

Concern Worldwide (UK)
Annual Report and
Accounts 2017





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Left: Mum-of-four Esperence Mutetiwabo and her two-year-old daughter Delphine collect amaranth leaves from their kitchen garden. A Concern-supported Community Health Worker discovered that Delphine was moderately malnourished when she was just six months old.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Burundi/2017

Cover image: Mother-of-two Espérance Ndayishimiye is bringing up her young children on her own after her husband abandoned her. Her makeshift house constructed from sticks and leaves overlooks Lake Kanyigiri in Busoni, in the far north of Burundi.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Burundi/2017

About us

Our identity – who we are

Concern Worldwide (Concern) 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

We believe in 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 support from Concern Worldwide.

To achieve this mission, we engage in long-term development work, build the resilience of the communities with which we work, respond to emergency situations, and seek to address the root causes of poverty through our advocacy work.

Concern Worldwide (UK) ('Concern (UK)') supports the overseas programmes of Concern Worldwide. Whilst we do not implement our own programmes, 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 of the work we contributed to around the world on pages 8-19. The description of this overseas work is adapted from the Concern Worldwide 2017 Annual Report.

Right: Fatuma Mohamed and her husband Abdulahi Osman with their children, Yusuf and Mohamed.

Photographer: Peter Caton/Concern Worldwide/Kenya/2017



A message from the Chair of Trustees



When I first learned of Concern Worldwide's work at an event in London highlighting the organisation's emergency response and long-term development work in Haiti after the devastating 2010 earthquake, I was impressed.

As I listened to the Country Director talk about the lengths to which she and her colleagues had gone to improve the lives of people struggling to make ends meet in that country, what struck me was the down to earth nature of the work. In particular, it was inspiring to hear about a project training and supporting women to run small bakery businesses, and the importance of helping them not just to make bread but also make a profit. By providing the skills and know-how to help set up and sustain a livelihood, women were given the dignity they deserved and the means to provide for their family in the future.

It was that straightforward approach that drew me to Concern Worldwide.

Having now served for the last year as Chair of the UK Board, I know the organisation much better and still contend that is what we are about – doing basic, yet essential work, providing practical, no-nonsense solutions that ultimately save lives and change their course for the better.

I had the privilege of experiencing that for myself while on a visit to Bangladesh earlier this year. I met vulnerable mothers and children who had been sleeping rough on the sprawling streets of Dhaka. And I visited the pavement-dweller centres run by Concern Worldwide which offer a sanctuary where women can safely leave their children when they are at work, and a secure space for them to sleep at night. It is a simple, yet effective approach that has a profound and transformative impact on the lives of those it embraces.

What also amazed me while in Dhaka was the discovery of how little it takes to help people, like the women I met, to move from destitution and living on the streets to being self-sufficient and, ultimately, regaining that fundamental sense of worth. The reality is that it does not cost much to do a lot – to help make substantial and sustainable improvements to the lives of the extreme poor. Helping to free them

from the grip of choking poverty is, without doubt, no inconsiderable task, but it is one that is much more achievable than many imagine.

When a humanitarian and development organisation with a proven track record like Concern Worldwide's directs its resources strategically to those most in need, then positive outcomes are not impossible dreams. Such interventions make a real and tangible difference to individual lives. In my role as chairman, I am conscious of the need to keep it that way in the face of considerable challenges.

Charities in the UK are facing increased scrutiny of our practices, and regulations have become more complex and demanding. In addition, the introduction of the new General Data Protection Regulation (GDPR) in May 2018 provides a higher standard for how organisations handle and protect personal data. At Concern (UK) we remain committed to ensuring that we engage with the new regulatory environment to maintain the highest standards of accountability to our supporters and the people we work with.

But with those regulatory changes come significant challenges. To manage the impact of those obligations rigorously and diligently will require time and resources.

It is of the utmost importance that we continue to do right by you – our generous supporters, who we rely on to fund our vital work. We have a duty to ensure that every penny you entrust to us is spent cost-effectively and that our methods and practices are above reproach.

Concern Worldwide launched its first appeal in 1968 in response to the Biafran famine and as we enter into our 50th year our work is needed now more than ever. We still have a huge responsibility to get it right for those who need help most. For the young mother and her daughter who will sleep rough on Dhaka's streets tonight, and the widowed grandmother struggling to feed her family in her one room home in Haiti's capital, your support – and ours – may be the only they ever receive and all they ever need.

Donald Workman
Chair

A message from the Executive Director



Whilst visiting Bangladesh with our Chair, I saw how Concern Worldwide is transforming communities along the Bay of Bengal by helping them to be better prepared for natural disasters. A seemingly unending cycle of drought and floods, and rising sea levels as a result of climate

change, only intensify the challenges faced by more than a million people living on the coastline. Many of them are extremely poor and already highly vulnerable and exposed. But, I witnessed that by working hand in hand with communities to develop alternative livelihoods, cultivate climate-smart crops, and support new irrigation and agricultural techniques, Concern Worldwide is ensuring that poor communities are more resilient to risks. They are empowered to cope better when faced with a crisis and gain new opportunities to thrive.

Last year, natural disasters, conflict and political instability forced a staggering 135 million people worldwide to seek humanitarian assistance. Concern Worldwide was at the forefront of responding to many of those emergencies in places like East Africa, parts of which were faced with a desperate food crisis that threatened more than 23 million people, and Bangladesh, to where half a million mainly Rohingya people fled after escaping violence in Myanmar. Together with our Disasters Emergency Committee (DEC) partners, Concern Worldwide was able to meet the immediate needs of millions of people living on the edge, providing life-saving food rations, vital treatment for acutely malnourished children and essential supplies such as clean water and shelter.

There is compelling evidence to suggest that building the resilience of people affected by crisis helps reduce future loss of life and suffering. To do this, we must understand what makes them vulnerable in the first place, and intervene early when a crisis is looming. That is what we are doing so effectively in Bangladesh and, increasingly, in the other fragile nations where we work. Our Department for International Development (DFID) funded community resilience programme in Pakistan is helping to ensure that vulnerable people are better able to face natural or manmade crises, should they occur. We are training search and rescue teams, making school

buildings stronger, improving flood control channels, establishing early warning systems and supporting people to adapt their livelihoods.

The part we play in DFID's Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED) programme in places like South Sudan, Chad and Republic of Sudan is also making a difference to hundreds of poor communities facing the threat of drought and food insecurity. While our Building Resilient Communities in Somalia programme (BRCiS) is strengthening communities to respond ahead of time to climate shocks using early warning seasonal data.

We also understand that vulnerability cannot solely be addressed through our work on the ground but also requires us to tackle the root causes. For this reason, we are committed to advocate on the wider issues that perpetuate hunger and poverty. At this year's Global Nutrition Summit in Milan, Concern Worldwide joined other international NGOs to call for a renewed commitment to tackle malnutrition globally. Having already met the commitment that we made in 2013 at the Nutrition for Growth Summit in London, I was delighted to pledge, on behalf of Concern Worldwide, to spend a further \$100 million by 2020.

Such investments, whether on the ground or at policy level, are only made possible on our part through what we receive from big-hearted donors. In the past year, our income from the UK public, governments and co-funders reached its highest level ever at £34.4 million – a reflection of the trust placed in the quality and impact of our work. Together, we have achieved a lot, and for that, we are hugely grateful.

As we enter the 50th year of the Concern Worldwide family, we are immensely proud of all that has been accomplished, with your help. We are, however, also intensely aware of the challenges we face in 2018 from new data protection and fundraising regulations and the need to continually strengthen safeguarding procedures. But, our steadfast commitment remains the same – we will continue to do our very best to stand with communities in the toughest places of the world to help them build a more stable future.

Rose Caldwell
Executive Director

Our overseas work in 2017

In 2017 Concern Worldwide reached approximately 27 million people in 27 of the world's poorest and most vulnerable countries.

Concern (UK) contributed funds to 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 Syria/Iraq |
| 7 Ethiopia | 15 Nepal | 24 Turkey |
| 8 Haiti | 16 Niger | 25 Uganda |
| | 17 Pakistan | 26 Yemen |
| | | 27 Zambia |



Abdourahimoune Adamou and his sons Zaidou and Siraji at work on their land. Abdourahimoune was provided with seeds and advice on better farming techniques from Concern Worldwide.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Niger/2017

Emergency Response

In 2017, Concern Worldwide responded to 65 emergencies in 24 countries, reaching 12.9 million people, six million of whom were direct beneficiaries.

Concern Worldwide works in 27 of the world’s poorest and most fragile countries which are often at greater risk from disasters, both natural and manmade. In an emergency, Concern Worldwide acts quickly to save lives, then we stay to work with communities to rebuild and ensure people are better prepared for future crises.

Responding rapidly in order to save lives and reduce suffering

By March 2017, drought and conflict had left nearly 23 million people in South Sudan, Somalia, Kenya and Ethiopia in urgent need of humanitarian assistance. We scaled up our emergency response to reach the most vulnerable communities.

In Somalia and Somaliland, our emergency response programme provided direct cash transfers to 28,000 families, enabling them to buy food, pay medical bills and education fees and repay debts.

In South Sudan, we worked in 17 sites across the country treating in excess of 59,000 children and mothers for acute malnutrition. After famine was declared in Leer, we scaled-up our emergency response with mobile teams in hard-to-reach areas such as the swamps and Temporary Protection Areas.

In Ethiopia, to meet the urgent needs of those facing extreme food and water shortages, we expanded our emergency response to the pastoralist areas in Southern, Afar and Somali regions. Last year, we reached over 805,000 people in six regions of the country.

As the humanitarian situation in the Democratic Republic of the Congo deteriorated, our work to provide safe water to more than 40,500 people in 103 villages reduced deaths from water-related diseases and improved the health of extremely vulnerable communities.

After a mudslide, caused by heavy rains, swept through Sierra Leone’s capital Freetown, we reached over 30,000 people with hygiene kits, and clean water within a few days of the emergency.

In Bangladesh, our rapid scale-up during the influx of an estimated 671,000 Rohingya refugees who fled violence in Myanmar demonstrated the flexibility and agility of the organisation’s systems in coping with an unprecedented number of arrivals. In Cox’s Bazar district, we screened over 61,000 under five year olds for malnutrition and provided therapeutic feeding for around 2,700 severely malnourished children. We also provided health, nutrition and counselling services to over 13,000 women. In addition, we used funds raised through the DEC appeal to ensure 5,000 households had access to improved hygiene facilities through the distribution of sealable containers for the safe collection and storage of water. We also distributed culturally acceptable clothing, floor mats and blankets so families were better prepared for the winter.

In Syria, our emergency humanitarian response reached almost 257,000 people through the rehabilitation of 22 water supply systems and 13 sewage systems, and through the distribution of food baskets, hygiene kits, kerosene stoves and kits with essential household items.

Reducing the impact of future crises

In Afghanistan, we worked with more than 85,000 people living in 124 communities vulnerable to natural disasters such as avalanches, drought, earthquakes, flash floods and landslides to build flood defences and better irrigation systems to protect farms and homes from future disasters. This work was partially funded by UK aid as part of our Strengthening the Resilience of Afghanistan’s Vulnerable Communities against Disasters programme.

In Punjab, Balochistan and Sindh provinces of Pakistan, our work to build the resilience of local communities to respond to flooding reached over 110,700 people through the provision of drainage works in villages and the establishment of disaster management committees.



“The Concern team was very friendly and helpful and they made me feel safe”

Photographer: Chantale Fahmi/Concern Worldwide/Lebanon/2017

Case study: Khadija*, a Syrian mother of three, had been forced to find shelter in a cramped stable in Lebanon when she arrived in the country as a refugee. Concern Worldwide rehabilitated the structure to make it suitable for her family to live in. Crucially for Khadija, the space was separated into two rooms so she could have some privacy.

“The separate rooms made my dream come true. Imagine, I have a room of my own. The Concern team was very friendly and helpful and they made me feel safe,” she said.

From interrupted education and psychological trauma to a lack of adequate shelter, the difficulties facing Syrian families in Lebanon are complex and diverse. We are working to ensure that vulnerable families, who have already lived through so much, can at least live in dignified and safe conditions.

**Names changed for security purposes.*

Livelihoods

In 2017, Concern Worldwide reached over one million people directly through our livelihood programmes and 3.2 million indirectly. Over two million of these were female.

Our livelihoods programmes address some of the underlying problems that affect people’s ability to earn a living. We work to enhance access to markets, provide small-scale credit to invest in business development, and train people in vocational skills that create employment opportunities. We also promote climate-smart agriculture practices which help mitigate the impact of extreme weather and climate change.

Training, grants and start-ups

In Bangladesh, we supported 2,100 people to start microenterprises by providing training, grants and assistance to develop business plans so that they can engage in savings and trade initiatives. We also worked with employers to identify gaps in the labour market and provided vocational training so that over 350 people were able to secure jobs.

We established 27 Community Saving and Loan Associations (CSLAs) in Liberia so that communities can plan and establish new businesses, taking charge of their own futures. We provided training to over 140 management committee members on handling transactions and book-keeping, and provided each of the CSLAs with start-up supplies such as record books, saving boxes and padlocks.

Growing crops, growing livelihoods

In the Central African Republic, farmers that we worked with in 2016, through seed fairs and training in improved cultivation methods, produced surplus crops in 2017. This enabled them to serve as seed suppliers resulting in them taking charge of their own livelihoods without external support.

“With the support of Concern, I bought the tools, one by one, from the money transfers I received”

Working in the Grand Ravine slum in Haiti, we employed people from the community to plant around 3,000 seedlings of forest and fruit trees to stabilise the soil in slum gullies and to provide a source of food and income for families living there.

In Zambia, where our DFID funded Realigning Agriculture to Improve Nutrition (RAIN) programme came to an end, results showed that over the life of the programme farmers producing both iron rich foods and Vitamin A rich crops grew by 97 per cent. There was a corresponding increase of 89 per cent in the number of homes where children were receiving more meals per day. Over 6,100 families were reached in 2017.

Across 10 municipalities in rural Lebanon, we supported 250 Lebanese farmers and 320 Syrian labourers through 11 Farmer Field Schools to grow potato, tomato, citrus and quinoa crops for supply to rural and urban markets.

In Somaliland, our work with farmers to improve dryland and climate-resistant agriculture techniques demonstrated significant gains for farmers who established fruit tree nurseries—producing an average of 13 bags per year per fruit type—allowing them to keep one third for their own needs and selling the surplus for profit.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Burundi/2017



Case study: Daniel Nsabiyaemye, 28, had the skills to be a carpenter but lacked the tools. After a series of cash transfers, he was able to buy a hammer, spanners, saw, plane and square set and launch his now thriving business in Cibitoke, Burundi.

“With the support of Concern, I bought the tools, one by one, from the money transfers I received. Now, I don’t lack the means to put food on the table. Before the programme, we used to eat once a day – and often it was a poor meal, consisting of cassava

leaves and green bananas. Now we eat twice a day. It has meant a positive change in the health of my children and me,” he said.

Our Graduation programme that Daniel is a part of is an innovative livelihoods approach addressing extreme poverty which includes access to financial services, coaching, and skills training that over time helps build sustainable livelihoods.

Health

In 2017, Concern Worldwide’s work helped to improve the health of over five million people, of whom 1.6 million were direct beneficiaries. Over three million were female.

In some of the poorest parts of 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.

Tackling hunger and undernutrition

When increasing numbers of people were affected by political conflict and instability in South Sudan, we expanded our work in health and nutrition centres thus preventing and treating malnutrition. By scaling-up we were able to reach over 18,500 children under five – nearly three times as many as the previous year, and double the number of mothers at approximately 13,500.

In Burundi, in Kirundo province, where severely malnourished children were suffering in a crisis that was largely ignored, we designed a two month nutrition treatment programme, supported by UK aid from DFID, for children under five, alongside a wider household programme to help families grow their own food and start small-scale businesses. We reached over 40,000 people.

In Kenya, in Marsabit, over 600 Community Health Volunteers joined Concern Worldwide in partnering with the Ministry of Health, to screen and refer cases of malnutrition and provide health education through the Community Conversations model. With this approach, extremely poor communities come together to devise grassroots solutions to their own specific problems. In North Horr, the rate of pregnant women receiving iron and folic acid supplementation between January and July of 2017 more than doubled to 84 per cent coverage in the 13 communities targeted.

“The children used to cry a lot and were not playing. Now they are moving around and playing with the other children”

Strengthening health facilities

In Central African Republic, we supported 11 struggling health facilities with medicines, supplies, equipment and incentives so that health personnel could effectively treat the ill.

We partnered with health centre staff in Tahoua region, Niger to provide training, monthly supervision and support to community-level health representatives to treat over 9,200 young children for malaria, diarrhoea and pneumonia close to their homes and within the first 24 hours of illness, when intervention is most beneficial.

The success of our Child Survival project in training Community Health Workers across 10 slum communities in Freetown, Sierra Leone increased the rate of maternal deliveries attended by skilled caregivers from 74 per cent to 95 per cent. Our work to support health structures and improve the treatment of new born and child-related illnesses reached over 34,400 children and over 37,000 women.

Improving access to clean water, decent toilets and good hygiene

In Liberia, we established 30 water committees that were trained on sustainable management and the use and maintenance of water resources. The project was part of an integrated effort to break the cycle of chronic malnutrition and reduce the burden of diarrhoeal disease on vulnerable children. As a follow-up in 2018, we are building 15 new wells and rehabilitating a further 15 with the participation of the newly trained committees.

In DPR Korea, we constructed new latrines and sanitation facilities in homes, farms and schools in Kangwon and North Hwanghae provinces reaching over 2,000 people.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/CAR/2017



Case study: Golden Marlenue’s two youngest children, Naomi, two, and Athanase, 12 months, are both malnourished. Their nearest health post had no support and the health workers were only able to prescribe medication which they couldn’t provide, so people either went without or had to buy the medicine from the local market.

When Concern Worldwide helped to re-open the Ndanga Health Post in the Central African Republic, Naomi and Athanase started to get the special nutrient-enriched therapeutic food they desperately needed.

“I knew my children were sick but I didn’t know they were malnourished. The children used to cry a lot and were not playing. Now they are moving around and playing with the other children,” said Golden.

Our nutrition programme provides treatment for children suffering from acute malnutrition and other illnesses. Our community health volunteers visit families in their homes to screen children for malnutrition and advise mothers about the importance of breastfeeding and good hygiene so they can keep themselves and their babies healthy.

Education

In 2017, Concern Worldwide’s education programming supported over 170,000 people directly and over 330,000 indirectly. Over 280,000 were female.

Education is key to breaking the poverty cycle, and improving health, nutrition, income and opportunities for all children.

Ensuring a quality education

In Grand Bassa County, Liberia, 6,800 primary students and over 380 teachers benefited from improved classroom instruction, psychosocial services, and school management as well as parent-teacher associations to reduce dropout rates.

In Haiti, in Saut-d’Eau, we are working with 3,300 school children, teachers and parents to improve the literacy of children through training and the distribution of books and other school items.

In 43 schools in Mukuru slum in Nairobi, Kenya, head teachers reported that all children in class one, two and three can now read Kiswahili and English at their level, an improvement that has led to a better attendance record and reduced dropout rates by four per cent.

Learning in difficult times

In Turkey, we work in collaboration with the Turkish Ministry of Education and local partners to help Syrian children access quality education to support their learning and wellbeing. In 2017, Concern Worldwide supported over 5,700 school-aged Syrian girls and boys to enter the formal education system through Turkish language support and accelerated learning programmes.

In Lebanon, through our education programme targeting 5,300 children in informal tented settlements, we trained 229 teachers in first aid and child protection, and conducted awareness sessions for parents to better support their children’s educational achievement at home.

In Syria and Iraq, our work in child protection benefitted more than 1,200 children through the establishment of nine child-friendly spaces. These spaces were designed to meet the psychosocial needs of children dealing with the trauma of conflict and upheaval. Activities included drawing, music and sports as well as extra tuition in reading and writing to complement school work.

Providing a healthy environment

Water and hygiene are essential for healthy schools and students, and in Chad, we provided water and sanitation facilities in 23 schools serving 8,600 children. These new facilities will also reach at least 11,500 people in 17 villages.

In Pakistan, our work to provide safe drinking water and sanitation facilities in 52 schools has benefitted just over 34,000 students in the Balochistan province.

“I decided that I did not want to be cut and I want to continue my education”



Photographer: Ben Asser/Concern Worldwide/Kenya/2018

Case study: Botu Ali is 12 years old and lives in one of the remotest parts of northern Kenya in the town of Maikona, Marsabit. Botu and other girls her age face major challenges such as early marriage, female genital mutilation (FGM) and lack of education.

But Botu has chosen to take a stand and have a say in her own future, thanks in large part to the establishment of Child to Child clubs, supported by Concern Worldwide. Mentored by one of the teachers, Botu’s club learns about the options that she and the other girls have and they are empowered and encouraged to speak up.

“I am a Champion in my club. I decided that I did not want to be cut and I want to continue my education, so I sat down with my mother and talked it through with her – and she decided to support me,” she said.

Botu has also used her position as a Champion to advise and support other girls to make similar decisions. Part of her campaign is also to influence boys and get them to understand that early marriage and FGM are not a good thing. She says that ultimately, her aim is to become a teacher.

Integrated Programmes

In 2017, Concern Worldwide directly reached over one million people through our integrated programming and over 2.6 million people indirectly. Over two million were female.

The goal of our integrated programmes is to improve the lives of extremely poor people by addressing their needs in a holistic way that focuses on the inter-related barriers to their development.

In Central African Republic, in conflict-affected Kouanga, we established 29 farmer field schools in 29 villages, providing training on harvesting techniques, seed preservation and the use of bio pesticides. Our integrated programme, which also includes fishing and cash-for-work projects, is reaching nearly 35,000 people.

We are working in 91 villages to enhance local communities’ resilience in the Sila region of Chad. In 2017, we reached over 37,500 people. This integrated programme uses techniques such as climate smart agriculture, homestead gardening and agroforestry to build family assets while preserving the local ecosystem.

In DPR Korea, we worked in 42 drought affected cooperative farms in Kangwon and North Hwanghae provinces to grow food sustainably, build community resilience, improve irrigation systems and modernise food processing facilities. We reached over 48,600 people last year, involving farmers in practices such as conservation agriculture, vegetable production under solar greenhouses and the System of Rice Intensification (SRI).

In Ethiopia, where over 80 per cent of those in rural areas are dependent on rain-fed agriculture and particularly vulnerable to weather-related shocks, we are working to build the resilience of communities through multi-sectoral programmes that focus on livelihoods, food security, natural resource management and health and nutrition. In the Amhara and Southern Nations Nationalities and Peoples’ (SNNP) regions we reached over 23,300 extremely poor families.

In response to the urgent humanitarian needs of temporarily displaced people, returnees and drought affected vulnerable families in Pakistan, we reached over 1.25 million people through a multisector response that focused on economic recovery through livelihood training projects and livestock support; the provision of emergency healthcare and the support of health facilities; the provision of safe water and restoration of essential infrastructure and the construction of transitional shelters to protect vulnerable families.

The most vulnerable families, especially those with malnourished children or pregnant and breastfeeding women, took part in nutrition training and received cash transfers to use for food, water, medicine or other essential needs



Case study: In Sindh, Pakistan, a variety of actions have been taken to tackle the many underlying causes of malnutrition in drought affected communities. The most vulnerable families, especially those with malnourished children or pregnant and breastfeeding women, took part in nutrition and health and hygiene training and received cash transfers to use for food, water, medicine or other essential needs.

Vaccination campaigns for livestock such as goats, sheep, cows, donkeys and camels were implemented, making animals less prone to disease, improving their health and boosting their milk production and ultimately providing a source of protein.

Children with severe acute malnutrition have been able to access appropriate treatment as a result of the programme, levels of exclusive breastfeeding have increased, and the prevalence of water-borne diseases has decreased. The acceptable food consumption score has improved – an indicator of dietary diversity and nutrient intake.

Above: A community mobiliser conducts a check-up of Wazeera, a three year old girl at a hospital in Umerkot. Photographer: Sharjeel Arif/Concern Worldwide/Pakistan/2017

How we work

Concern (UK) does not implement programmes overseas but supports Concern Worldwide and its partners to do so. We monitor both the impact of our work and the standards to which we require Concern Worldwide to adhere.

How we measure success and learn from our programmes

Concern Worldwide takes a ‘results-based management’ approach to development work. We are working for change so we need to be able to measure it. It is not only about doing activities with and for programme participants, it is also about ensuring that these activities are making a difference as well as being about learning from doing. This requires that we monitor all programmes to ensure the required changes are happening which will eventually lead a lasting impact on the lives of the people we work with.

In order to ensure that this happens, every programme is designed with a strong monitoring and evaluation framework starting with a clear pathway of what changes we want to see and how we expect those changes to come about. This ‘Theory of Change’ exercise is a critically important step as it defines what success looks like, and what the necessary intermediate changes along the way are. At the end of every programme, a final evaluation is conducted to assess the relevance, effectiveness, efficiency, sustainability and impact of the programme, which are the criteria set out by the OECD’s Development Assistance Committee for measuring success and are seen as the sector’s best practice.

However, it is important to note that it is not only success that we measure and record. Concern Worldwide is also eager to reveal where programmes have not been successful, so that we can learn from the experience and apply this learning in other programmes. All evaluations include recommendations for improving future programming. In addition, every three years we conduct meta-evaluations (reviews of all evaluations completed in a sector), in order to identify common issues that can guide and improve our future practice.

Working with partners

We believe we can achieve greater impact working in collaboration with other organisations and institutions. This starts with the partnership between Concern Worldwide and Concern (UK).

Partnerships may also involve our staff in joint operations, supporting and monitoring work, or funding local partners to deliver services. In many cases, a large part of our input has been and will continue to involve building the capacity of our partners.

We continue to work in strategic partnerships: for example we are an active member of the Disasters Emergency Committee, START network, several BOND (the UK network for organisations working in international development) working groups and the Scaling Up Nutrition movement. In the academic arena, we collaborate closely with Tufts University, Institute for Development Studies and University of Sussex.

Safeguarding

Maintaining the safety and protection of the communities with whom we work and of our staff is of primary importance across the Concern Worldwide family. We are a signatory to the Statement of Commitment on Eliminating Sexual Exploitation and Abuse by UN and Non-UN Personnel and to the Red Cross Code of Conduct.

Concern Worldwide places particular emphasis on standards of behaviour that we expect from our staff, visitors to our programmes and those of our local partner staff. To this end we developed a Programme Participant Protection Policy and Concern Code of Conduct, to which all employees must adhere. The policy sets out the standards of behaviour expected from all employees in relation to each other, our programme participants, and other relevant parties.

We have a Complaints Response Mechanism and are committed to investigating allegations of behaviour in breach of the Programme Participant Protection Policy and Concern Code of Conduct. All complaints are investigated following established investigation guidelines, and where substantiated, disciplinary action is taken, up to and including dismissal.

Concern Worldwide is a certified member of the Core Humanitarian Alliance. This means that our policies and procedures, which are designed to ensure that we are accountable to the people with whom we work, have been externally audited and found to be operating effectively.

While we believe that our systems are working, we are committed to their on-going development. Over the course of the next year, we plan to work closely with governments, peer organisations and other relevant bodies to identify and implement measures that will enhance policy and practice in this area.



We believe that maintaining the safety and protection of the communities with whom we work and of our staff is of primary importance across the Concern Worldwide family

Above: Hassana Abdourahamane, together with other members of a community farming group in Niger.
Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Niger/2017

Income and expenditure

Income

Income from governments
and co-funders
£24.6m (71.4%)

Income from fundraising
activities
£9.8m (28.6%)

Total income
£34.4m



Expenditure

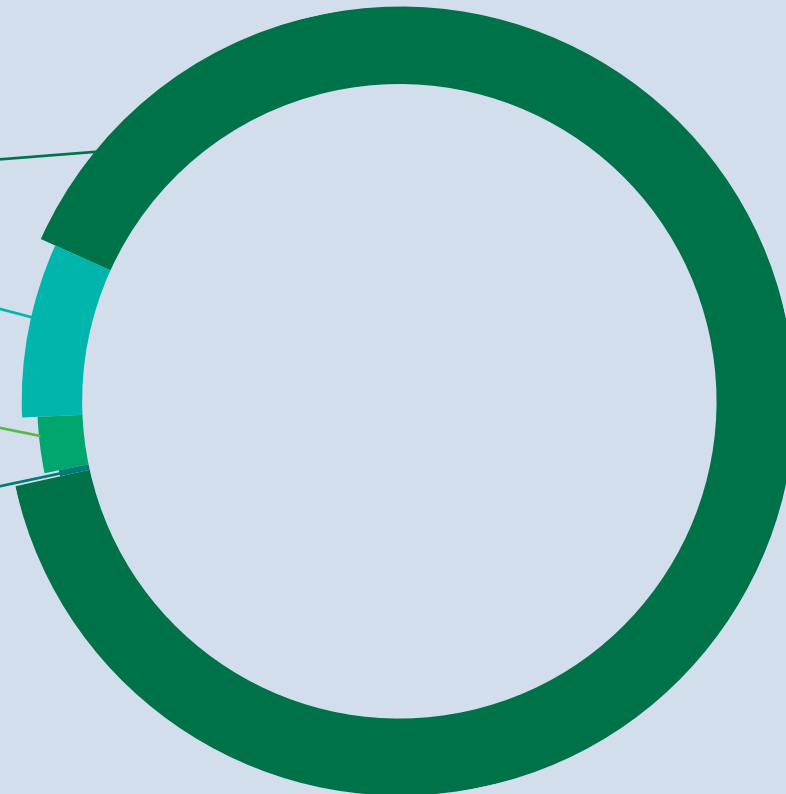
Overseas programmes
£31.9m (89.9%)

Fundraising
£2.6m (7.4%)

Policy, advocacy and
campaigning
£0.9m (2.5%)

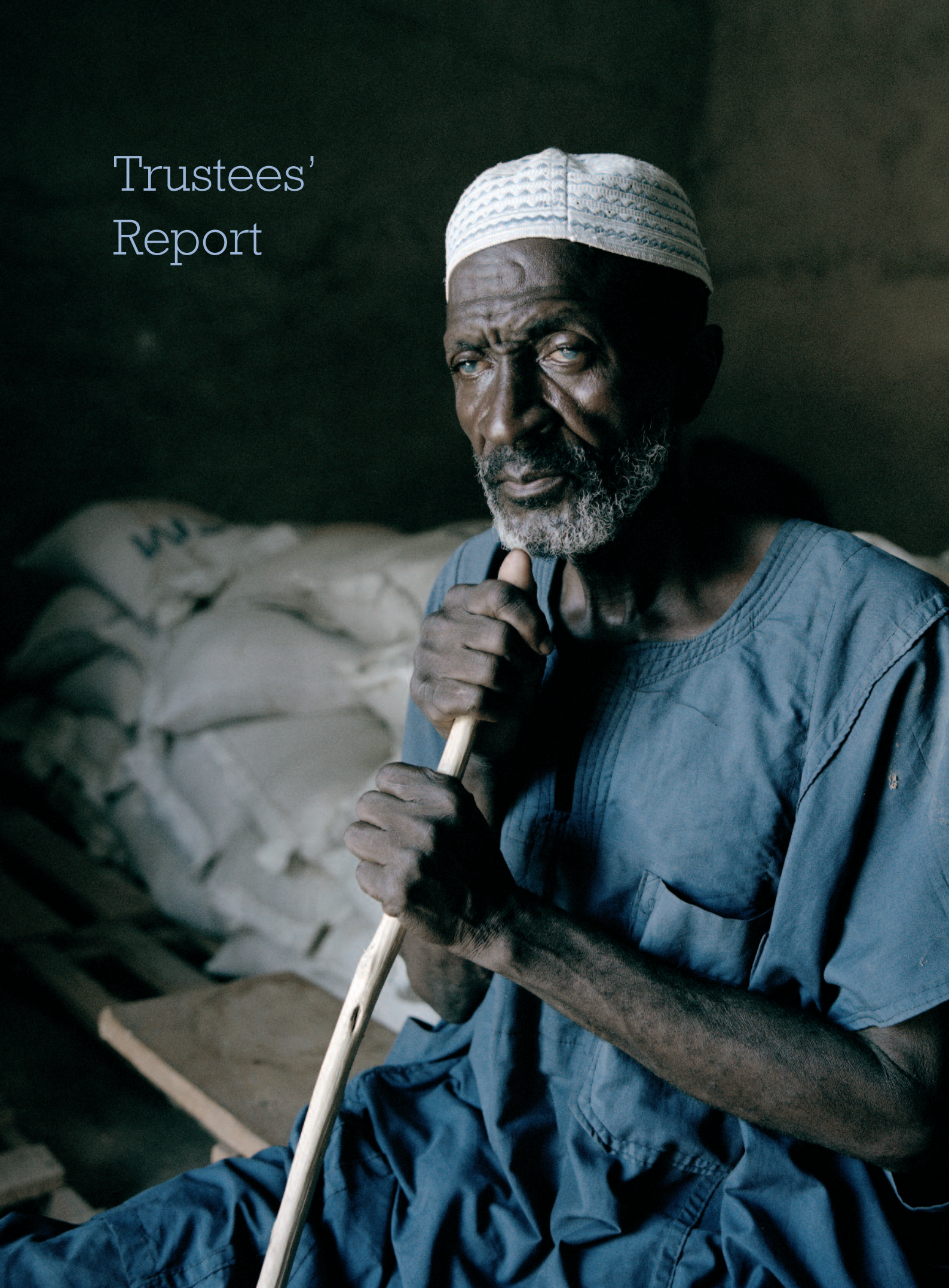
Governance
£0.08m (0.2%)

Total expenditure
£35.5m



Right: Salifou Ahment sits inside an animal feed 'bank', established by Concern to ensure animal feed is in stock all year round.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Niger/2017



Trustees' Report

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:

- Zamila Banglawala
- Dr Diane Chilangwa Farmer
- Tony Foster
- Tony McCusker
- Jemima Jewell
- Rob McGrigor (Chair of Audit and Finance committee and Hon Treasurer)
- Barbara O'Reilly
- Gary Rice (appointed 23 June 2017)
- Bernadette Sexton
- James Shaw-Hamilton
- Sam Sims (Chair of Fundraising committee)
- Peggy Walters
- Donald Workman (Chair)
- Chris Elliott resigned as Trustee of the organisation on 24 April 2017
- Julian Bennet resigned as Trustee of the organisation on 24 June 2017
- Donal D'Arcy resigned as Trustee of the organisation on 23 July 2017
- Dr Sean Farren resigned as Trustee of the organisation on 13 Dec 2017

Sub-committees of the Board

Audit and Finance committee

- Rob McGrigor (Chair and Honorary Treasurer)
- James Shaw-Hamilton
- Bernadette Sexton
- Dr Diane Chilangwa Farmer
- Tony McCusker

The following Trustees also served on the Audit and Finance committee during 2017:

- Tony Foster
- Dr Sean Farren

Fundraising committee

- Sam Sims (Chair)
- Tony Foster
- Jemima Jewell
- Peggy Walters
- Tony McCusker

Executive Management Team

- Rose Caldwell – Executive Director
- Peter Anderson – Northern Ireland Director
- Deborah Underdown – Acting 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
- Dallan Cunniffe – Interim Director of Finance and Operations

Company Secretary

- Maeve Seery
- Brenda Tobin (appointed 17 February 2017-24 April 2018 to cover maternity leave)

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 Directors' 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 2017.

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. During 2017, the Board established a Fundraising Committee, comprising five trustees and chaired by a trustee with specialised fundraising experience. This committee operates under specific terms of reference, which includes responsibility for; fundraising strategy and oversight, fundraising standards and reputation, fundraising policy, openness and accountability and trustee skills and training.

There were five Board meetings during 2017 as well as a Board away day.

Board attendance was as follows:

| Name | Meetings |
|------------------------|----------|
| Zamila Banglawala | 3/5 |
| Diane Chilangwa Farmer | 4/4 |
| Tony Foster | 4/5 |
| Tony McCusker | 4/4 |
| Jemima Jewell | 4/5 |
| Rob McGrigor | 4/5 |
| Barbara O'Reilly | 1/5* |
| Gary Rice | 1/2 |
| Bernadette Sexton | 3/4 |
| James Shaw-Hamilton | 4/5 |
| Sam Sims | 4/4 |
| Peggy Walters | 3/4 |
| Donald Workman | 4/4 |
| Chris Elliott | 2/2 |
| Julian Bennet | 1/2 |
| Donal D'Arcy | 1/2 |
| Sean Farren | 5/5 |

* with the consent of the Chair

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, resilience, 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 improve the resilience of the communities to ensure that they are better prepared for disasters, reducing the severity of impact and allowing communities to recover faster.

Integrated programmes – To improve the lives of the extremely poor by addressing their needs in a holistic way that focuses on the inter-related barriers to their development.

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 2017 towards delivering 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 2017, Concern Worldwide reached approximately 27 million people in its 27 countries of operation. Concern (UK) contributed £31.9m to help fund this work, supported by £24.6m from UK funders, including £24.1m from DFID.

Concern (UK) does not manage these programmes, but supports them by working closely with country offices to identify funding opportunities, prepare high quality funding applications, ensure our funds are being used effectively for the purposes intended and that donor requirements are met. We manage relationships with key UK-based funders, working closely with the DEC, sitting on the Board of the START network, engaging with relevant BOND working groups and other fora in the UK.

We have been working closely with other parts of the organisation to ensure that we meet the International Accountability and Transparency Initiative (IATI) standards. We have developed a Value for Money

Framework that can be used across all our programmes.

We have been leading work across the organisation on Commercial Contracting, developing skills and capacity, tools and relationships and supporting country programmes to prepare bids. We have been supporting the Building Disaster Resilience Programme in Pakistan, which successfully transitioned from conception to implementation phase.

We have also been working with our teams in Bangladesh and Ethiopia to develop strategies so they can access funding to address the needs of the communities with which they work.

The year was dominated by news of escalating humanitarian crises across the world, in particular the food crisis in East Africa, the Rohingya refugee crisis in Bangladesh and the harrowing humanitarian crisis in Yemen. We were successful in securing funding for all of these crises.

In Somalia, as the severe drought and food security situation deteriorated, Concern Worldwide was able to mobilise £7.9m of DFID funding to respond in Somalia and Somaliland. Often the most appropriate assistance is multi-purpose unconditional cash grants that enable the poorest and most vulnerable households to buy what they most need but, in the most dire of times, we have needed to bring in water by truck to communities with no or insufficient source of water. We are also running emergency education interventions for children from families displaced by drought, as well as health and nutrition programmes reaching severely malnourished children and women and those with unmet healthcare needs.

DEC funds played an important part in enabling Concern Worldwide to get its response off the ground once the situation across the wider region tipped over into crisis, not only in Somalia, but also in Ethiopia and northern Kenya.

Work substantially supported by DFID since 2013 has helped to build community resilience in Somalia. Communities where we are working were able to cope for several months longer than their neighbours when the drought took hold. People were able to remain in their communities, giving them a better chance of maintaining their homes and livelihoods in the long term. Analysis from our DFID-supported resilience programming, cited in a report published by USAID entitled 'Economics of Resilience to Drought', showed that every \$1 invested in resilience will result in \$3 or more in reduced humanitarian assistance needs and avoided losses.

At the beginning of the year, Concern Worldwide took its first step towards operating in Yemen. Political turmoil and violence have continued to make it extremely challenging to deliver assistance, but the DEC’s Yemen Crisis Appeal enabled us to channel funding through our Alliance 2015 partner, ACTED, in Al Jawf and Sa’ada governorates.

Towards the end of the year, DEC funds enabled Concern Worldwide to respond to the plight of Rohingya people fleeing into Bangladesh to escape violence in Myanmar.

2017 saw the launch of a new three year programme in Sierra Leone, supported by Comic Relief, to tackle malaria. Pregnant mothers and infants are particularly vulnerable to the disease, and one vital factor in reducing case numbers is to ensure that they have access to primary health care. Over the programme lifetime we will be working with around 20,000 mothers and children in Tonkolili District to bring about systematic take-up of primary health services to significantly reduce malaria.

We were delighted to secure our third UK Aid Match grant for our graduation programme in Burundi. However, we were disappointed not to secure follow on funding for our BRACED (Building Resilience and Adaptation to Climate Extremes and Disasters) programme in Sudan, Chad and South Sudan.

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.

During 2017, our advocacy work focused on breaking the cycle of hunger in extremely poor countries through promoting investment in nutrition, building communities’ resilience to disaster and responding quickly to disasters.

We began the year with a launch in the UK Houses of Parliament of our report *Breaking the Cycle: tackling the root causes of food crises* which mapped out the likely hunger hotspots and highlighted the credible risk of famine in South Sudan, Somalia, Yemen and

Nigeria. At the event MPs and Peers were briefed by Toby Lanzer, the former Deputy Special Representative of the UN Secretary-General in the United Nations Mission in South Sudan, and Feargal O’Connell, Concern’s Country Director for South Sudan, and discussed the looming food crises and what role the UK government could play in addressing them.

Our resilience and humanitarian advocacy work focused on food crises in conflict-affected states. Concern (UK) came together with other INGOs working to advocate to the UK government and other global donors to increase awareness and funding for response to and avoidance of food crises in Somalia and the Lake Chad Basin region. In Somalia, we demonstrated that if we can respond quickly to the threat of a growing crisis – particularly a slow-onset food crisis – we stand a better chance of preventing it escalating into a disaster or reducing the impact on affected people if it does. We documented the lessons in our paper *Tackling food crisis in Somalia: how resilience programming has reduced the impact of the drought*.

We also helped lead UK NGO engagement at the Global Platform for Disaster Risk Reduction (DRR) conference. As co-chairs of the Bond DRR group, we facilitated joint advocacy messaging, focusing on the need to involve disaster-affected people at all stages of DRR, which was well reflected in the meeting’s outcomes.

We collaborated with the Overseas Development Institute on a joint report *Next Frontier for Disaster Risk Reduction* which argued that as people are at greater risk of disasters in places affected by conflict, donors must step up DRR and resilience funding in these countries, despite the challenging environments. The report showcased three case studies from our programmes in Haiti, Somalia and Chad.

Throughout 2017, we worked with our supporters to hold the UK government to account. In May, we submitted our *50 Million Promises* petition, which over 8,000 Concern (UK) supporters signed, calling on the Prime Minister to honour a manifesto pledge to improve nutrition for 50 million people around the globe. We were delighted when DFID recommitted to this pledge shortly after the election.

We published *From Investment to Impact*, a policy report that analysed in detail DFID’s 50 million commitment and challenged their methodology. We also worked, through private direct engagement and through engaging our supporters on social media, to influence the publication of DFID’s new strategy on nutrition. As a result, the new strategy has a stronger

focus on the areas we consider to be critical: a focus on the poorest and most vulnerable people; nutrition in fragile states; and better integration with health programmes.

We launched the 2017 Global Hunger Index at a public event. With an expert panel from academia, politics and Concern Worldwide’s own programmes, we debated whether inequality stands in the way of reaching the Global Goal of ending hunger by 2030.

At the end of the year, we were invited to attend the Global Nutrition Summit in Milan which looked to address the huge gap in funding needed to end hunger globally. Rose Caldwell announced Concern Worldwide’s own commitment of \$100 million over the next three years towards ending malnutrition.

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.

Our work would be impossible without the support of our generous donors and once again we were inspired by their commitment and enthusiasm throughout 2017. We thank each and every one of you.

Concern (UK), in partnership with the DEC, launched two emergency appeals in 2017. The first appeal supported our response to the major food crisis that struck East Africa in March and, later in the year, to the Rohingya refugee crisis in Bangladesh. Our donors responded rapidly and generously to both appeals, and the response to our East Africa Crisis appeal was the greatest in five years, raising over £800,000. This was in addition to DEC income of £1.4 million in 2017.

The response to these emergencies came alongside five successful appeals to support our long-term development work. In 2017, donations to these appeals contributed a total of over £600,000 to fund our work tackling hunger and extreme poverty across 26 countries.

Regular monthly giving provides us with a crucial source of predictable funding that enables us to plan our long-term programmes with confidence. We value the loyalty of our regular givers and are committed to demonstrating how your donations are having an impact. In 2017 we launched a new campaign, Through to 2, to help babies survive the critical first two years of life. We send donors regular

communications about the different aspects of our work to illustrate how their support plays a vital role in ensuring children reach their second birthday, including supporting maternal health, providing good nutrition and clean water, and providing livelihoods training for parents to help them earn a better income. The response to our new communication materials has been extremely positive.

In 2017, we launched the Concern (UK) Philanthropic Circle – a new initiative for donors willing to commit to a higher level of giving. The Philanthropic Circle has been well received, with 15 supporters committing to support a new three year livelihoods Graduation programme targeted at extremely poor households in Burundi.

We continued to build the number and value of our partnerships with charitable foundations, with 132 foundations contributing just over £1 million to fund a wide range of long-term development and emergency response work. In 2017, our trusts supporters funded projects that are helping families in Burundi grow nutritious food in kitchen gardens by providing them with training, tools and seeds; providing education and health support for refugee children who have fled Afghanistan for Pakistan; and supporting our response to the food crisis in Kenya, Somalia, Ethiopia, and South Sudan, among many others.

In 2017 we completed the planned expansion of our retail operations in Northern Ireland with the opening of two new charity shops, bringing our total number of shops to five.

Our network of support groups and volunteers along with schools and community supporters raised nearly £294,000. The many activities and events undertaken last year include street and church collections, skydives, coffee mornings, music events and the Concern Fast. We were particularly inspired by some of the sporting feats undertaken in 2017 with over £35,000 raised via sponsorship for the London Marathon, London Triathlon and one supporter taking on the six day Marathon des Sables in the Sahara Desert to raise nearly £3,000 for Concern.

In the autumn of 2017, we launched our third Aid Match appeal, supported by DFID, who matched pound for pound donations made by our supporters, doubling their impact. The appeal focused on Concern’s child nutrition work among communities living in fragile and conflict-affected states. Yet again, we were humbled by the generosity of our supporters, who contributed over £850,000 which will be matched by DFID to launch a new child nutrition programme in Burundi.

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 nongovernmental 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 online audiences.

Recognising that our work in fragile settings sets us apart from our counterparts we shaped our third UK Aid Match appeal, Food in a Fragile World, around this theme. Through securing four communications partners we were able to reach an audience of over three million. The Belfast Media Group and Irish Post published feature articles while outdoor advertising company JC Decaux donated almost 40 billboard spaces to promote the appeal across Northern Ireland. A photographic exhibition was held in the courtyard at St Martin-in-the-Fields, near Trafalgar Square in London and this generated additional media coverage on [bbc.co.uk](#) and [guardian.com](#). During the three months of the appeal, all our digital channels were utilised and we hosted a Facebook Live, aligned the appeal with Giving Tuesday (a day dedicated to raising money and making a difference to causes around the world) and produced multiple videos and blogs to engage our audience and motivate them to donate.

Throughout 2017, we continued to build our reputation as an agency specialising in tackling hunger and humanitarian crises, this was especially successful in Northern Ireland. In March and October, during the DEC appeals for East Africa and the Rohingya crisis, our spokespeople featured prominently in coverage on UTV News, BBC Radio Ulster and BBC Radio Foyle, and in the Belfast Telegraph and Sunday World. There was also significant coverage in print press with two double-page spreads on Concern’s work in the Nairobi slums in the News Letter in April.

As part of our commitment to the global communications strategy and to transform us into an organisation where communicating – both internally and externally – is central to our culture, a media and communications module was created and delivered in

Nairobi, Kenya as part of the Programme of Humanitarian Leadership. The course, delivered by Concern Worldwide in consortium with International Medical Corps (IMC) and the Harvard Humanitarian Initiative (HHI) and with technical support from John Hopkins University’s Bloomberg School of Public Health, combines a rigorous academic curriculum with practical learning including mentorship and individual assignments.

To increase the impact and value of digital activity to the organisation we migrated to a new website platform and although this does not provide any visible changes it has prepared the groundwork for a new higher performing website.

During 2017, we developed a new UK Communications Strategy: Raising Our Sights that aims to deliver a step change in our communications activities so that we increase our profile and support. The new strategy focuses heavily on us defining our target audience and providing them with a reason to believe in our mission. The implementation of the strategy has been delayed while we await the outcomes of a global brand re-positioning project. It is in our 2018 plan to drive this strategy forward.

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.

Much progress has been made in 2017 to improve organisational capability in the areas of human resources, financial management and compliance.

Recruitment and retention of staff continues to be a challenge for Concern (UK) so we have worked hard to address this as far as we can. We carried out an extensive pay benchmarking exercise, established a new digital HR database which went live in early 2018, and developed and updated key policies and procedures, specifically for volunteering and shared parental leave.

Financial management continues to be strong with good budgeting and management accounts produced in a timely manner. Our finance manual was amended to tailor it for Concern (UK), an income dashboard was produced, and much work was done

to ensure transaction processing is as efficient and effective as possible.

Compliance is a growing area of work and significant effort was put into developing a compliance framework to help us ensure that we are focusing our efforts on key risks and identifying and addressing gaps in compliance, both with internal policies and procedures and external laws and regulations. We identified the need for additional resources in this area in late 2017 and have successfully filled a post in early 2018. Increased focus on risk management at a senior management level, as well as at Board level, was instigated in 2017.

We are very appreciative of the Audit and Finance Committee of the Board of Trustees, which oversees this work.

4.2 Financial Review

The financial outcome for 2017 is set out in the Statement of Financial Activities on page 42.

Following a challenging year in 2016 with reductions in income from both voluntary and institutional donors, Concern (UK) was able to achieve significant income growth in 2017. Our final position for the year shows a net deficit of just over £1.1 million as a result of the release of £1.6m of reserves, reducing total reserves to £3.6 million, in line with our reserves policy. Total income for 2017 was £34.4 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 2017 Annual Report, is set out below:

Income

Concern (UK) raised a total of £34.4 million in 2017, which represents a 30% year on year increase from 2016. Careful planning and budget monitoring has allowed us to achieve strong results for the organisation in this challenging economic environment.

Income from donations and legacies

We received £9.8 million in donations and legacies in 2017, representing a £2.4 million increase from the amount received in 2016.

In 2017, we received £1.4 million from the DEC in response to major emergencies – the East Africa crisis, ongoing earthquake response in Nepal, and the Rohingya crisis in Bangladesh. In 2016, our DEC income was £0.3 million due to no major emergency response during the prior year.

Income from corporates, major donors and trusts increased from £1.8 million in 2016 to £2.3 million in 2017. Our focus on building long-term partnerships with charitable trusts and foundations continues to deliver income growth, including strong support for our East Africa Crisis and Rohingya Refugee Crisis emergency appeals.

Donations from major donors also increased substantially, in part thanks to the successful launch of our new Philanthropic Circle initiative.

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 £24.6 million from governments and other institutional donors in 2017. This represents a 29% increase from 2016 levels and is mainly due to an increase in funding to support emergency response activities in Somalia which address the ongoing food crisis there.

DFID remained the single largest donor in 2017, donating £24.1 million or 97.9% of total co-funding income, with grants for projects in 14 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 (UK) 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.

Trading and other income:

Retail income increased as a result of the successful opening of additional shops during the year. Included in expenditure for retail costs are a number of upfront costs as a result of the expansion of retail operations. Retail continues to grow for Concern (UK) and we are confident of seeing a strong return on our investment.

Expenditure

Our total expenditure in 2017 of £35.5 million was made up as follows:

| | £m | % |
|-----------------------|------|-------|
| Charitable activities | 32.9 | 93 |
| Raising funds | 2.6 | 7 |
| | 35.5 | 100.0 |

Total expenditure in 2017 increased by £9.2 million (35%) compared to 2016. This increase is mainly due to additional emergency response activities in Somalia to address the ongoing food crisis there.

The cost of raising funds was consistent with the previous year at £2.6m.

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

| Indicator | Concern (UK) | |
|-------------------------------------------------------|--------------|------|
| | 2017 | 2016 |
| Return on fundraising spend | 3.7x | 2.9x |
| Support costs as a percentage of total costs | 1.7% | 2.4% |
| Unrestricted reserves as a percentage of total income | 6% | 13% |

The Board is satisfied that the efficiency of fundraising, the proportion of government funding secured and the level of support costs are all in line with the agreed strategic direction. Increases in emergency income and the release of unrestricted reserves have resulted in a reduction in unrestricted reserves as a percentage of total income.

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 £3.6 million at 31 December 2017 are detailed in note 14 to the financial statements and fall into two categories:

Restricted reserves (£1.6 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 2018.

Unrestricted reserves (£2 million): These funds fall into two categories:

Designated reserves (£1.6 million): represent unrestricted funds set aside by the Board of Trustees for specific purposes. At the end of 2017, 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 2017 in order to ensure that amounts held are adequate for both of these purposes (see note 14(b)).

General unrestricted funds (£0.4 million) represent unrestricted funds which are held temporarily pending their application for the general purposes of the charity. There was a release of £1.6 million of these funds carried forward from 2016 to bring our reserves in line with company and group policy.

4.3 Plans for Future Periods

We will continue to 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. In 2018, Concern (UK) will conduct a midterm review of the strategy in order to take stock of progress to date and assess the relevance and achievability of the goals and objectives set in 2016, given the rapidly changing external environment.

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 £35 million per year 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 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

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 (2018-2020).

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 online 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 identified as to 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) has recently developed 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. This environment is challenging the public's support and confidence in the charity sector 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.

Compliance: The organisation receives a significant amount of funding from institutional and individual donors. The management of institutional donor requirements, which are increasingly complex in nature, is challenging both in the UK and at field office level. Regulations 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) developed a Compliance Framework in 2017 which provides a systematic approach to managing and monitoring compliance within the organisation. Issues identified are addressed through staff training, development and dissemination of relevant guidance and ongoing 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.

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.

Fraud, significant error, corruption and inappropriate behaviour: Fraud, significant 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 in the year. In addition, a comprehensive internal audit programme is in place. Furthermore, a rigorous Code of Conduct for staff is proactively implemented to mitigate against any inappropriate behaviour, including safeguarding, 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 we have strong (and constantly evolving) mitigating actions in place to prevent such attacks, the impact could be significant.

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 2017. 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 (2016 – £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



Donald Workman
Trustee



Rob McGrigor
Trustee

23 April 2018

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

The trustees are responsible for preparing 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 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 expenditure over income 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;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate and proper 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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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



Donald Workman
Trustee



Rob McGrigor
Trustee

23 April 2018

Right: Balkissa Matsallabi with her daughter Malika, who has recently recovered from malnutrition after receiving a lifesaving high-energy peanut-based paste from Concern Worldwide.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Niger/2017



Independent auditor’s report to the trustees and members of Concern Worldwide (UK)

Opinion

We have audited the financial statements of Concern Worldwide (UK) (“the charitable company”) for the year ended 31 December 2017 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

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 2017 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 accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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.

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The trustees are responsible for the other information presented in the Annual Report together with the consolidated financial statements. The other information comprises the information included in the Trustees’ Report, the Message from the Chair, the Message from the Executive Director and all information, other than the financial statements and our auditors report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees’ Annual Report, which incorporates the strategic report and the directors’ report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- the charitable company has not kept adequate and proper 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.

We have nothing to report in these respects.

Trustees’ responsibilities

As explained more fully in their statement set out on page 36, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor’s report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC’s website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Caroline Flynn
(Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
1 Stokes Place,
St. Stephens Green,
Dublin 2,
Ireland
24 April 2018

A photograph of a woman and a young child under a blue mosquito net. The woman, on the left, is wearing a red and white striped sleeveless top and is looking down at the child. The child, in the center, is wearing a yellow shirt and has a joyful expression, looking towards the camera. The child's hair is styled in braids with small red and white beads. The background is a textured blue fabric, likely the mosquito net. The overall lighting is soft and natural.

Financial Statements

Mother-of-three Scholastica Mbinya (31) was supported by Eunice, a Concern-supported Community Health Volunteer before, during and after her pregnancy. Scholastica's youngest child, Francisca, is 17 months old.

Photographer: Peter Caton/Concern Worldwide/Kenya/2017

Statement of Financial Activities
for the year ended 31 December 2017

| | Notes | Restricted Funds Stg£ | Unrestricted Funds Stg£ | Total 2017 Stg£ | Total 2016 Stg£ |
|------------------------------------------------------------------------------------|-------|--------------------------|----------------------------|-----------------------|-----------------------|
| Incoming resources: | | | | | |
| Donations and legacies | 2a | 4,869,966 | 4,878,026 | 9,747,992 | 7,361,308 |
| Charitable activities – grants and contracts from governments and other co-funders | 2b | 24,560,783 | – | 24,560,783 | 19,106,827 |
| Trading and other income | 2c | – | 69,469 | 69,469 | 30,780 |
| Total income | | 29,430,749 | 4,947,495 | 34,378,244 | 26,498,915 |
| Expenditure on: | | | | | |
| Charitable activities | 3 | 28,688,552 | 4,196,662 | 32,885,214 | 23,741,694 |
| Raising funds | 4 | 340,405 | 2,301,847 | 2,642,252 | 2,588,050 |
| Total expenditure | | 29,028,957 | 6,498,509 | 35,527,466 | 26,329,744 |
| Net movement in funds | | | | | |
| | | 401,792 | (1,551,014) | (1,149,222) | 169,171 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 1,244,568 | 3,537,618 | 4,782,186 | 4,613,015 |
| Total funds carried forward | 14 | 1,646,360 | 1,986,604 | 3,632,964 | 4,782,186 |

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.

The accompanying notes on pages 44 to 54 form an integral part of these financial statements.

Balance Sheet
as at 31 December 2017

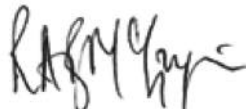
| | Notes | 2017 Stg£ | 2017 Stg£ | 2016 Stg£ | 2016 Stg£ |
|-------------------------------------|-------|------------------|------------------|--------------|--------------|
| Fixed assets | | | | | |
| Tangible assets | 9 | | 333,876 | | 247,138 |
| Total fixed assets | | | 333,876 | | 247,138 |
| Current assets | | | | | |
| Debtors and prepayments | 10 | 4,414,082 | | 7,644,116 | |
| Cash at bank and in hand | 11 | 3,380,312 | | 762,099 | |
| Total current assets | | 7,794,394 | | 8,406,215 | |
| Creditors: | | | | | |
| amounts falling due within one year | 12 | (4,495,306) | | (3,871,167) | |
| Net current assets | | | 3,299,088 | | 4,535,048 |
| Total net assets | | | 3,632,964 | | 4,782,186 |
| The funds of the charity: | | | | | |
| Restricted funds | 14 | | 1,646,360 | | 1,244,568 |
| Unrestricted funds | 14 | | 1,986,604 | | 3,537,618 |
| Total charity funds | | | 3,632,964 | | 4,782,186 |

The accompanying notes on pages 44 to 54 form an integral part of these financial statements.

On behalf of the Board



Donald Workman
Trustee



Rob McGrigor
Trustee

23 April 2018

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)”). The key judgments and assumptions in applying these policies relate to:

(i) the criteria applied to the recognition of grant income from co-funders and the related accrued and deferred income balances (see Note 1(b))

(ii) the basis for the classification of expenditure in the Statement of Financial Activities (see Note 1(c))

a) 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 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.

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, its parent.

b) 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, trusts, legacies, major donors including Disasters Emergency Committee (DEC) appeals together with related Gift Aid income. It is recognised in the period in which the

organisation is entitled to the resource, when receipt is probable and when the amount can be measured with sufficient reliability. In the case of monetary donations from the public this income is recognised when the donations are received, with legacies it is when it is probable that it will be received (i.e. where there is a grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached are within the control of the charity), whereas with Gift Aid income it is when all legislative requirements have been met and the amounts can be measured with reasonable certainty.

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 expenditure, 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.

c) 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

Notes forming part of the Financial Statements (continued)

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.

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 its parent, Concern Worldwide. All costs of charitable activities 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.

d) 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.

e) 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.

f) 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.

g) Financial Instruments

Debtors

Debtors are recognised at the settlement amount due after any discount offered. Income recognised by the company from governments and other co-funders, but not yet received at year end, is included in debtors.

Cash at bank and in hand

Cash at bank and in hand is comprised of cash on deposit at banks requiring less than three months notice of withdrawal. These are carried at amortised cost.

Creditors

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured or estimated. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due and at their present value where the time value of money is deemed significant. Funds already received from donors, that do not meet the criteria for recognition as income, are shown in creditors.

h) 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.

i) Foreign currencies

The financial statements are prepared in sterling (Stg£) which is Concern (UK)’s functional currency because the majority of the funds raised are in sterling. 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.

j) 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 2017 Stg£ | Total 2016 Stg£ |
|-------------------------------------|--------------------|--------------------|
| Individual giving | 4,910,827 | 4,631,182 |
| Corporate, major donor and trust | 2,304,060 | 1,750,851 |
| Disasters Emergency Committee (DEC) | 1,410,416 | 265,230 |
| Legacy income | 703,537 | 438,831 |
| Community fundraising | 419,152 | 275,214 |
| Total | 9,747,992 | 7,361,308 |

In 2017 £4,853,672 of incoming resources from donations and legacies was restricted (2016: £2,621,569).

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

| | Total 2017 Stg£ | Total 2016 Stg£ |
|------------------------------------------|--------------------|--------------------|
| Department for International Development | 24,057,178 | 18,338,380 |
| Comic Relief | 358,635 | 164,878 |
| Jersey Overseas Aid | 100,000 | 379,997 |
| Guernsey Overseas Aid | 22,502 | 12,526 |
| Other governments and co-funders | 22,468 | 211,046 |
| Total | 24,560,783 | 19,106,827 |

Income from government grants comprises grants to fund the charitable activities of Concern (UK). In 2017 £24,560,783 of incoming resources from grants and contracts and other co-funders was restricted (2016: £18,521,592).

(c) Trading and other income

| | Total 2017 Stg£ | Total 2016 Stg£ |
|------------------|--------------------|--------------------|
| Deposit interest | 1,554 | 864 |
| Retail Income | 67,915 | 29,916 |
| Total | 69,469 | 30,780 |

All trading and other income 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.

| | Direct costs Stg£ | Support costs (see note 6) Stg£ | 2017 Total costs Stg£ | 2016 Total costs Stg£ |
|----------------------------------|----------------------|---------------------------------------|-----------------------------|-----------------------------|
| Overseas programmes | | | | |
| Health | 4,327,223 | 39,804 | 4,367,027 | 4,851,522 |
| Education | 1,016,067 | 9,346 | 1,025,413 | 1,725,825 |
| Livelihoods | 1,804,051 | 12,953 | 1,817,004 | 4,737,764 |
| Integrated programming | 2,492,619 | 22,929 | 2,515,548 | 5,014,030 |
| Emergency | 22,003,372 | 202,252 | 22,205,624 | 6,490,757 |
| Total overseas programmes | 31,643,332 | 287,284 | 31,930,616 | 22,819,898 |

| | | | | |
|-----------------------------------------|----------------|----------------|----------------|---------|
| Policy, Advocacy and Campaigning | 748,005 | 124,323 | 872,328 | 841,333 |
| Governance (Note 5) | 35,581 | 46,689 | 82,270 | 80,463 |

| | | | | |
|-------------------------------------|-------------------|----------------|-------------------|------------|
| Total charitable expenditure | 32,426,918 | 458,296 | 32,885,214 | 23,741,694 |
|-------------------------------------|-------------------|----------------|-------------------|------------|

| | | | | |
|--------------|------------|---------|--|------------|
| 2016 – Total | 23,270,265 | 471,429 | | 23,741,694 |
|--------------|------------|---------|--|------------|

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£ | 2017 Total costs Stg£ | 2016 Total costs Stg£ |
|-------------------------------------|------------------------|---------------------|----------------------------------------|----------------------------|------------------------------------|-----------------------------|-----------------------------|
| Individual giving | 521,909 | 1,022,363 | 292,797 | 1,837,069 | 118,034 | 1,955,103 | 1,914,781 |
| Corporates, major donors and trusts | 34,316 | 277,463 | 94,612 | 406,391 | 22,868 | 429,259 | 387,040 |
| Legacy | 14,072 | – | – | 14,072 | – | 14,072 | 28,008 |
| Community fundraising | – | 120,811 | 27,811 | 148,622 | 9,027 | 157,649 | 183,850 |
| Retail costs | 2,858 | 40,322 | 40,826 | 84,006 | 2,163 | 86,189 | 74,371 |
| Total | 573,155 | 1,460,959 | 456,046 | 2,490,160 | 152,092 | 2,642,252 | 2,588,050 |

| | | | | | | | |
|--------------|---------|-----------|---------|-----------|---------|--|-----------|
| 2016 – Total | 488,425 | 1,425,969 | 512,712 | 2,427,106 | 160,944 | | 2,588,050 |
|--------------|---------|-----------|---------|-----------|---------|--|-----------|

Notes forming part of the Financial Statements (continued)

5. Governance costs

| | Direct Stg£ | Support costs (see note 6) Stg£ | 2017 Stg£ | 2016 Stg£ |
|-----------------------------|----------------|---------------------------------------|---------------|--------------|
| Staff costs | – | 33,353 | 33,353 | 30,218 |
| Legal and professional fees | 18,609 | 175 | 18,784 | 18,854 |
| Office and other costs | 16,972 | 13,161 | 30,133 | 31,391 |
| Total | 35,581 | 46,689 | 82,270 | 80,463 |
| 2016 – Total | 32,752 | 47,711 | | 80,463 |

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 Stg£ | Policy, Advocacy & Campaigning Stg£ | Governance Stg£ | Fundraising Stg£ | 2017 Total Stg£ | 2016 Total Stg£ |
|----------------------------|--------------------------------|----------------------------------------------|--------------------|---------------------|--------------------|--------------------|
| Administration and finance | 143,594 | 69,219 | 46,689 | 126,901 | 386,403 | 398,597 |
| Other support costs | 143,690 | 55,104 | – | 25,191 | 223,985 | 233,776 |
| Total support costs | 287,284 | 124,323 | 46,689 | 152,092 | 610,388 | 632,373 |
| 2016 – Total | 295,844 | 127,874 | 47,711 | 160,944 | | 632,373 |

7. Other Information

| | 2017 Stg£ | 2016 Stg£ |
|-----------------------------------------------------------------|--------------|--------------|
| The surplus for the year is after charging the following items: | | |
| Depreciation of tangible fixed assets | 33,287 | 30,967 |
| Auditor’s remuneration (including expenses) | 17,000 | 18,000 |
| Direct reimbursement of expenses to Trustees | 1,652 | 635 |
| Payments under operating leases for premises | 125,547 | 95,302 |

Notes forming part of the Financial Statements (continued)

8. Staff

(a) Numbers and costs

The aggregate payroll costs of employees were as follows:

| | 2017 Stg£ | 2016 Stg£ |
|----------------------|------------------|--------------|
| Wages and salaries | 2,092,114 | 2,053,134 |
| Social welfare costs | 200,876 | 185,508 |
| Other pension costs | 118,344 | 117,637 |
| | 2,411,334 | 2,356,279 |

Other pension costs include employer contributions to individual staff member pension schemes of £73,073 (2016: £74,474) as well as the cost of insurance policies that provide benefits in the event of the death or ongoing incapacity of staff members totalling £45,251 in 2017 (2016: £43,163).

The staff numbers and costs reflected above include 28 staff (2016: 20), 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 £442,081 (2016: £338,369), 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 24 of the annual report) amounted to £450,593 in 2017 (2016: £468,048).

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

| | 2017 No. | 2016 No. |
|----------------|-------------|-------------|
| Management | 7 | 8 |
| Development | 11 | 7 |
| Marketing | 54 | 50 |
| Administration | 5 | 5 |
| | 77 | 70 |

(b) Salary range

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

| | 2017 No. employees | 2016 No. employees |
|--------------------|-----------------------|-----------------------|
| £60,001 to £70,000 | 2 | – |
| £70,001 to £80,000 | 2 | 2 |

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. Contributions to defined contribution schemes amounted to 7.5% of salary in 2017 (2016: 7.5%). No contributions were made to defined benefit schemes for employees.

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 £3,134 (2016: £3,169) 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.

Concern (UK) has a programme in place whereby the Trustees periodically visit a Concern Worldwide country of operation in order to ensure that they are familiar with our work on the ground. The costs of these visits (which comprise medicals, visas, economy flights and basic accommodation) are generally borne by the charity and in 2017 amounted to £7,273 (2016: £2,968) for six members (2016: 3).

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 | 253,206 | 357,114 | 322,781 | 933,101 |
| Additions in year | 62,957 | 55,630 | 1,438 | 120,025 |
| At end of year | 316,163 | 412,744 | 324,219 | 1,053,126 |
| Depreciation | | | | |
| At beginning of year | 137,793 | 228,019 | 320,151 | 685,963 |
| Charge for year | 9,485 | 21,506 | 2,296 | 33,287 |
| At end of year | 147,278 | 249,525 | 322,447 | 719,250 |
| Net book value | | | | |
| At 31 December 2017 | 168,885 | 163,219 | 1,772 | 333,876 |
| At 31 December 2016 | 115,413 | 129,095 | 2,630 | 247,138 |

10. Debtors and prepayments

| | 2017 Stg£ | 2016 Stg£ |
|------------------------------------------------------|------------------|------------------|
| Amounts due from governments and other co-funders | 3,114,620 | 4,079,706 |
| Amounts due from Disasters Emergency Committee (DEC) | 407,238 | 906,855 |
| Gift Aid receivable | 810,146 | 600,385 |
| Sundry debtors | 64,919 | 94,361 |
| Prepayments | 17,159 | 26,894 |
| Amount due from parent company | – | 1,935,915 |
| | 4,414,082 | 7,644,116 |

- (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

| | 2017 Stg£ | 2016 Stg£ |
|------------------------|--------------|--------------|
| Funds held in UK banks | 3,380,312 | 762,099 |

Notes forming part of the Financial Statements (continued)

12. Creditors: amounts falling due within one year

| | 2017 Stg£ | 2016 Stg£ |
|------------------------------------------------------|------------------|------------------|
| Trade creditors | 260,870 | 2,152,498 |
| Amounts advanced by governments and other co-funders | 1,751,362 | 1,537,267 |
| Accruals | 246,488 | 178,731 |
| Bank overdraft | 2,470 | 2,671 |
| Amount owed to parent company | 2,234,116 | – |
| | 4,495,306 | 3,871,167 |

- (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 2016 £Stg | Movement during the year | Closing Balance 2017 £Stg |
|----------------------------------------------------------------|------------------------------------|--------------------------------|------------------------------------|
| Amounts due from governments and other co-funders (note 10) | 4,079,706 | (965,086) | 3,114,620 |
| Amounts due from Disasters Emergency Committee (DEC) (note 10) | 906,855 | (499,617) | 407,238 |
| Amounts advanced by governments and other co-funders (note 12) | (1,537,267) | (214,095) | (1,751,362) |
| | 3,449,294 | (1,678,798) | 1,770,496 |
| Analysis of movement: | | | |
| Cash received during the year | | | (28,975,136) |
| Income earned during the year | | | 27,296,338 |
| | | | (1,678,798) |

14. Funds

(a) Reconciliation of funds

| | Restricted Funds Stg£ | Unrestricted Funds Stg£ | Total 2017 Stg£ | Total 2016 Stg£ |
|------------------------------------|-----------------------------|-------------------------------|-----------------------|-----------------------|
| Total funds at beginning of year | 1,244,568 | 3,537,618 | 4,782,186 | 4,613,015 |
| Net movement in funds for the year | 401,792 | (1,551,014) | (1,149,222) | 169,171 |
| Total funds at end of year | 1,646,360 | 1,986,604 | 3,632,964 | 4,782,186 |

Notes forming part of the Financial Statements (continued)

(b) Movements in funds

| | Opening balance 1 January 2017 | Income | Expenditure | Transfers | Closing balance 31 December 2017 | |
|---------------------------------|--------------------------------------|------------------|-------------------|---------------------|-------------------------------------------|------------------|
| | Stg£ | Stg£ | Stg£ | Stg£ | Stg£ | |
| Restricted funds | | | | | | |
| Afghanistan | 44 | 1,056,919 | (1,056,963) | – | – | |
| Bangladesh | 19,714 | 924,070 | (917,664) | – | 26,120 | |
| Burundi & Rwanda | – | 418,238 | (418,238) | – | – | |
| Central African Republic | – | 21,948 | (21,948) | – | – | |
| Chad | 187,817 | 961,630 | (1,069,174) | – | 80,273 | |
| DPR Korea | – | 27,501 | (27,501) | – | – | |
| DR Congo | – | 2,552,102 | (2,302,103) | – | 249,999 | |
| Ethiopia | 12,532 | 556,016 | (512,172) | – | 56,376 | |
| Haiti | 2,752 | 11,710 | (14,462) | – | – | |
| Kenya | – | 1,176,646 | (1,073,127) | – | 103,519 | |
| Lebanon | – | – | – | – | – | |
| Liberia | 1,363 | 392,324 | (61,879) | – | 331,808 | |
| Malawi | – | 812,025 | (530,775) | – | 281,250 | |
| Mozambique | – | 974,785 | (974,785) | – | – | |
| Nepal | 607,965 | 48,459 | (418,364) | – | 238,060 | |
| Niger | 59,896 | 184,475 | (244,371) | – | – | |
| Pakistan | 14,895 | 1,302,614 | (1,317,509) | – | – | |
| Philippines | – | 614 | (274) | – | 340 | |
| Republic of Sudan | 44,869 | 1,529,699 | (1,574,567) | – | 1 | |
| Sierra Leone | 231,284 | 1,306,082 | (1,537,366) | – | – | |
| Somalia | 25,000 | 9,843,438 | (9,702,588) | – | 165,850 | |
| South Sudan | – | 1,075,002 | (1,075,002) | – | – | |
| Syria/Iraq | – | 406,975 | (406,974) | – | 1 | |
| Turkey | – | 598,422 | (598,422) | – | – | |
| Uganda | 3,347 | 52,975 | (56,322) | – | – | |
| Yemen | 33,090 | 340,403 | (260,730) | – | 112,763 | |
| Zambia | – | 1,040,057 | (1,040,057) | – | – | |
| HQ Projects | – | 1,815,620 | (1,815,620) | – | – | |
| Total restricted funds | (i) | 1,244,568 | 29,430,749 | (29,028,957) | – | 1,646,360 |
| Unrestricted funds | | | | | | |
| General funds | (ii) | 2,048,061 | 4,947,495 | (6,498,509) | (97,047) | 400,000 |
| Designated funds: | | | | | | |
| Tangible fixed asset fund | (iii) | 250,945 | – | – | 82,339 | 333,284 |
| Programme continuity fund | (iv) | 1,238,612 | – | – | 14,708 | 1,253,320 |
| Total unrestricted funds | | 3,537,618 | 4,947,495 | (6,498,509) | – | 1,986,604 |
| Total funds | | 4,782,186 | 34,378,244 | (35,527,466) | – | 3,632,964 |

Notes forming part of the Financial Statements (continued)

14. Funds (continued)

(b) Movements in funds (continued)

The funds carried forward at 31 December 2017 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 2017 are represented by: | | | |
| Tangible fixed assets | – | 333,876 | 333,876 |
| Current assets | 1,772,866 | 6,021,528 | 7,794,394 |
| Current liabilities | (126,506) | (4,368,800) | (4,495,306) |
| | 1,646,360 | 1,986,604 | 3,632,964 |

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 £73,093 (2016: £74,474). An accrual of £11,770 (2016: £8,491), in respect of pension costs is included in creditors at 31 December 2017.

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 2017 Concern (UK) provided total funds of £32,104,868 (2016: £22,524,054) 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 £27,542 (2016: £37,725). Concern (UK)'s Executive Director is a trustee of the DEC. Concern (UK)'s income in the year included £407,238 (2016: £265,230) receivable from DEC appeals.

Notes forming part of the Financial Statements (continued)

17. Commitments and contingencies

- (a) The 2018 Annual Plan, as approved by the Trustees, allows for overseas expenditure in 2018 of £15,635,295. 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.
- (b) The total future minimum lease payments under non-cancellable operating leases in respect of premises for use by the charity:

| | 2017 Stg£ | 2016 Stg£ |
|------------------------------------------------------------|-----------|-----------|
| Payable on leases in which the commitment expires within : | | |
| – one year | 135,802 | 95,302 |
| – two to five years | 543,208 | 381,208 |
| – more than five years | 366,436 | 191,488 |
| | 1,045,446 | 667,998 |

- (c) During 2017 Concern (UK) was the lead agency in 6 consortia of non governmental organisations (2016: 6), 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 (2016: £57.3 million). Of this amount £24.4 million is expected to be spent by Concern (UK) (2016: £24.4 million) and the balance will be utilised by the other consortia members.

In 2017, expenditure on these grants and contracts totalled £14.2 million (2016: £11.6 million). Of this amount £8.4 million (2016: £6.3 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 | 1,887,561 | 6,237,072 | (7,998,127) | 126,506 |

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 2017 financial statements or inclusion of a note thereto.

21. Approval of financial statements

These financial statements were approved by the Board on 23 April 2018.

Appendix (not forming part of the financial statements)
Expenditure on charitable activities by country

In order to achieve its mission, Concern Worldwide (UK) supports the overseas programmes of Concern Worldwide. During 2017 Concern (UK) funded Concern Worldwide operations in the following countries:

| | 2017 Stg£ | 2016 Stg£ |
|---------------------------------------|--------------|--------------|
| Afghanistan | 1,525,833 | 1,005,407 |
| Bangladesh | 926,742 | 858,849 |
| Burundi & Rwanda | 359,003 | 117,380 |
| Central African Republic | 197,893 | 212,445 |
| Chad | 1,366,043 | 1,285,746 |
| DPR Korea | 65,494 | 110,421 |
| DR Congo | 2,607,883 | 1,808,368 |
| Ethiopia | 643,342 | 300,344 |
| Haiti | 235,273 | 279,847 |
| Kenya | 1,119,958 | 2,049,124 |
| Lebanon | 112,504 | 19,414 |
| Liberia | 226,388 | 205,161 |
| Malawi | 833,162 | 348,633 |
| Mozambique | 1,467,308 | 1,217,865 |
| Nepal | 420,866 | 434,727 |
| Niger | 376,259 | 188,905 |
| Pakistan | 1,432,327 | 964,222 |
| Philippines | 152 | – |
| Republic of Sudan | 1,574,540 | 1,803,416 |
| Sierra Leone | 1,641,067 | 2,519,163 |
| Somalia | 9,660,855 | 3,144,297 |
| Sudan South | 1,440,361 | 1,373,304 |
| Syria / Iraq | 407,498 | – |
| Turkey | 723,067 | 780,200 |
| Tanzania | – | 40,102 |
| Uganda | 367,688 | 132,605 |
| Yemen | 240,451 | – |
| Zambia | 1,259,018 | 808,723 |
| HQ Projects | 412,357 | 515,386 |
| Total direct overseas programme costs | 31,643,332 | 22,524,054 |
| Support costs | 287,284 | 295,844 |
| Total overseas programme costs | 31,930,616 | 22,819,898 |
| Policy, Advocacy and Campaigning | 872,328 | 841,333 |
| Governance | 82,270 | 80,463 |
| Total restricted funds | 32,885,214 | 23,741,694 |



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 individuals, organisations, trusts and foundations who have helped us achieve so much in 2017.

BP McKeefry Trust
Bliss Family Charity
Brian Woolf Trust
Capital Group
Carmela & Ronnie Pignatelli Foundation
Classic Marble
Cotton Trust
Evan Cornish Foundation
Grace Trust
Greendale Charitable Foundation
Grent Trust
Hugh Symons Charitable Foundation
Jane Hodge Foundation
Jersey Overseas Aid Commission
Klaus and Gertrud Conrad Foundation
Linda Norgrove Foundation
Make My Day Better
Milton Damerel Trust
Richard and Anne King Charitable Trust
Stanley Thomas Johnson Foundation
Stavros Niarchos Foundation
The Anna Rosa Forster Charitable Trust
The Fulmer Charitable Trust

Care Group Volunteers from Kirundo who carry out regular childhood screening programmes and promote breastfeeding, good nutrition, food preparation and hygiene practices.

Photographer: Chris de Bode/Panos Pictures for Concern Worldwide/Burundi/2017

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Concern Worldwide (UK) registered charity numbers
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Charitable company limited by guarantee, registered in
England and Wales under company no. 4323646.

