest people, specifically in the areas of hunger, emergencies and aid effectiveness. In contributing all surplus funds raised to Concern Worldwide, Concern (UK) fulfils its charitable duties through a focus on the following core organisational programmes:

Livelihoods – To assist poor households to achieve adequate and sustainable access to and control of resources so as to achieve their livelihood rights without undermining their natural resource base.

Health – To contribute to the achievement of health and nutrition security of the poor within the context of the Sustainable Development Goals.

Basic education – To strengthen formal education provision among the poorer sections of society by addressing the obstacles that hinder access to and successful completion of formal primary education.

Emergency response and preparedness – To respond to emergencies in a timely manner appropriate to the context and where possible to prevent future vulnerability.

Concern Worldwide is committed to the participation by extremely poor people in decision-making and is morally accountable to its beneficiaries. To that end, the organisation has adopted the Core Humanitarian Standard on Quality and Accountability (CHS) which sets out nine commitments that organisations and individuals involved in humanitarian response can use to improve the quality and effectiveness of the assistance they provide. Concern Worldwide works with partners at different levels including community organisations, local government institutions, national level institutions, and international agencies. In responding to emergencies, we are also guided by international codes of conduct and practice, including the Code of Conduct of the International Red Cross and Red Crescent Movement and Non-Governmental Organisations in Disaster Relief.

The Trustees have complied with their duty to note and pay due regard to public benefit guidance published by the Charities Commission.

4. Strategic report

4.1 To achieve its mission and fulfil its charitable purpose, Concern (UK) supports the overseas programmes of Concern Worldwide.

It does not implement its own overseas programmes, but does seek to address the root causes of poverty directly through its own advocacy work. In 2016, the Trustees approved Concern (UK)’s 2016 - 2020 strategic plan, ‘Tackling hunger, crises and extreme poverty in the toughest parts of the world’. The plan sets out five specific goals developed to capture the contribution Concern (UK) aspires to make in delivering the Concern Worldwide global strategic plan. Below we set out our strategic goals and our progress in 2016 towards delivering on them.

Strategic Goal 1: Greater impact on long-term poverty and humanitarian response

Concern (UK) will continue to support our long term development work by deepening our relationship and understanding of UK funders with an aim of securing £35m per annum by 2020. We seek to become established as an expert practitioner on community resilience.

We will continue to support our humanitarian response work through funding, technical support and raising the profile of the humanitarian needs. We will engage actively with the Disasters Emergency Committee (DEC) and the Start Network and will also aim to increase our visibility and influence in the UK humanitarian sector.

In 2016, Concern Worldwide reached over 22 million people in its 27 countries of operation. Concern (UK) contributed £22.5m to help fund this work supported by £19.1m from UK funders, including £18.3m from DFID.

Concern (UK) reached an important milestone in 2016, winning its first contract with DFID under a commercial tender process. The contract itself is for the first part of what we anticipate will be a five year programme in Pakistan to build community resilience to disasters. With what we learned through that experience, and skilled new staff in place, Concern (UK) is now in a position to pursue a new range of opportunities to resource the organisation’s development and humanitarian work.

Concern Worldwide runs two programmes, now in their second year, under DFID’s ‘Building Resilience and Adaptation to Climate Extremes and Disasters’ (BRACED) portfolio. The programme in South Sudan unhappily illustrates how conflict threatens the gains from our development work, but both this and the programme across Chad and Sudan are making very real progress against their objectives. Now we are working to maximise the opportunities presented by the programmes, linking in to our advocacy work, to play our part in shaping what we believe will be significant donor investments in community resilience programming in the coming years.

Donors want to work with organisations that they can see for themselves are achieving results. We were therefore extremely pleased to be approached by Comic Relief in Malawi to develop a programme to reduce in-school violence against girls and thus enable them to go further with their education. The £1m programme launched in August 2016 and will run for three years. In early 2017 Comic Relief approached us again, this time in Sierra Leone, to discuss ideas for a health programme.

In just the same way, the best way to attract DFID’s support is when their country teams already know and respect Concern Worldwide’s work in a given area. In summer 2016, we were invited by DFID in Zambia to develop what became a £1.3m programme to respond to widespread food insecurity, caused by El Niño induced drought, through direct cash transfers. We are also in consortium partnerships selected by DFID in Mozambique and Malawi to respond to the consequences of El Niño events there. Concern (UK)’s International Support team is building on these experiences, in other countries, to strengthen engagement with DFID locally.

2016 saw the conclusion of Concern Worldwide’s DEC-funded response to the ebola epidemic in Sierra Leone. An independent evaluation reported very positively on the response, saying that Concern Worldwide had “implemented a strong response to the Ebola crisis, operating in a tough context”. Particularly commended were our management of burial workers, and our Village Savings and Loan Associations, which catalysed many communities to be able to save and take loans without resorting to money-lenders.

DEC funding has also been an important component of Concern Worldwide’s response to the 2015 Nepal earthquake response. Most international NGOs faced frustrations in 2016, when government restrictions slowed our work down considerably, but these obstacles were overcome by the end of the year. Concern Worldwide will now stay in Nepal until early 2018, rebuilding schools and other infrastructure in four badly hit districts.

Concern Worldwide continues to be an active member of the UK-based Start Network. In 2016, staff played a leading role in developing the Network’s funding mechanism, the first of its kind anywhere, for anticipating humanitarian crises. When a crisis can be seen coming, based on credible scientific forecasts, we can act early and lessen its impact. We have been deeply involved in equally innovative work to develop a funding mechanism based on insurance products to respond to drought in Pakistan.

Goal 2: Influence the policy and practice of UK-based policy makers, donors and key international development and humanitarian actors

Concern (UK) will continue to use evidence gathered from its experience to influence key policy makers in the UK, in the countries where we work, as well as at an international level, particularly in relation to nutrition, resilience to malnutrition and food insecurity.

We will develop our advocacy approach and voice with regard to humanitarian issues, focusing on neglected crises and conflict. We will also seek to engage the public with our work and to take supportive action.

The UK government has been a champion of nutrition, and we ran a series of events and campaigns throughout the year to press the government to meet its commitments and maintain its global leadership role. In February we co-hosted an MP breakfast briefing; in May we launched our Food is Power campaign with Jamie Oliver’s Food Revolution Day including a roundtable meeting with the DFID Minister and in September we launched our 50 Million Promises petition calling on the Prime Minister to meet manifesto commitments to help 50 million people escape

hunger. We followed this up at a meeting in December with DFID Minister James Wharton, alongside colleagues from the International Coalition for Advocacy on Nutrition (ICAN).

In October, we launched the 2016 Global Hunger Index, our flagship publication that examines hunger levels across the world, at a well-attended event in London with a panel of speakers debating how different sectors must work together to end hunger.

We continued to support our overseas colleagues with their advocacy work. We presented our “Nutrition Matters: Opportunities to scale up nutrition in Zambia” report which showed Zambian government commitments on nutrition had not been matched by budget allocations, to the Health Secretary and major donors in Lusaka in July. Working with BRACED colleagues, we also produced a policy briefing paper with the Global Network for Disaster Reduction (GNDR) which was used as the basis for in-country advocacy by Concern in Chad, Sudan, and Niger and by a range of other agencies across Africa.

We also continued our work to help communities become more resilient to disaster. In May we produced a report “From Risk to Resilience” which consolidated our learning on building the resilience of the most vulnerable and provided recommendations to donors, governments and agencies. We shared this at the World Humanitarian Summit, where we also shared learning from Concern Worldwide’s BRACED programme at a panel event.

During the course of the year we grew our engagement and voice on humanitarian issues. We were inspired by our supporters enthusiastic engagement in what can appear to be far flung crises or complex issues. Over 1000 supporters wrote personally to Foreign Secretary Boris Johnson to ask the UK to do all it could to protect the citizens of Aleppo. We also asked our supporters to put their “Hands up for Humanity”, to show the need to respect the international humanitarian laws that protect the most vulnerable in crises. Other NGOs such as Christian Aid, Care, MercyCorps came on board with the campaign and several thousand people supported our call to action.

2016 saw the 5th anniversary of the horrific conflict in Syria, which has led to the biggest humanitarian crisis of our time. In January we launched a report “Paying the Price: Why donors must take a new approach to the Syria crisis” ahead of a UK Government hosted international conference. The report highlighted slow delivery of funding commitments, a lack of forward thinking, a deficit in key sectors such as livelihoods and protection and called for a step change in the international response. At the conference, world leaders did step up and committed over £11bn to the humanitarian response over the next few years.

Goal 3: Grow the engagement, loyalty and value of our supporters and funders

The fundraising environment in the UK is currently undergoing significant change. Concern (UK) will embrace and respond to this change in order to maximise net income and return on investment from fundraising and will review our objectives annually to this end.

2016 proved to be a challenging year for Concern (UK)’s public fundraising, but the generosity of thousands of our loyal donors and fundraisers continued to inspire us. Our work overseas simply would not be possible without their commitment and we thank them all.

We ran a number of successful appeals during the year: In May we launched an appeal to support Concern’s response to a growing food crisis in Ethiopia – 2,400 donors contributed £222,163 towards the provision of seeds to support farmers during the coming rainy season.

In June, our supporters donated £130,676 towards our work supporting communities in Northern Syria and others caught up in emergencies around the world.

Towards the end of 2016, our donors once again gave generously, this time to our ‘Build Hope in the City’ appeal, contributing £279,436 towards our work supporting poor urban communities in Haiti and pavement dweller families in Bangladesh.

We are also grateful to Concern (UK)’s network of support groups and Ambassadors, who organised

collections and special events, including a world ‘Christmas Jumper’ record attempt! The continued support of our support group members, collectors, marathon runners, London Triathlon participants, Ambassadors and all our local fundraisers is an inspiration to us all.

Recognising the need to diversify how we fundraise and grow our income streams, we took a major step forward in 2016 with the opening of our first new Concern shop in almost 25 years. Stocking donated books, the shop brings our shop total up to three which between them raised over £140,000 in 2016. We are grateful to all our shop volunteers, including the more than 30 new volunteers in our Derry book shop for their enthusiastic support.

Charitable foundations remain a growing source of support, with 102 foundations contributing a total of £664,858 in 2016 to fund a wide range of our work. This included: helping coastal communities in Bangladesh protect themselves against rising sea levels and extreme weather events linked to climate change; enabling communities in Nepal rebuild their livelihoods following the 2015 earthquake and working with families in Malawi to improve the quality of their diet by providing seeds, beans and new crops, such as orange-fleshed sweet potatoes

In May 2016, we suffered a major set-back when an error was made processing the monthly direct debit donations of some of our supporters, requesting a larger amount than their normal monthly donation. This was quickly corrected, although did result in the loss of individual supporters. We have now redoubled our efforts to raise funds to achieve our mission and to ensure our existing donors know that they are valued.

Goal 4: Raise awareness, build brand and increase visibility

Concern (UK) will improve the impact and effectiveness of our communications, producing strong, consistent messaging that will build interest around issues of hunger and nutrition, and humanitarian crises, to gain active support. We will continue to strengthen our brand so that we are recognised by our

target audiences as a credible and influential INGO (international non-governmental organisation) for our work around these issues.

Concern (UK) will work towards digital transformation enabling the organisation to make the best use of the digital medium to raise brand awareness, deepen engagement and increase income with our on-line audiences.

We developed two new initiatives last year to raise awareness of Concern (UK). The first of these was Stitch for Syria, a social media and media campaign to raise awareness of the plight of Syrian refugees. We invited members of the public to take on a cross-stitch challenge to show support for a group of female Syrian refugees in Lebanon, who are using cross-stitch to earn a vital income and deal with the trauma they have been through. Stitch for Syria was a great success, with over 900 squares of embroidery received, videos of the project were seen over 8,000 times and our Facebook posts reached almost 50,000 people. Media coverage was strong – not only online but also in traditional media; it was covered by BBC Radio 4’s Woman’s Hour and featured in several magazines and newspapers.

Our second major initiative was a photographic exhibition which tied in with our ‘Build Hope in the City’ fundraising appeals in September and December. It documented the challenges the urban poor face in Bangladesh, Haiti and Kenya and what Concern Worldwide is doing to address their issues. The exhibition was on display for two months outside St Martin-in-the-Fields Church, just off London’s Trafalgar Square, and travelled to Belfast, Derry and Enniskillen in Northern Ireland and to Brussels. The exhibition gave us the opportunity to trial some new digital initiatives including a Facebook live event and 360 degree virtual reality photographs. More exposure for the appeal came through our other communications partners, JC Decaux who provided outdoor billboard space in Northern Ireland, and The Irish Post and Johnston Press who visited our projects and carried several features about the work.

The media environment in 2016 was a challenging one, with a great deal of negative media around both charities and the amount and effectiveness of UK aid. We have worked with colleagues across the INGO sector on joint messaging to counter the anti-aid agenda and this work will continue in 2017.

Outside of this, we achieved good coverage highlighting the ongoing situation in Syria. This included online coverage by the BBC and The Guardian of our report published to tie in with the 5th anniversary Syria Donor Conference in February. Northern Irish media coverage remained strong, especially with regards print where volumes of coverage increased by 23% from 2015. Highlights include coverage in a number of outlets including The Belfast Telegraph of a visit to Sierra Leone with Concern (UK) by Ulster and Ireland rugby player, Craig Gilroy, to see for himself the stark realities of the 2014 Ebola crisis from which the country is still recovering. Also in Northern Ireland, coverage of the Concern Debates 2016 was strong, reporting on the success of the winners, Cross and Passion College, Ballycastle – the first team from Northern Ireland to win the Concern Debates competition since 1990.

We continued to increase our presence online and to embed the use of digital communications across the organisation. Integrated campaigns such as Stitch for Syria and Build Hope on the City gave us the opportunity to build on the success of our content-led strategy to increase awareness of Concern (UK). By the end of 2016, we had achieved an almost 30% increase in the number of blog views, and traffic to the web also increased.

Social media remains important for us to attract and develop audiences and we ran a number of engagement campaigns with our Policy and Campaigns team throughout the year. These included a Proud of Aid twitter campaign which saw the hashtag trend in the UK and a Race to End Hunger petition to coincide with the Rio Olympics. We also called on supporters to tweet Boris Johnson and MPs for the emergency Aleppo debate using the ‘tweet your MP’ platform.

Goal 5: Resource and build an organisation capable of delivering the UK strategy

Concern (UK) will continue to attract and retain high quality staff and volunteers, offering a working environment that enables staff to develop. We will continue to deliver strong financial management and will conduct a review of Concern (UK)’s regulatory compliance and organisational management of policy, accountability and transparency and implement any improvements required. We will also engage in the organisational review of governance.

We were pleased to welcome a new Director of Finance and Operations in 2016. However, the team was challenged with staff vacancies and significant additional work generated by the direct debit problems we experienced. In general, staff retention was a challenge for the organisation during 2016 as many staff completed 2½- 3 years in post and were looking for career progression which we were unable to provide. As a result, much time was spent on recruitment and so there was limited capacity to progress other planned HR initiatives.

We initiated a comprehensive review of our regulatory compliance in the year which we aim to complete in 2017.

4.2. Financial review

The financial outcome for 2016 is set out in the Statement of Financial Activities on page 44.

Following our most successful year in terms of fundraising in 2015, 2016 was much more challenging with reductions in income from both voluntary and institutional donors. However, our final position for the year shows a net surplus of just under £0.2 million, increasing total reserves to £4.8 million. Total income for 2016 was £26.5 million and we are grateful to all of our supporters and donors, large or small, who allowed us to continue delivering impact for the world’s poorest. A more detailed commentary on the financial results reflected in the 2016 Annual Report, is set out below:

Income

Concern (UK) raised a total of £26.5 million in 2016, which represents a 19% year on year reduction from 2015. Careful planning and budget monitoring has allowed us to retain stability for the organisation in this challenging economic environment.

Income from donations and legacies

We received £7.4 million in donations and legacies in 2016, representing a £2.9 million reduction from the amount received in 2015.

In 2015, we received a significant £1.9m from the Disasters Emergency Committee (DEC) in response to major emergencies; Nepal Earthquake, Ebola in Sierra Leone and conflict in Syria. While our work in these countries and many others continued in 2016, an emergency response of the scale executed in 2015 did not take place in 2016 and so income from the DEC was only £0.3m.

Income from individuals fell compared to 2015 levels. 2015 was an exceptional year for fundraising within Concern (UK) with some significant, one-off successes including a generous donation of £0.5 million from one corporate supporter and an additional £0.5 million raised from a review of historic gift aid claimable from HM Revenue & Customs. The downturn in income was further compounded by the impact of the error made when collecting direct debit donations from

some of our supporters in May 2016 which resulted in the loss of some of our regular donors.

Committed giving is a vital source of income that allows us to plan our ongoing activities and we will redouble our efforts to exceed the expectations of our donors in 2017 to show our immense appreciation for their support to and keep them fully informed about our important work.

An analysis of voluntary income by source is in note 2(a) to the accounts.

Income from governments and other co-funders:

Concern (UK) received a total of £19.1 million from governments and other institutional donors in 2016. This represents a 10% decrease from 2015 levels and is mainly due to a one-off increase in income received for the Ebola emergency response in Sierra Leone in 2015.

The Department for International Development (DFID) remained the single largest donor in 2016, donating £18.3 million or 96.0% of total co-funding income, with grants for projects in 16 of the countries in which we work.

An analysis of grant income by donor is shown in note 2(b) to the accounts.

A key distinction in the charity sector is made between unrestricted income, which may be used by Concern Worldwide for its general purposes to fulfil its charitable objectives, and restricted income which must be used only for the purpose specified by the donor. Restricted income goes towards financing particular programmes, or elements of our humanitarian responses, as agreed in advance with the donor. We use unrestricted income where flexible funding is needed most, for example in:

- developing, testing and demonstrating the effectiveness of new approaches
- reacting quickly to emergencies, before we receive dedicated appeal funding

We also use unrestricted income to finance our policy work and campaigns, and to meet essential running costs.

Expenditure

Our total expenditure in 2016 of £26.3 million was made up as follows:

	£m	%
Charitable activities	23.7	90
Raising funds	2.6	10
	26.3	100.0

Total expenditure in 2016 decreased by £4.3 million (14%) compared to 2015. This decrease is largely the result of a reduction of the scale of our Ebola response programming in Sierra Leone as we moved beyond the immediate emergency response phase of our programming.

The cost of raising funds fell slightly again in 2016 from £2.9 million in 2015 to £2.6 million in 2016 reflecting continued challenges experienced in securing and retaining agencies to carry out effective donor recruitment campaigns on our behalf. However, we remain committed to maintaining and growing our base of committed givers.

The Board adopts a number of key performance indicators in order to measure the charity’s performance, efficiency and financial strength.

Indicator	Concern (UK)	
	2016	2015
Return on fundraising spend	2.9	3.5
Government & institutional income as a percentage of total expenditure	73%	70%
Support costs as a percentage of total costs	2.4%	2.0%
Unrestricted reserves as a percentage of total income	13%	9%

The Board is satisfied that the efficiency of fundraising, the proportion of government funding secured and the level of support costs are in line with the agreed strategic direction.

The Trustees are confident that future incoming resources to the charity will be adequate to support the continuation of existing projects and activities and also to meet other needs which may arise. Accordingly, Concern (UK) continues to adopt the ‘going concern’ basis in preparing the financial statements.

Reserves and financial position

It is Concern (UK)’s policy to retain only sufficient reserves to safeguard the continuity of its operations, thereby committing the maximum possible resources to its current programmes.

The total reserves of £4.8 million at 31 December 2016 are detailed in note 14 to the financial statements and fall into two categories:

Restricted reserves (£1.3 million): These are funds that can only be used for purposes specified by the donors. It is Concern (UK)’s policy to apply the funds for the purposes for which they were donated as soon as possible. The Trustees plan that all of the restricted funds held at that date will be fully utilised during 2016.

Unrestricted reserves (£3.5 million): These funds fall into two categories:

Designated reserves (£1.5 million): represent unrestricted funds set aside by the Board of Trustees for specific purposes. At the end of 2016, funds had been designated for two specific purposes as follows:

- to ensure the continuity of operations in the event of a temporary downturn in income.
- to recognise that a portion of reserves is invested in the charity’s fixed assets and is not therefore available for other purposes.

The Trustees have adjusted the level of designated reserves at 31 December 2016 in order to ensure that amounts held are adequate for both of these purposes (see note 14(b)).

General unrestricted funds (£2.0 million): represent unrestricted funds which are held temporarily pending their application for the general purposes of the charity.

The Board believes that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board continues to adopt the ‘going concern’ basis in preparing the financial statements.

4.3 Plans for Future Periods

We will continue work towards achieving the goals set out in our Strategic Plan 2016-2020 ‘Tackling hunger, crises and extreme poverty in the toughest parts of the world’. These goals are set out below and progress against them will be monitored on an annual basis.

Goal 1: Greater impact on long-term poverty and humanitarian response

Concern (UK) will continue to support our long term development work by deepening our relationship and understanding of UK funders with an aim of securing £35m per annum by 2020. We seek to become established as an expert practitioner on community resilience.

We will continue to support our humanitarian response work through funding, technical support and raising the profile of the humanitarian needs. We will engage actively with the DEC and the Start network and will also aim to increase our visibility and influence in the UK humanitarian sector.

Goal 2: Influence the policy and practice of UK-based policy makers, donors and key international development and humanitarian actors

Concern (UK) will continue to use evidence gathered from its experience to influence key policy makers in the UK, in the countries where we work, as well as at an international level, particularly in relation to nutrition, resilience to malnutrition and food insecurity.

We will develop our advocacy approach and voice with regard to humanitarian issues, focusing on neglected crises and conflict. We will also seek to engage the public with our work and to take supportive action.

Goal 3: Grow the engagement, loyalty and value of our supporters and funders, by understanding their motivations and exceeding their expectations

The fundraising environment in the UK is currently undergoing significant change. Concern (UK) will embrace and respond to this change in order to maximise net income and return on investment from fundraising and will review our objectives annually to this end. Given the uncertainty, we feel that an appropriate timeframe to carry out indicative forecasting is for a three year period only (2017-2019).

Goal 4: Raise awareness, build brand and increase visibility

Concern (UK) will improve the impact and effectiveness of our communications, producing strong, consistent messaging that will build interest around issues of hunger and nutrition, and humanitarian crises, to gain active support. We will continue to strengthen our brand so that we are recognised by our target audiences as a credible and influential INGO for our work around these issues.

Concern (UK) will work towards digital transformation enabling the organisation to make the best use of the digital medium to raise brand awareness, deepen engagement and increase income with our on-line audiences.

Goal 5: Resource and build an organisation capable of delivering the UK strategy

Concern (UK) will continue to attract and retain high quality staff and volunteers, offering a working environment that enables staff to develop. We will continue to deliver strong financial management and will conduct a review of Concern (UK)'s regulatory compliance and organisational management of policy, accountability and transparency and implement any improvements required. We will also engage in the organisational review of governance.

4.4 Principal risks and uncertainties

The major risks to which Concern (UK) is exposed as identified by the management team and reviewed by the Trustees have been ranked by likelihood and impact as part of the annual risk review process.

Appropriate systems and procedures are in place to manage these risks and provide reasonable but not absolute assurance against occurrence.

The main risks identified, together with the methods adopted to manage them are summarised below. The risks listed below are largely common across Concern Worldwide and Concern (UK), although relative rankings vary across the two organisations.

The two organisations work together in order to manage these risks.

Funding and economic instability: Like all organisations, Concern (UK) has been affected by the global economic downturn. Concern (UK) continues to react by carefully adjusting its budgets and expenditure to reflect likely levels of available income. In order to reduce the risk of significant fluctuations in income, the organisation aims to maintain diverse sources of income, foster public commitment to the developing world and maintain good relations with institutional donors while maintaining appropriate reserves. Concern (UK) is currently developing an organisational communications strategy in order to strengthen relationships with existing supporters as well as reaching out to new audiences in order to generate growth.

Negative public, political and media perception of the sector: Concern (UK) recognises that the sector has been the subject of increased public and media scrutiny. There is a significant anti-aid campaign in the media. This environment is challenging the public's support and confidence in both charities and international aid, making it increasingly difficult to raise funds from the public. The organisation seeks to be open and transparent in the way that it operates as well as working with others to help inspire renewed public confidence in the sector.

Contractual compliance: The organisation receives a significant amount of funding from institutional and individual donors. The management of institutional donor requirements, which are increasingly complex and prescriptive in nature, is challenging both in the UK and at field office level. Regulation surrounding public fundraising changed in 2016 with the establishment of the Fundraising Regulator while the field of data protection continues to evolve as we move closer to the introduction of the General Data Protection Regulation. Concern (UK) addresses this issue through staff training, publication of relevant guidance and frequent reviews of activities.

Staff recruitment and retention: Concern (UK) achieves its results through its staff. Being able to attract and retain appropriate staff is a key ongoing challenge for the organisation. The organisation has developed and frequently reviews its human resources policies and procedures to address this risk.

Organisational cohesion: As in all family organisations, it is challenging to ensure effective co-ordination and communications across the different members of the family. Concern (UK) is working closely with its parent, Concern Worldwide, to create an environment of cooperation through which both organisations are better able to maximise resources to achieve shared objectives.

Fraud, significant error, corruption and inappropriate behaviour: Significant fraud, error or incidences of corruption could severely damage the organisation's reputation as well as resulting in the loss of resources. The organisation has developed detailed financial management and reporting systems to mitigate these risks which are reviewed on a regular basis and have been strengthened during the year. In addition, a comprehensive internal audit programme is in place. A rigorous Code of Conduct for staff is also proactively implemented to mitigate against any inappropriate behaviour which could potentially impact upon the communities with whom we work. Cyber Security has been added into this risk in 2017, reflecting the increasing prevalence and sophistication of fraud in this area. Although it was felt that Concern has strong (and constantly evolving) mitigating actions in place to prevent such attacks the impact could be significant.

Achievement and demonstration of programme impact: It is important that the organisation is able to measure the impact of its programming activities in order for it to demonstrate programme impact. Appropriate monitoring, evaluation and learning systems have been put in place and continue to be developed.

6. Staff safety, well-being and security: Concern Worldwide operates in regions where the political and social circumstances make the personal security of staff a major potential hazard. The security of staff is of paramount importance and in order to ensure that this risk is appropriately managed the organisation has comprehensive security management policies in place.

5. Staff and volunteers

The organisation acknowledges with gratitude the work of its staff and that of its volunteers in 2016. The major achievements during the year are due to the dedication and belief of all of these people.

Concern (UK) is an equal opportunities employer. The aim of its equal opportunities policy is to ensure that all people receive equality of opportunity regardless of gender, race, religion, disability, nationality, marital/family status or sexual orientation.

6. Political donations

No political donations were made during the year (2015 – £nil).

7. Post balance sheet events

No significant events have taken place since the year end that would result in adjustment of the financial statements or inclusion of a note thereto.


8. Auditor

In accordance with Section 384 of the Companies Act 1985 a resolution for the re-appointment of KPMG as the auditor of the company is to be proposed at the forthcoming Annual General Meeting.


9. Subsidiary undertaking

Details of the subsidiary undertaking are set out in note 19 to the financial statements. The subsidiary is not consolidated into these financial statements. The subsidiary is dormant and does not hold material assets or liabilities at the balance sheet date.

By order of the Board



Chris Elliott
Trustee



Rob McGrigor
Trustee

24th April 2017

Statement of trustees’ responsibilities
in respect of the Strategic Report, the Trustees’ Annual Report
and Financial Statements

The trustees are responsible for preparing the Strategic Report, the Trustees’ Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company’s transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company’s website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board



Chris Elliott
Trustee



Rob McGrigor
Trustee

24 April 2017

Independent auditor's report

to the trustees and members of Concern Worldwide (UK)

We have audited the financial statements of Concern Worldwide (UK) for the year ended 31 December 2016. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's trustees 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 charity, its members as a body and its trustees as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 41, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at

www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and

- expenditure, for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information in the Trustees' Report, (which constitutes the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Trustees' Report:

- we have not identified material misstatements in that report; and
- In our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Caroline Flynn

Caroline Flynn
For and on behalf of KPMG,
Statutory Auditor
Chartered Accountants
1 Stokes Place,
St. Stephens Green,
Dublin 2,
Ireland

25 April 2016

Financial Statements



Wilmise Saintilma works at the roadside stall she established thanks to a grant provided by Concern in Port-au-Prince, Haiti.

Photo: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2016

Statement of Financial Activities for the year ended 31 December 2016

	Notes	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2016 Stg£	Total 2015 Stg£
Incoming resources:					
Donations and legacies	2a	2,621,569	4,769,655	7,391,224	10,285,067
Charitable activities – grants and contracts from governments and other co-funders	2b	18,521,592	585,235	19,106,827	21,348,396
Other income		–	864	864	2,901
Total income		21,143,161	5,355,754	26,498,915	31,636,364
Expenditure on:					
Charitable activities	3	21,504,119	2,237,575	23,741,694	27,724,848
Raising funds	4	180,860	2,407,190	2,588,050	2,907,219
Total expenditure		21,684,979	4,644,765	26,329,744	30,632,067
Net movement in funds		(541,818)	710,989	169,171	1,004,297
Reconciliation of funds:					
Total funds brought forward		1,786,386	2,826,629	4,613,015	3,608,718
Total funds carried forward	14	1,244,568	3,537,618	4,782,186	4,613,015

The company had no recognised gains and losses in the financial year or preceding year other than those dealt with in the Statement of Financial Activities.

Balance Sheet as at 31 December 2016

	Notes	2016 Stg£	2016 Stg£	2015 Stg£	2015 Stg£
Fixed assets					
Tangible assets	9		247,138		179,566
Total fixed assets			247,138		179,566
Current assets					
Debtors and prepayments	10	7,644,116		8,098,282	
Cash at bank and in hand	11	762,099		813,985	
Total current assets		8,406,215		8,912,267	
Creditors:					
amounts falling due within one year	12	(3,871,167)		(4,478,818)	
Net current assets			4,535,048		4,433,449
Total net assets			4,782,186		4,613,015
The funds of the charity:					
Restricted funds	14		1,244,568		1,786,386
Unrestricted funds	14		3,537,618		2,826,629
Total charity funds			4,782,186		4,613,015

On behalf of the Board


Chris Elliott
Trustee


Rob McGrigor
Trustee

24 April 2017

Notes forming part of the Financial Statements

Statement of accounting policies

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of Concern Worldwide (UK) ("Concern(UK)").

Basis of preparation

The financial statements are prepared in accordance with Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") having transitioned from old UK GAAP. The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policy notes and on a going concern basis.

The financial statements have applied the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102 ("Charities SORP").

Concern (UK) is a company limited by guarantee (registered number 04323646) and is a registered as a charity with the Charity Commission for England and Wales (charity number 1092236) and with the Office of the Scottish Charity Regulator (charity number SC038107). Concern (UK) meets the definition of a Public Benefit Entity under FRS 102.

Joint arrangements

Income receivable and resources expended by Concern (UK), as a member of a consortium, are reflected in the Statement of Financial Activities only to the extent that the organisation is directly responsible for the management and utilisation of the funds. Amounts received by the charity, as an agent for other consortium members, are not recorded as income. Cash held on behalf of consortium members is disclosed in the commitments note.

Income

Income in the statement of financial activities is recognised only when the charity is legally entitled to the income, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by Concern (UK).

Donations and legacies

This income consists of monetary donations from the public, corporates, legacies, trusts and major donors (including Disasters Emergency Committee (DEC) appeals), together with related Gift Aid income. It also includes non-performance related grants from corporate and other donors.

Monetary donations from the public (including legacies), together with related Gift Aid income, are recognised in the period in which the organisation is entitled to the resource, receipt is probable and when the amounts can be measured with sufficient reliability. In the case of monetary donations from the public, this is generally when the donations are received; with legacies it is when unconditional entitlement to the

bequest is established; whereas with Gift Aid the claim is based on the period in which donations are received.

Grants from corporates , trusts and major donors are recognised on the same basis as Grants from governments and other co-funders (see below).

Grants from governments and other co-funders

Grants from governments and co-funders, are recognised when the charity is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreements. Grants from government and other co-funders typically include the following conditions:

- *Performance based conditions* – the charity is contractually entitled to funding only to the extent that the core objectives of the grant agreement are acheived. Where the charity is meeting the core objectives of a grant agreement it recognises the related expentiture, to the extent that it is reimbursable by the donor, as income.
- *Time based conditions* – the charity is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the charity recognises the income to the extent utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and that the amount can be reliably measured, grant income is recognised once the charity is notified of entitlement.

Other trading activities

Other trading activities include retail income from the sale of donated goods through shops. Income is recognised net of value added tax.

Donated commodities

Donated commodities for resale are recognised within retail income when they are sold.

Expenditure

Resources expended are analysed between costs of charitable activities and costs of raising funds. The costs of each activity are separately accumulated, disclosed and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefit is required in settlement and the amount of the obligation can be measured reliably.

Support costs, which cannot be attributed directly to one activity, are allocated in proportion to estimated staff time spent on each activity.

The costs of public campaigns, together with related salary costs, which are undertaken to meet the dual purposes of raising funds and of promoting awareness of issues in the developing world, are split between costs of raising funds and costs of charitable activities on the basis which seem the most reasonable and appropriate for each type of campaign.

Notes forming part of the Financial Statements

Statement of accounting policies (continued)

Costs of Charitable Activities

The cost of charitable activities comprises costs of overseas programmes and of policy, advocacy and campaigning work together with related support and governance costs. Concern (UK) works in the developing world by providing resources to the overseas branches of it's parent Concern Worldwide. All costs of charitable activites are recognised on an accruals basis. Governance costs (which are included under this heading) represent the salaries, direct expenditure and overhead costs incurred on the strategic, as opposed to day to day, management of Concern (UK), and on compliance with constitutional and statutory requirements.

Costs of raising funds

Fundraising costs include the costs of advertising, producing publications, printing and mailing fundraising material, staff costs in these areas and an appropriate allocation of central overhead costs. All costs of raising funds are recognised on an accruals basis.

Cash flow statement

Concern (UK), as a qualifying entity, has chosen to take the exemption allowed by FRS 102 from the requirements to produce a cash flow statement as part of its financial statements because the cash flows of Concern (UK) are included in the consolidated cash flow statement prepared by Concern Worldwide, it's parent.

Funds

Concern (UK) 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 as specified by the relevant donor. Such purposes are within the overall aims of the organisation.

Unrestricted funds

Unrestricted funds represent amounts which are expendable at the discretion of the Board of Trustees ('the Board')) in furtherance of the overall objectives of Concern (UK). They consist of designated funds and general funds.

Designated funds represent amounts that have been set aside for specific purposes, which would otherwise form part of the general reserves of the organisation. Specifically, Concern (UK) sets aside funds so that it can protect its ongoing programme of work from unexpected variations in income and to finance fixed assets for on-going use.

General funds represent amounts which are expendable at the discretion of the Board in furtherance of the objectives of the charity. Such funds may be held in order to finance working capital or to finance start-up of new programmes pending receipts of funds.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets which cost less than £750 are not capitalised.

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:

Leasehold premises.....	3%
Furniture	10%
Other equipment	20%
Computer equipment	33%

A full year's depreciation is charged in the year of acquisition with none in the year of disposal. Provision is also made for any impairment of tangible fixed assets below their carrying amounts.

Stocks

Unsold donated items (donated to Concern (UK)'s shops) are not included in closing stock since their cost is nil and their value is uncertain until sold.

Pensions

Concern (UK) makes payments into individual externally administered defined contribution pension schemes for qualifying members of staff. Annual payments to the schemes are charged to the statement of financial activities in the year to which they relate.

Foreign currencies

The financial statements are prepared in sterling (Stg£). Transactions denominated in other currencies are translated into sterling at the rate of exchange prevailing at the transaction date or at a contracted rate. Monetary assets and liabilities denominated in other currencies have been translated into sterling at the exchange rates ruling at the balance sheet date or the contracted rate, and any resulting gains or losses are taken to the statement of financial activities.

Taxation

To the extent that they are applied to its charitable objectives, Concern (UK), as a registered charity, is exempt from taxation on its income and gains falling within Part II of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992. Irrecoverable value added tax is expensed as incurred.

Notes forming part of the Financial Statements (continued)

2. Incoming resources

(a) Income from donations and legacies

	Total 2016 Stg£	Total 2015 Stg£
Individual giving	4,631,182	6,273,007
Corporate, major donor and trust	1,750,851	1,276,087
Legacy income	438,831	489,100
Community fundraising	275,214	323,631
Disasters Emergency Committee (DEC)	265,230	1,923,243
Retail Income	29,916	–
Total	7,391,224	10,285,067

In 2016 £2,621,569 of incoming resources from donations and legacies was restricted (2015: £3,972,162).

(b) Income from charitable activities – grants and contracts from governments and other co-funders

	Total 2016 Stg£	Total 2015 Stg£
Department for International Development	18,338,380	20,796,281
Jersey Overseas Aid	379,997	100,000
Tearfund	178,295	–
Comic Relief	164,878	–
Scottish Government	32,751	372,122
Guernsey Overseas Aid	12,526	79,993
Total	19,106,827	21,348,396

Income from government grants comprises grants to fund the charitable activities of Concern (UK).
In 2016 £18,521,592 of incoming resources from grants and contracts and other co-funders was restricted (2015: £21,348,396).

(c) Other income

	Total 2016 Stg£	Total 2015 Stg£
Deposit interest	864	2,901
Total	864	2,901

All deposit interest was unrestricted in both the current and prior year.

Notes forming part of the Financial Statements (continued)

3. Expenditure on charitable activities

Expenditure on charitable activities can be analysed as shown below. Expenditure on overseas programmes represents contributions by Concern (UK), to the overseas programmes of Concern Worldwide. As many of these programmes achieve results in more than one of these categories, Concern (UK) has introduced an integrated programming category in 2016.

	Direct costs Stg£	Support costs (see note 6) Stg£	2016 Total costs Stg£	2015 Total costs Stg£
Overseas programmes				
Health	4,788,715	62,806	4,851,522	5,070,738
Education	1,702,934	22,891	1,725,825	2,003,389
Livelihoods	4,680,109	57,654	4,737,764	5,312,628
Integrated programming	4,947,525	66,505	5,014,030	–
Emergency	6,404,771	85,986	6,490,757	14,509,380
Total overseas programmes	22,524,054	295,844	22,819,898	26,896,135

Policy, Advocacy and Campaigning	713,459	127,874	841,333	763,203
Governance (Note 5)	32,752	47,711	80,463	65,510

Total charitable expenditure	23,270,265	471,428	23,741,694	27,724,848
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2015 – Total	27,261,708	463,140	N/A	27,724,848
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4. Cost of raising funds

	Campaign costs Stg£	Staff costs Stg£	Occupancy & other direct costs Stg£	Total direct costs Stg£	Support costs (see note 6) Stg£	2016 Total costs Stg£	2015 Total costs Stg£
Individual giving	428,054	982,010	373,221	1,783,285	131,496	1,914,781	2,263,319
Corporates, major donors and trusts	24,634	260,034	86,190	370,858	16,182	387,040	417,881
Legacy	28,008	–	–	28,008	–	28,008	26,134
Community fundraising	–	145,196	30,755	175,951	7,899	183,850	165,757
Retail costs	7,729	38,729	22,546	69,004	5,367	74,371	30,128
Total	488,425	1,425,969	512,712	2,427,106	160,944	2,588,050	2,907,219

2015 – Total	1,121,442	1,261,651	370,028	2,753,121	154,098	N/A	2,907,219
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Notes forming part of the Financial Statements (continued)

5. Governance costs

	Support costs			
	Direct	(see note 6)	2016	2015
	Stg£	Stg£	Stg£	Stg£
Staff costs	–	30,218	30,218	31,180
Legal and professional fees	18,000	854	18,854	13,629
Office and other costs	14,752	16,639	31,391	20,701
Total	32,752	47,711	80,463	65,510
2015 – Total	19,213	46,297	N/A	65,510

6. Support costs

Where support costs are attributable to a particular activity they are allocated directly to it. Where support costs are incurred to further more than one activity they are apportioned between the relevant activities based on the amount of staff time that each activity absorbs. The allocation of the main types of support costs is detailed below.

	Overseas programmes	Policy, Advocacy & Campaigning	Governance	Fundraising	2016 Total	2015 Total
	Stg£	Stg£	Stg£	Stg£	Stg£	Stg£
Administration and finance	139,884	74,471	47,711	136,531	398,597	390,066
Other support costs	155,960	53,403	–	24,413	233,776	227,172
Total support costs	295,844	127,874	47,711	160,944	632,373	617,238
2015 – Total	293,069	123,774	46,297	154,098	N/A	617,238

7. Other Information

	2016	2015
	Stg£	Stg£
The surplus for the year is after charging the following items:		
Depreciation of tangible fixed assets	30,967	28,251
Auditor’s remuneration (including expenses)	18,000	18,000
Direct reimbursement of expenses to Trustees	635	354
Payments under operating leases for premises	95,302	99,502

Notes forming part of the Financial Statements (continued)

8. Staff

(a) Numbers and costs

The aggregate payroll costs of employees were as follows:

	2016	2015
	Stg£	Stg£
Wages and salaries	2,040,206	1,883,246
Social welfare costs	185,508	179,727
Other pension costs	130,565	81,253
	2,356,279	2,144,225

Other pension costs include employer contributions to individual staff member pension schemes of £123,240 (2015: £78,665) as well as the cost of insurance policies that provide benefits in the event of the death or ongoing incapacity of staff members totalling £7,325 in 2016 (2015: £2,588).

The staff numbers and costs reflected above include 20 staff (2015: 17), who have contracts of employment with another group company (Concern Charity Trading CLG) but who work exclusively on fundraising for Concern (UK). Their salary costs which amounted to £338,369 (2015: £303,594), are recharged to Concern (UK) as they are incurred.

Remuneration, including pension contributions, paid to the key management of Concern (UK) (the executive management team as detailed on page 28 of the annual report) amounted to £468,048 in 2016 (2015: £458,581).

The average number of employees during the year analysed by function was as follows:

	2016	2015
	No.	No.
Management	8	8
Development	7	7
Marketing	50	47
Administration	5	6
	70	68

(b) Salary range

The number of employees whose remuneration amounted to over £60,000 in the year was as follows:

	2016	2015
	No. employees	No. employees
£60,001 to £70,000	–	1
£70,001 to £80,000	2	1

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. No contributions were made to defined benefit schemes for employees whose remuneration was greater than £60,000. Contributions to defined contribution schemes amounted to 7.5% of salary in 2015 (2015: 7.5%).

Concern (UK) has a remuneration policy that has been agreed by the Board. This policy states that the charity seeks to be competitive within each market in which it operates. As a principle this means that Concern (UK) has pitched its salaries at the median of the market place. A salary grading structure has been in place for a number of years and has been approved by the Board.

(c) Remuneration of Board members

None of the Trustees of the Concern (UK) received remuneration for their services. Total costs of £3,169 (2015: £1,922) were incurred by Trustees in travelling to meetings of the Board and were paid by either directly reimbursing the Trustees or making payments to third parties.

Notes forming part of the Financial Statements (continued)

9. Tangible fixed assets

	Leasehold premises Stg£	Furniture & equipment Stg£	Computer equipment Stg£	Total Stg£
Cost				
At beginning of year	192,285	321,931	320,346	834,562
Additions in year	60,921	35,183	2,435	98,539
At end of year	253,206	357,114	322,781	933,101
Depreciation				
At beginning of year	130,197	208,398	316,401	654,996
Charge for year	7,596	19,621	3,750	30,967
At end of year	137,793	228,019	320,151	685,963
Net book value				
At 31 December 2016	115,413	129,095	2,630	247,138
At 31 December 2015	62,088	113,533	3,945	179,566

10. Debtors and prepayments

	2016 Stg£	2015 Stg£
Amounts due from governments and other co-funders	4,079,706	6,429,776
Amounts due from Disasters Emergency Committee (DEC)	906,855	836,435
Gift Aid receivable	600,385	782,657
Sundry debtors	94,361	32,226
Prepayments	26,894	17,188
Amount due from parent company	1,935,915	–
	7,644,116	8,098,282

- (i) All amounts included within debtors and prepayments fall due within one year.
(ii) The amounts due to the parent company comprise of operational expenses paid on behalf of Concern (UK) by the parent company and are repayable on demand.

11. Cash at bank and in hand

	2016 Stg£	2015 Stg£
Funds held in UK banks	762,099	813,985

Notes forming part of the Financial Statements (continued)

12. Creditors: amounts falling due within one year

	2016 Stg£	2015 Stg£
Trade creditors	2,152,498	288,774
Amounts advanced by governments and other co-funders	1,537,267	2,468,806
Accruals	178,731	58,539
Bank overdraft	2,671	628
Amount owed to parent company	–	1,662,071
	3,871,167	4,478,818

- (i) Balances with co-funders comprises amounts received from donors that do not yet meet the criteria for recognition of income.
(ii) The bank overdraft is repayable on demand.
(iii) The amounts owed to the parent company comprise of operational expenses paid on behalf of Concern (UK) by the parent company and is repayable on demand.

13. Movement in receivables and advances from governments and other co-funders

	Opening Balance 2015 £Stg	Movement during the year	Closing Balance 2016 £Stg
Amounts due from governments and other co-funders (note 10)	6,429,776	(2,350,070)	4,079,706
Amounts due from Disasters Emergency Committee (DEC) (note 10)	836,435	70,420	906,855
Amounts advanced by governments and other co-funders (note 12)	(2,468,806)	931,539	(1,537,267)
	4,797,405	(1,348,111)	3,449,294

Analysis of movement:

Cash received during the year	(22,172,210)
Income earned during the year	20,824,099
	(1,348,111)

14. Funds

(a) Reconciliation of funds

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2016 Stg£	Total 2015 Stg£
Total funds at beginning of year (as restated)	1,786,386	2,826,629	4,613,015	3,608,718
Net movement in funds for the year	(541,818)	710,989	169,171	1,004,297
Total funds at end of year	1,244,568	3,537,618	4,782,186	4,613,015

Notes forming part of the Financial Statements (continued)

(b) Movements in funds

	Opening balance 1 January 2016	Income	Expenditure	Transfers	Closing balance 31 December 2016	
	Stg£	Stg£	Stg£	Stg£	Stg£	
Restricted funds						
Afghanistan	23,676	781,589	(805,221)	–	44	
Bangladesh	–	816,558	(796,844)	–	19,714	
Central African Republic	–	225,733	(225,733)	–	–	
Chad	–	1,324,774	(1,136,957)	–	187,817	
DPR Korea	–	110,421	(110,421)	–	–	
DR Congo	–	1,786,571	(1,786,571)	–	–	
Ethiopia	–	221,958	(209,426)	–	12,532	
Haiti	126,454	195,181	(318,883)	–	2,752	
Kenya	–	1,929,347	(1,929,347)	–	–	
Lebanon	–	24,267	(24,267)	–	–	
Liberia	63,399	16,562	(78,598)	–	1,363	
Malawi	–	352,198	(352,198)	–	–	
Mozambique	–	1,161,633	(1,161,633)	–	–	
Nepal	863,295	181,390	(436,720)	–	607,965	
Niger	9,972	243,386	(193,462)	–	59,896	
Pakistan	71,628	827,609	(884,342)	–	14,895	
Republic of Sudan	–	1,697,364	(1,652,495)	–	44,869	
Rwanda	–	62,248	(62,248)	–	–	
Sierra Leone	326,478	2,363,005	(2,458,199)	–	231,284	
Somalia	–	3,017,877	(2,992,877)	–	25,000	
South Sudan	–	1,329,106	(1,329,106)	–	–	
Syria/Turkey	283,229	498,471	(781,700)	–	–	
Tanzania	–	40,261	(40,261)	–	–	
Uganda	18,255	68,453	(83,361)	–	3,347	
Yemen	–	41,360	(8,270)	–	33,090	
Zambia	–	808,723	(808,723)	–	–	
HQ Projects	–	1,017,116	(1,017,116)	–	–	
Total restricted funds	(i)	1,786,386	21,143,161	(21,684,979)	–	1,244,568
Unrestricted funds						
General funds	(ii)	1,270,598	5,355,754	(4,644,765)	66,474	2,048,061
Designated funds:						
Tangible fixed asset fund	(iii)	327,737	–	–	(76,792)	250,945
Programme continuity fund	(iv)	1,228,297	–	–	10,315	1,238,612
Total unrestricted funds		2,826,632	5,355,754	(4,644,765)	–	3,537,619
Total funds		4,613,015	26,498,915	(26,329,744)	–	4,782,186

Transfers from unrestricted to restricted reserves arise when overseas expenditure is pre-financed from the unrestricted reserves of the charity prior to income recognition criteria being met. Resources are transferred back from restricted to unrestricted reserves once income recognition criteria are met.

Notes forming part of the Financial Statements (continued)

14. Funds (continued)

(b) Movements in funds (continued)

The above funds carried forward at 31 December 2016 represent:

- (i) Income from appeals and donations which were not yet applied in the countries to which the appeals related.
- (ii) Funds for use at the discretion of the Board to expand the activities of Concern (UK).
- (iii) The net book amounts already invested in or contractually committed to tangible fixed assets for use by Concern (UK).
- (iv) The net amount that the Trustees have agreed to be set aside to ensure that it can protect its ongoing programme of work from unexpected variances in income.
- (v) Analysis of net assets between funds

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total Funds Stg£
Funds balances at 31 December 2016 are represented by:			
Tangible fixed assets	–	247,138	247,138
Current assets	3,132,129	5,274,086	8,406,215
Current liabilities	(1,887,561)	(1,983,606)	(3,871,167)
	1,244,568	3,537,618	4,782,186

15. Pensions

The charity contributes to individual pension schemes for eligible staff. The total pension contributions charged to the statement of financial activities amounted to £123,240 (2015: £78,665). An accrual of £8,491 (2015: £10,665), in respect of pension costs is included in creditors at 31 December 2016.

16. Related party disclosure

The charity has availed of the exemption under FRS102.35 – Related Party Disclosures, not to give details of related party transactions with group companies, as it is a wholly owned subsidiary of Concern Worldwide, a company incorporated in the Republic of Ireland, which is preparing consolidated financial statements which include this charity, and such financial statements are publicly available.

In order to achieve its mission, Concern (UK) supports the overseas programmes of Concern Worldwide. During 2016 Concern (UK) provided total funds of £22,524,054 (2015: £26,603,066) to Concern Worldwide for those programmes. Details of the activities funded are set out in Appendix 1.

The charity is a member of the Disasters Emergency Committee (DEC) and in the year paid a subscription of £37,725 (2015: £22,500). Concern (UK)'s Executive Director is a trustee of the DEC. Concern Worldwide UK's income in the year included £265,230 (2015: £1,923,243) receivable from DEC appeals.

Notes forming part of the Financial Statements (continued)

17. Commitments and contingencies

- (i) The 2016 Annual Plan, as approved by the Trustees, allows for overseas expenditure in 2017 of £21,988,121. Any increases over this amount requires the approval of the Board of Trustees. Concern (UK) is also committed to assisting certain overseas projects for periods in excess of one year.
- (ii) The total future minimum lease payments under non-cancellable operating leases in respect of premises for use by the charity:

	2016 Stg£	2015 Stg£
Payable on leases in which the commitment expires within :		
– one year	95,302	95,302
– two to five years	381,208	381,208
– more than five years	191,488	286,790
	667,998	763,300

- (iii) During 2016 Concern (UK) was the lead agency in 6 consortia of non governmental organisations (2015 – 2), that were awarded grants and contracts from institutional co-funders to fund programme activities. The total value of these grants and contracts is £57.3 million (2015 – £39.9 million). Of this amount £24.4 million is expected to be spent by Concern (UK) (2015 – £15.4 million) and the balance will be utilised by the other consortia members.

In 2016, expenditure on these grants and contracts totalled £11.6 million (2015 – £8.5 million). Of this amount £6.3 million (2015 – £2.9 million) was utilised by Concern (UK) and the remainder was utilised by the other consortia members.

As Concern (UK) signed the agreements and contracts with the institutional co-funders, it has obligations in relation to monitoring and reporting the full expenditure of these grants, and these obligations remain until the projects have been fully concluded. Concern (UK) may also have liability for any disallowances by the donor that cannot be recovered from the other consortia members. No provision or disclosure has been made in these accounts for any such liabilities (for which Concern (UK) is jointly and severally liable), because the likelihood of them materialising is believed to be remote.

The analysis of funds held, received on behalf of and paid to other consortia members during the year is outlined below:

	Opening Balance	Funds received during the year	Funds transferred to consortia members	Closing Balance
	Stg£	Stg£	Stg£	Stg£
Funds relating to consortia members	682,572	9,391,677	8,186,688	1,887,561

18. Ultimate parent undertaking

The charity is consolidated into its ultimate parent undertaking, Concern Worldwide, a company incorporated in the Republic of Ireland. The group accounts are available to the public at 52-55 Lower Camden Street, Dublin 2, Ireland.

19. Subsidiary undertakings

The charity is the sole member of and controls Concern Worldwide (Northern Ireland) which has its registered office at 47 Frederick Street, Belfast, Northern Ireland and is dormant. Concern Worldwide (Northern Ireland) is entitled to exemption from audit under section 479A of the Companies Act relating to subsidiary companies.

20. Subsequent events

No significant events have taken place since the year end that would result in adjustment to the 2016 financial statements or inclusion of a note thereto.

21. Approval of financial statements

These financial statements were approved by the Board on 24 April 2017.

Appendix 1
Expenditure on charitable activities by country

In order to achieve its mission, Concern Worldwide (UK) supports the overseas programmes of Concern Worldwide. During 2016 Concern (UK) funded Concern Worldwide operations in the following countries:

	2016 Stg£	2015 Stg£
Afghanistan	1,005,407	404,053
Bangladesh	858,849	1,326,535
Burundi	55,132	208,105
Central African Republic	212,445	10,906
Chad	1,285,746	721,271
DPR Korea	110,421	–
DR Congo	1,808,368	1,766,537
Ethiopia	300,344	228,283
Haiti	279,847	276,961
Kenya	2,049,124	2,502,805
Lebanon	19,414	89,978
Liberia	205,161	367,969
Malawi	348,633	332,079
Mozambique	1,217,865	728,112
Nepal	434,727	1,328,641
Niger	188,905	668,483
Pakistan	964,222	1,916,288
Philippines	–	283
Republic of Sudan	1,803,416	599,257
Rwanda	62,248	106,207
Sierra Leone	2,519,163	6,745,993
Somalia	3,144,297	3,584,060
Sudan South	1,373,304	1,264,222
Syria/Turkey	780,200	304,612
Tanzania	40,102	287,496
Uganda	132,605	74,820
Zambia	808,723	515,810
HQ projects	515,387	243,300
Total direct overseas programme costs	22,524,054	26,603,066
Support costs	295,844	293,069
Total overseas programme costs	22,819,898	26,896,135
Policy, Advocacy and Campaigning	841,333	763,203
Governance	80,463	65,510
Total restricted funds	23,741,694	27,724,848



A heartfelt thank you to our supporters

We simply would not be able to carry out our work without the support of all those who donate to Concern (UK). Below are just some of the generous individuals, organisations, trusts and foundations who have helped us achieved so much in 2016.

BP McKeefry Trust

Bliss Family Charity

Brian Woolf Trust

Capital Group

Carmela & Ronnie Pignatelli Foundation

Classic Marble

David and Claudia Harding Foundation

Evan Cornish Foundation

Frank Jackson Foundation

Guernsey Overseas Aid Commission

Grent Trust

Jersey Overseas Aid Commission

John Jarrold Trust Ltd

Make My Day Better

Mazars Charitable Trust

Meg Roper Trust

Milton Damerel Trust

Rags for Charity

Souter Charitable Trust

Stanley Thomas Johnson Foundation

Stavros Niarchos Foundation

The Anna Rosa Forster Charitable Trust

The Fulmer Charitable Trust

UBS Optimus Foundation

Moni Akhter selling vegetables at Karwan Bazar market in Dhaka, Bangladesh. She started her business after receiving a grant from Concern and her two children stay at the Concern-supported Karwan Bazaar Pavement Dweller Centre when she is working.

Photo: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/2016

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