



Concern Worldwide (UK)
Annual Report
and Accounts 2018

CONCERN
worldwide





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Cover image: Clotilde with her daughter Ines at their home in Cibitoke, Burundi. Clotilde is among more than 55,000 families to benefit from health and nutrition advice and support from Concern.

Photograph: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/Burundi/2018

Left: Dina* has received seeds and tools from Concern as part of an agricultural programme in the Chars, Bangladesh.

Photograph: Jennifer Nolan/Concern Worldwide/Bangladesh/2018

*Names have been changed to protect the identity of the individuals.

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.

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 8-23.

The description of this overseas work has been adapted from the Concern Worldwide 2018 Annual Report.

Right: Kevin with the tippy tap his family has installed at their home in Cibitoke, Burundi.

Photograph: Abbie Trayler-Smith /Panos Pictures for Concern Worldwide/ Burundi/2018





A message from the Chair of Trustees



2018 was a milestone year for us as we marked 50 years since Concern Worldwide's formation in response to the enormous humanitarian needs in Biafra, Nigeria, as a result of the war there. Since those early days, we have gone on to help millions of highly vulnerable people facing unimaginable

hardships and crises in some of the world's toughest, most unstable and fragile nations. In 2018, Concern positively impacted 24.2 million people in 25 countries.

We marked our 50th in the UK with two special events, each of which highlighted different aspects of our work and gave us an opportunity to reflect on our strengths and achievements.

In London at an event hosted by the Irish Embassy, Concern's specialism in the field of hunger and emergency response was evident and valued by policy makers, civil society and our peers.

At our event at Stormont in Belfast, I was left with an abiding sense that people are at the heart of what we do and that it is the actions of dedicated individuals that enable us to do what we do.

We had the privilege of meeting committed supporters who have been tirelessly collecting money in towns across the country for decades. We were introduced to volunteers who devote a whole day each week to assist in our second-hand shops, which have raised in the region of £2.5 million through the years. We heard from a student and teacher whose local school has been faithfully taking part in the Concern one-day FAST every year for 28 years and

raised £190,000. Then there were the 11-year-old and nine-year-old sisters who cleared snow from their neighbours' driveways and baked buns to raise £153.

All of these individuals show us that community involvement and engagement are woven into our day-to-day work – and make our work possible.

At that same event, we heard Concern's inspirational founder John O'Loughlin Kennedy recount how he and wife Kay first gathered a small group of friends together in their Dublin home to consider what they could do to help millions of people facing starvation 6,500 kilometres away in Biafra. Driven by the imperative to act, John, Kay and their friends remained determined not to let the scale of the need overwhelm them, or to become indifferent or give in to despair. It was their collective resolve to do all they could that led to tens of thousands of lives being saved – and to the birth of Concern.

I want to pay tribute to the community of like-minded people who continue to give selflessly of their time and efforts to support Concern and those we reach. Imbued with values of belonging, solidarity, reciprocity and empowerment, their actions contribute significantly to the wellbeing of others and help to create a better world. The power and potential they have to make a difference are immeasurable, and – half a century on – remain an important force for good in our world.

Thank you to all our supporters.

A handwritten signature in black ink, appearing to read 'Donald Workman'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Donald Workman
Chair

A message from the Executive Director



When 40-year-old widow Tayma fled to Bangladesh, after soldiers brutally attacked her village in Myanmar, she lost her home and all her belongings.

When we met her, she was one of ten thousand Rohingya women to receive a simple but potentially life-

transforming dignity kit from Concern – the kit consisted of a solar torch, shawls, soap, underwear and sanitary pads, among other things. As well as providing the essentials for personal hygiene and protection, these items are a first step to helping preserve the dignity of vulnerable women like Tayma living in overcrowded displacement camps.

Tayma's story is typical of how Concern (UK) has worked effectively in 2018, along with the Disasters Emergency Committee (DEC) and the UK Department for International Development (DFID), to provide a lifeline for communities around the world facing the devastating consequences of conflict, violence and displacement, and the impact of natural disasters.

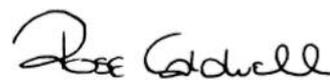
That much-needed support amounted to £15.3 million in 2018 from institutional funders in the UK. This was a significant but anticipated drop in income, due to a reduction in emergency funding and strategic decisions to finish operations in several countries. The funding that we did secure enabled us to tackle childhood malnutrition and rebuild livelihoods in Bangladesh. It helped us provide clean water for hundreds of thousands of people in Yemen, and to assist vulnerable communities to mitigate against drought and the predicted effects of climate change in Afghanistan and the Democratic Republic of Congo.

Last year, despite an uncertain and challenging social and political landscape in Britain and Northern Ireland, donations from the UK public totalled £6.8 million. Such a generous and affirming response to our work enabled Concern (UK) to support vital food security programmes in the Central African Republic and Ethiopia, and improve water sanitation in northern Kenya, and provide shelter for Syrian refugees in Lebanon.

Hunger and nutrition have remained the primary focus of our advocacy work in the UK in 2018. During the year, we campaigned for greater investment in tackling hunger in countries with the highest levels of malnutrition, particularly those affected by conflict. We believe that the UK government has a major role to play in securing greater support for nutrition ahead of the 2020 Global Nutrition Summit in Japan. Concern (UK) also advocated strongly for the need to help communities build resilience to crises and respond more quickly to disasters.

Underlining our commitment to do everything in our power to protect our staff and beneficiaries, Concern (UK) worked to strengthen our safeguarding practices in 2018 and successfully completed a DFID safeguarding review.

Our achievements over the year would not have been possible without the extraordinary trust and confidence you - our supporters and donors – place in us. It is because of your help and commitment that people like Tayma have the opportunity to regain the dignity, respect and protection they rightfully deserve. That is something I am immensely proud of and for which I am hugely grateful.

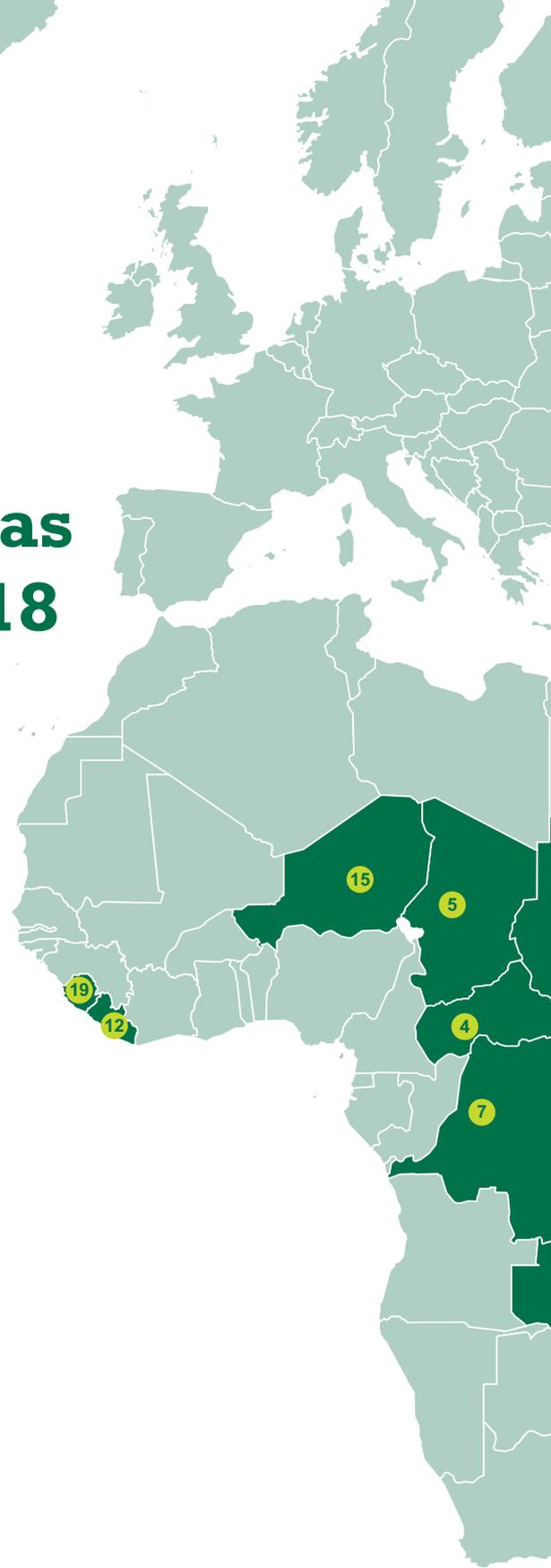


Rose Caldwell
Executive Director

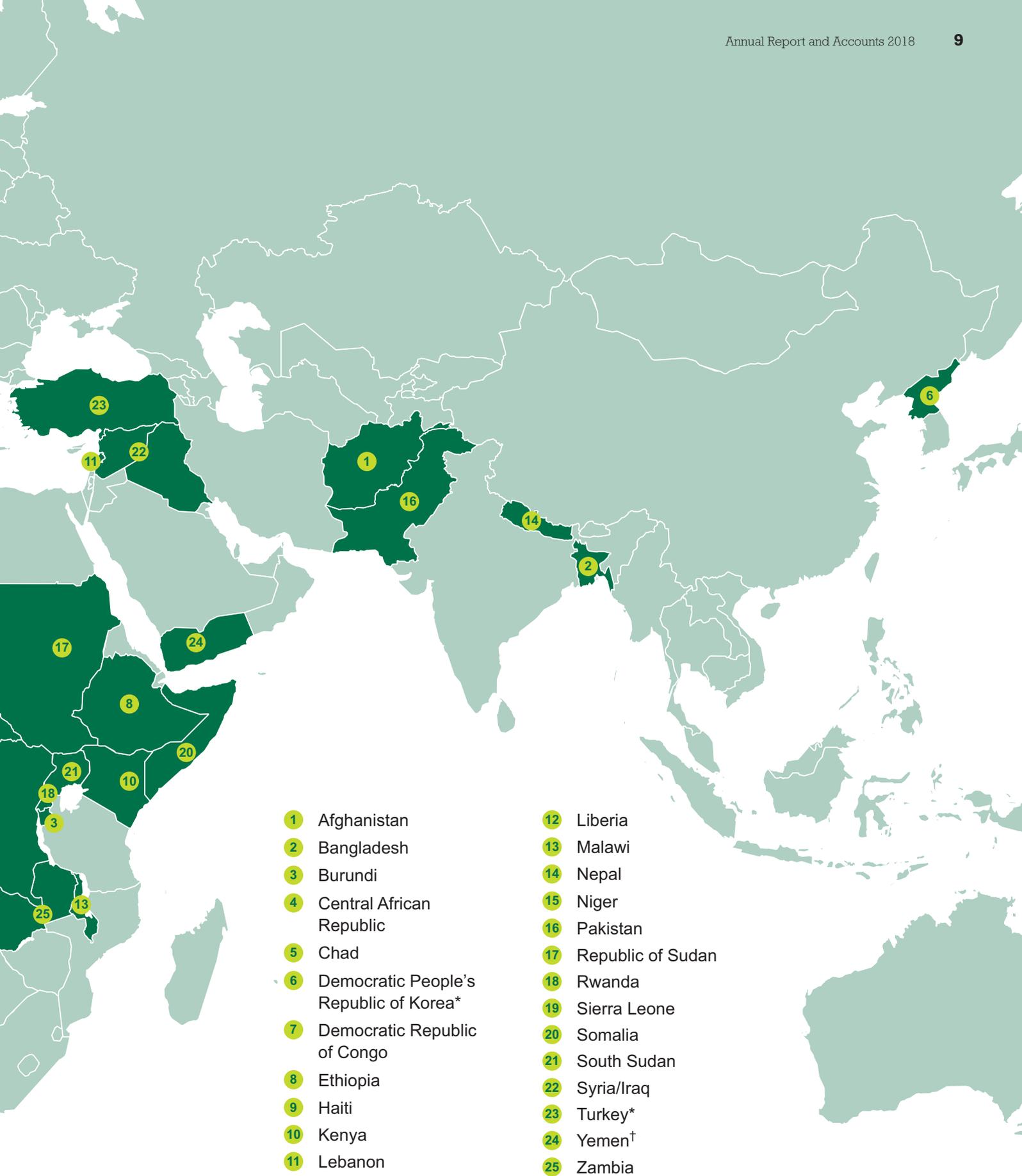
Our overseas work in 2018

In 2018 Concern reached approximately 24.2 million people* in 25 of the world's poorest and most vulnerable countries. Our work spans five main areas, emergencies, livelihoods, health, education and integrated programmes.

Concern (UK) contributed funds to work in 23 of these countries.



*A person is reached directly when he or she has received supplies, services, treatment or support from Concern, or has participated in training or education activities. A person is reached indirectly when his or her life is enhanced through the impact of Concern's programme on the wider community.



* Concern (UK) didn't contribute funds to country during 2018

† Working through our Alliance2015 partner, ACTED.

Emergency Response

In 2018, we responded to 66 emergencies in 20 countries, reaching over four million people directly and 7.6 million indirectly, six million of whom were female.

Many countries in which we work are susceptible to frequent natural disasters and outbreaks of conflict resulting in already vulnerable people losing their homes and livelihoods. In the immediate aftermath of an emergency, we provide life-saving support to families and communities and we then stay to help them get back on their feet, rebuilding livelihoods and infrastructure and working to reduce the risk and impact of future crises.

Respond rapidly in order to save lives and reduce suffering

An outbreak of Ebola took hold in several parts of the **Democratic Republic of Congo** in 2018, the first outbreak in Mbandaka in the north west of the country, followed by another in North Kivu and Ituri Province where cholera was also present. Concern responded to the situation in North Kivu by training 360 health workers on how to diagnose and treat suspected Ebola cases and delivering hygiene kits to approximately 27,300 people. In addition, we reached almost 62,000 people with messaging about the risks of Ebola and cholera.

In late August, **DPR Korea** suffered the devastating effects of Typhoon Soulik which left death and destruction in its wake. In North and South Hwanghae provinces over 10,000 people were affected. We responded to the immediate needs in North Hwanghae supplying over 1,700 hygiene kits, along with water tanks, blankets and warm clothes for children. In addition, we provided approximately 2,000 children in 45 childcare institutions with rice, soybeans and dried vegetables for three months.

In July En Nuhud, a town in West Kordofan, in the **Republic of Sudan**, was hit by flash flooding which destroyed homes and badly affected people's livelihoods, with farmland and livestock lost to the floods. In all over 23,800 people were affected. Concern was the first agency to respond, getting emergency supplies to the stricken community within three days. We also ran health and hygiene awareness campaigns and carried out preventative measures such as disinfection and chlorination which helped ensure there were no incidents of water borne diseases, which often occur after flooding incidents and can result in high rates of illness and death.

Improve access to food, healthcare and water

In **Bangladesh**, the Rohingya refugee crisis continued to be the focus of our emergency programming. Volunteers, screened approximately 49,500 children under the age of five in nine camps each month for signs of severe malnutrition, admitting over 6,140 to our outpatient clinics, where we achieved a cure rate of 97 per cent.

Over 98,000 people affected by conflict in the **Central African Republic** were helped through our emergency programmes. In Kouango sub-prefecture, we supported over 32,700 people who had been displaced, or who had returned to the area, to build up their livelihoods. This included some 3,000 households who received seeds or took part in seed fairs and had training on improved agricultural techniques. A further 1,000 households received fishing kits comprising of fishing nets, thread, buckets and weighing scales, amongst other items.

Prevent and reduce the impact of emergencies

In Akkar, **Lebanon**, we responded to multiple fires in five Informal Tented Settlements which are home to thousands of Syrian refugees. Fifty-six tents and 300 inhabitants, including 160 children, were affected. Recognising the on-going risks from fire, we have provided firefighting equipment and training to vulnerable families.

In **Pakistan** 136 million people, or 40 per cent of the population, are exposed to natural hazards due to a combination of climate change, poor governance and weak infrastructure. In South Punjab, we are building the capacity of 75 villages and seven Union Councils at government and community level to reduce their risk to disaster. The programme reached just under 400,000 people in 2018. Activities included developing disaster management plans, forming and training emergency response teams, constructing 300 disaster resilient hand pumps, 56 water facilities and latrines in communal shelters and delivering 400 training sessions on climate smart agriculture and conservation agriculture.

In Cite Soleil in **Haiti**, Family Emergency Plans were drawn up with 940 households to help them better cope in an area prone to disasters and risks. Emergency intervention teams in three neighbourhoods were created and members trained on disaster risk reduction.



Photograph: Abir Abdullah/Concern Worldwide/Bangladesh/2018

Reshma's* story

Since August 2017, violence against the Rohingya in Myanmar's Rakhine State has forced over 700,000 people – almost half of whom are children – to seek safety in neighbouring Bangladesh. This is now the world's fastest growing refugee crisis.

Reshma and her family fled Myanmar when the military burned her home. 500 villagers fled together, walking for twelve days and then swimming across a river to get to the safety of one of the refugee camps in Cox's Bazar.

When Reshma's sister died during childbirth, the mother of six adopted her niece. Nine-month-old

Tahira* was severely malnourished, but she's put on almost a kilo and a half since she started receiving treatment at one of Concern's nine Nutrition Outpatient Therapeutic Programme centres. Reshma said the help she has received from Concern means that her adopted daughter's health is improving daily.

"After I adopted Tahira, I had to rely on powdered milk for her. But it was difficult to afford. She became malnourished and was admitted to hospital. The help we're getting from Concern means that the baby's health is improving. Her appetite is increasing and she is gaining weight."

*Names have been changed to protect the identity of the individuals.



Above: Gerard with his new hoe that was bought with profits made from his small shop, that he was able to set up as a result of support and investment from Concern's Graduation Programme.

Photograph: Abbie Trayler-Smith / Panos Pictures for Concern Worldwide/Burundi/2018

Livelihoods

In 2018, we improved the food security and livelihoods of approximately 1.5 million people directly and three million indirectly. Of these, 2.3 million were female.

People living in extreme poverty struggle to earn enough to ensure that their families have sufficient food to eat, get adequate health care and an education. Our livelihoods programmes aim to give them the tools to ensure they are able to earn a sustainable living, helping them to learn new skills, improve the productivity and nutritional value of their crops and set up small businesses to generate more income.

Reduce hunger

In **Sierra Leone**, where the repercussions of the 2014 Ebola outbreak continue to affect livelihoods, we worked with over 4,000 of the most vulnerable households to help improve food production, reduce post-harvest food loss and increase income. Some 685 new beneficiaries joined the programme in 2018. We established and trained nine new Farmer Field School groups, improving farming practices. Eight grain stores were built or rehabilitated, five rice milling machines were installed, 13 culverts were completed and 18 kilometres of road rehabilitated to link farmers to traders.

Through a range of projects, including cash-for-work, seed distributions, agricultural training and animal disease control, over 10,600 vulnerable people in **Afghanistan** are now better able to earn a living and cope if their circumstances become more difficult.

Over 1,900 households in **DPR Korea** were supplied with vegetable seeds, pesticide sprayers, plastic sheets and shovels to make kitchen gardens. Between April and October each household produced an average of 350 kilos of vegetables.

Strengthen our social protection programming, work skills and support systems

Opportunities for paid work for Syrian refugees in **Lebanon** are limited – they are allowed to work in only three sectors: construction, agriculture and environment. We supported nearly 5,000 people to earn a sustainable income by helping them to establish small businesses such as cheese making and carpentry, and learn new skills that can be used in the future. Most of the income they earn is spent in local shops and businesses thereby benefiting the economy of the whole region.

In five districts in **Syria** we are working with vulnerable conflict affected communities both to address their immediate food needs and to increase their opportunities to find work. We reached just over 38,500 people in 2018. Food vouchers were distributed 12 to just over 3,900 households, 1,874 families took part in cash for work schemes and 498 people received vocational training in activities such as carpet weaving, sewing and mobile phone repair. After training, and depending on location and skill, 70 – 90 per cent of the vocational training participants had found work.

Promote graduation to economic productivity

Over 3,000 households in **Burundi** and a further 1,300 in **Rwanda** were supported through our Graduation programme. This follows a staged approach to supporting extremely poor people to learn a range of skills, gain knowledge and take part in activities that increase their capacity to earn a living and move out of poverty and hunger. In a survey conducted in 2018, the number of months that families taking part in the programme struggled to meet their minimum daily food requirements (a 'hunger gap') decreased in Rwanda from 3.91 in 2017 to 2.31 in 2018 and in Burundi from 4.02 to 2.41.



Our Graduation programme in **Malawi** is the first of its kind in the country and has generated huge interest from a number of stakeholders, including the government who have asked Concern to contribute to the development of the Malawi Social Support Programme. At the community level, the programme, now in its second year, has made a significant impact on programme participants. The households so far involved in the programme have seen an appreciable decrease in poverty levels – they have been able to send their children to school, buy livestock, improve their homes, have a more varied diet and start saving money. More than 23,190 people were reached through the Graduation programme in 2018.

Strengthen our climate smart agriculture programme

In **Chad**, where the effects of climate change, including erratic rainfall patterns, droughts and flash floods have devastating effects on the most vulnerable people, we have set up environmental committees in 26 villages. They, in turn, have spread messages about how to protect the environment to an estimated 1,200 people in their communities.

We also trained six groups of women (42 women in total) to construct fuel efficient stoves which use less firewood and therefore place less pressure on the environment. The women reported that they now used half as much firewood as previously, and that interest from other women in the community has resulted in 71 more stoves being built.

The impact of climate change continues to be a threat in **Liberia**, with the rural poor being particularly vulnerable. We supported 30 smallholder farmer groups (900 individuals) with gardening tools, seeds and hands-on training about climate smart agriculture to establish demonstration plots so they could test different farming techniques and choose the one that would work best for them.

Violette's story

The cash transfers and skills training received by Violette Bukeyenez as part of Concern's Graduation programme have enabled her to build a business, all while raising 11 children by herself.

Over a period of up to three years, the Graduation programme helps to move vulnerable households out of extreme poverty by supporting families through a series of cash grants, skills training and coaching to help build a sustainable livelihood.

Violette started by selling bananas and now has five goats, one cow and one pig. She also has a kitchen garden and grows coffee beans, beans, maize, onions, amaranth and bananas, with plans to plant even more beans and cassava. She has also started a small business with a neighbour, selling vegetables to other families.

With her earnings, she has been able to afford household items and her children can go to school too, and have uniforms, schoolbooks and stationary. Violette even offers loans to her neighbours. She says: "You will see that I have changed, I have food to feed my family, I can get money from renting land, not from working for others. I work for myself".

Prior to the Graduation programme, Violette and her children could spend a whole day without food. They frequently visited the Nutrition Health Centre due to poor nutrition. Now however, they enjoy three meals a day and everyone is healthy.



Left and above: Abbie Trayler-Smith/Panos Pictures for Concern Worldwide/Burundi/2018



Above: A health care worker screens a child for malnutrition in Niger.
Photograph: Darren Vaughan/Concern Worldwide/Niger/2018

Health

In 2018, our health programmes reached over 9.2 million people of whom almost three million were direct beneficiaries. Five million were female.

The communities we work with around the world are often unable to get the help they need to prevent suffering from under-nutrition and preventable diseases. To help overcome this, we work with local and national governments to strengthen healthcare systems and increase access to good healthcare, nutrition, and water and sanitation services.

Prevent under-nutrition and extreme hunger

Concern is recognised as the leading technical agency around Community Management of Acute Malnutrition (CMAM) in **Niger** where malnutrition is persistent due to a range of causes. In Tahoua district, we provided support to 42 Health Centres, 21 Health Posts and two intensive nutritional rehabilitation centres to increase the skills of health workers concerning malnutrition. At the community level, over 18,700 mothers across 201 villages were trained to spot the early signs of malnutrition. Radio messages about good health practices were also broadcast throughout the year. An estimated 706,396 people benefitted from this programme, 64 per cent of whom are under the age of five.

In the Tigray region of **Ethiopia**, over 3,000 women were given seeds, tools and training to practice backyard home gardening so they could diversify both their own and their children's diet to prevent malnutrition. The resulting vegetable and fruit plantations covered over 500 hectares of land and yielded a wide variety of produce including swiss chard, carrots, beetroot, mung beans and bananas.

Strengthen maternal and child health

In **Chad**, where there is a strong socio-cultural barrier to giving birth at a health clinic or bringing sick children to receive treatment, we have conducted training for health centre workers on how to better manage childhood illness and have provided awareness training to traditional birth attendants and community leaders about the importance of people using the clinics. The Annual Household Survey results show that behavioural changes are happening – 38 per cent of people are now taking their child to a health centre within 24 hours of the child becoming sick with fever, an increase of 16 per cent.

Strengthen health facilities

In our urban programme in Nairobi, **Kenya**, we support the Maker Project. Through our partners, the University of Kenya and Kenyatta National Hospital, teams develop innovative and culturally acceptable medical devices to improve the health of mothers, babies and children in extremely marginalised communities. For example, one device in development, the Kneeler, will help mothers to deliver their babies in their traditionally preferred birth positions and has the potential to contribute to improved delivery rates.

Despite working in very challenging circumstances due to security and logistical challenges in the **Central African Republic**, there has been good progress in improving health, nutrition and hygiene behaviours in the communities in which we work. In Boda (Lobaye) sub-prefecture, over 9,280 people were taught good hygiene practices by trained Community Health Volunteers. A final survey in 2018 showed that amongst those surveyed, 87 per cent carried out at least one improved hygiene practice compared to only 46 per cent at the beginning of the project. Hand washing with soap, vital for helping stop the spread of disease, increased by nearly 30 per cent to almost 50 per cent.



Improve access to clean water and sanitation

In Bannu, in northwest **Pakistan**, we reached just under 10,500 people who were either temporarily displaced by on-going conflict or were among the host community with improved access to clean water and knowledge about good hygiene, nutrition and sanitation. As the programme ended, our endline survey showed that access to clean water had improved from 11 litres per person per day to 17 litres, with 100 per cent of respondents being satisfied with the quality of and access to the water. Hand washing with soap at critical times increased from eight to 89 per cent and there was a noticeable decrease in the prevalence of diarrhoeal disease from 83 to eight per cent.

In 12 districts of north east **Syria**, we reached just under 360,000 vulnerable people through a water, sanitation and health programme. This included the rehabilitation and monitoring of 15 water supply systems, the rehabilitation of four sewage systems, carrying out environmental health campaigns, emergency water trucking to four camps and installing 444 water tanks and 145 latrines in 13 camps and centres.

Above: Children drinking water from the water plant system installed by Concern in Pakistan.

Photograph: Black Box Sounds/ Concern Worldwide/Pakistan/2017

Ache's story:

Chad has one of the highest levels of hunger in the world, with around 87 per cent of its population living below the poverty line. This has been exacerbated by widespread conflict and the effects of climate change. Around 40 per cent of children are stunted by chronic malnutrition, and inadequate health services means there are high levels of maternal mortality.

Ache and her family were identified as part of Concern's health programme which uses Community Health Volunteers to monitor and screen for cases of malnutrition in pregnant and breastfeeding mothers. The volunteers are also trained to teach families about the importance of other good health practices to avoid illness and malnutrition, such as using clean drinking water, hand washing and using mosquito nets.

Ache was taught about the importance of practicing exclusive breastfeeding up until her baby was six months. Ache didn't practice exclusive breastfeeding with her first child, and said that she notices a difference – her first child was often ill but her younger child's health is much better, with no signs of malnourishment.

Ache herself was also malnourished when she was pregnant and was treated as part of Concern's malnutrition programme, receiving supplementary flour to improve her own health and ensuring she was healthy enough to feed her baby.



Education

In 2018, our education programmes benefited almost 350,000 people directly and 372,000 indirectly. Over 360,000 were female.

Concern's work in primary education is grounded in the fact that all children have a right to education. We believe that education is one of the best routes out of poverty and we integrate it into both our development and emergency work to give extremely poor children more opportunities in life and support their overall well-being.

Increase school access

Promoting quality education requires a number of inputs at community level, including: having a school close to home to encourage parents to send their children, especially girls, to school; separate latrines for boys and girls; qualified and supportive teachers; parental support; books and notebooks and a safe learning environment. In Takhar Province, in **Afghanistan**, we established or supported 31 community based schools and 32 literacy classes for women, built or renovated sex-separated latrines and recruited or supported 63 teachers, reaching almost 6,500 children, women and men in 22 villages.

Improve learning outcomes

Our education programme 'Let our Girls Succeed' supports girls in Marsabit County in **Kenya** to stay in school beyond primary school. Seventy per cent of the population is illiterate, and of those children who do attend primary school, only 39.5 per cent go on to secondary school. Working through a network of communities, 205 girls in 20 project schools were assisted in 2018, 86 per cent of whom went on to secondary school or to a vocational training centre. Through the project, we also paid the school fees of a further 371 girls from extremely poor families to allow them to attend secondary school.

In Mogadishu, **Somalia**, we supported quality primary education to over 5,500 children. Together with the Ministry of Education, we provided training for 196 teachers and 35 education committees in a number of areas including lesson planning and positive class management techniques. We also procured and distributed 5,000 Somali language reading books for use in literacy lessons and over 28,000 primary school syllabus textbooks.

Provide access to education for children in emergencies

Eighty per cent of Syrian refugee children living in **Lebanon** aged three to five and 77 per cent of those aged 15-17 are not enrolled in school. Our non-formal education programmes reached over 3,000 children giving them the relevant and necessary education to prepare them to enter a formal school for the first time and to prevent students from dropping out.

In **Turkey**, our emergency education programme continued to fill gaps and support Syrian children to receive an education. We provided assistance to 405 children who were already out of school or at high risk of dropping out, giving them materials such as reading glasses, hearing aids and back-to-school support so they could succeed in the classroom. We also enabled 366 children to stop working and go to school by supporting their families with cash grants. The provision of teaching materials, cleaning supplies and furniture to three temporary education centres, helped ensure that almost 1,700 children were able to receive a good quality education in a safe place.



Above: Schoolgirls and teacher at a Concern supported school near Mogadishu, Somalia.
Photograph: Marco Gualazzini/ Concern Worldwide/Somalia/2017

Integrated Programmes

In 2018, we reached approximately 3.5 million people directly through our integrated programmes, and 6.5 million indirectly. Over 4.7 million were female.

Sadly, communities and individuals remain locked in extreme poverty due to multiple interconnected factors. For that reason, many of our programmes are integrated, bringing together, for example, agriculture and livelihoods with other sectors like water, health and education to tackle the multiple needs of a community in a coordinated way.

In Cite Soleil, a marginalised urban area in Port-au-Prince, **Haiti**, gang violence, conflict and a lack of opportunities combine to keep people locked in poverty. Our programme to create livelihoods and to tackle conflict reached almost 10,000 people, including 400 who completed life skills training to help them either start their own business or to enter a vocational training programme. Around 240 gang members and eight neighbourhood committees received training on peaceful conflict management, and a further 181 young people took part in training on behaviour change.

Our emergency response programme across five regions of **Somalia/Somaliland** provided a fully integrated response to drought, floods and displacement reaching almost 186,000 affected people. Lifesaving help for internally displaced and other marginalised groups included providing: cash payments to buy food; household items to improve shelter and hygiene; access to clean, safe water; emergency education services for their children; and the provision of health services.

In **Liberia**, where 32 per cent of children under five suffer from chronic malnutrition, we are working with 120 communities to reduce levels of childhood illness and death. In 2018, we reached over 14,500 people directly through projects which included: training 91 groups of mothers and carers about nutrition and supporting kitchen gardens; establishing 58 savings and loans associations; constructing 43 hand pumps; and establishing and training 68 village committees on the sustainable management and use of water resources.

In Northern Bahr el Ghazal in **South Sudan**, we are working to improve the health and nutrition of vulnerable women and children through integrated programmes that focus on health, nutrition, livelihoods and building community resilience to shocks such as flooding or erratic weather. In 2018, the programme reached over 250,000 people with activities that included support to 49 health facilities with nutrition services and training Ministry of Health staff on community management of acute malnutrition and infant and child nutrition. We also established mobile units to get to remote communities - they were able to treat over 16,000 children who otherwise might not have been reached.

We reached over 22,000 vulnerable Syrian refugees in **Turkey** through our protection programme which helps them to manage better the burdens that life as a refugee imposes. The programme includes psychosocial support, the delivery of information sessions to refugees on their rights and obligations, and referral to additional services. In 2018 we also began implementing a protection support programme for out-of-school children and others at high risk of dropping out to ensure they are better equipped, from a well-being perspective, to enter the Turkish school system. Over 300 children attended a 12-week course covering areas such as identity, stress management, interpersonal relations and rights and responsibilities.



Above: Lamartinière Rose-Laure is part of a professional skills training course, part of an integrated urban programme in Cité Soleil, Port au Prince.
Photograph: Kieran McConville/Concern Worldwide/Haiti/2018

How we work

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

How we measure success and learn from our programmes

Concern 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 and provide us with key learnings. This requires that we monitor all programmes to ensure that the required changes are happening which will eventually lead to 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. We conduct interim reviews and 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 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



Above: Farmers in the village of Sabon Kalgo in Niger have harvested their first crop of short season millet, from seeds distributed by Concern.

Photograph: Darren Vaughan/Concern Worldwide/Niger/2018

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 and working in consortia. 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, the START network, several BOND (the UK network for organisations working in international development) working groups and the Scaling Up Nutrition movement. In 2018 we strengthened our partnership with the charity Penny Appeal, working with them on preparations for their Ramadan 2019 appeal under DFID's UK Aid Match scheme, which will secure DFID funding for Concern's work in northern Kenya on child health and nutrition services. In the academic arena, we collaborate closely with Tufts University, the Institute for Development Studies and the University of Sussex.

Safeguarding

Maintaining the safety and protection of the communities with whom we work and of our staff is of primary importance to Concern. 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 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 have the Concern Code of Conduct (CCoC), and Associated Policies i.e. Programme Participant Protection Policy (P4), Anti-Trafficking of Persons Policy and Child Safeguarding Policy. These policies were reviewed in 2018 and a comprehensive roll out of the updated policies was delivered to all our staff who were asked to recommit to upholding them. These policies are reflected in all aspects of our daily work and set 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 above policies. All complaints are investigated, following established investigation guidelines, and where substantiated, disciplinary action is taken, up to and including dismissal.

In 2018 we further strengthened our commitment to safeguarding through the establishment of a dedicated Safeguarding Office at our head office led by our Head of Safeguarding, an experienced social worker. This office oversees the implementation of our safeguarding policies and procedures with the aim of ensuring that programme participants, including children, staff, and all who come into contact with Concern's work are protected from any form of exploitation and abuse.

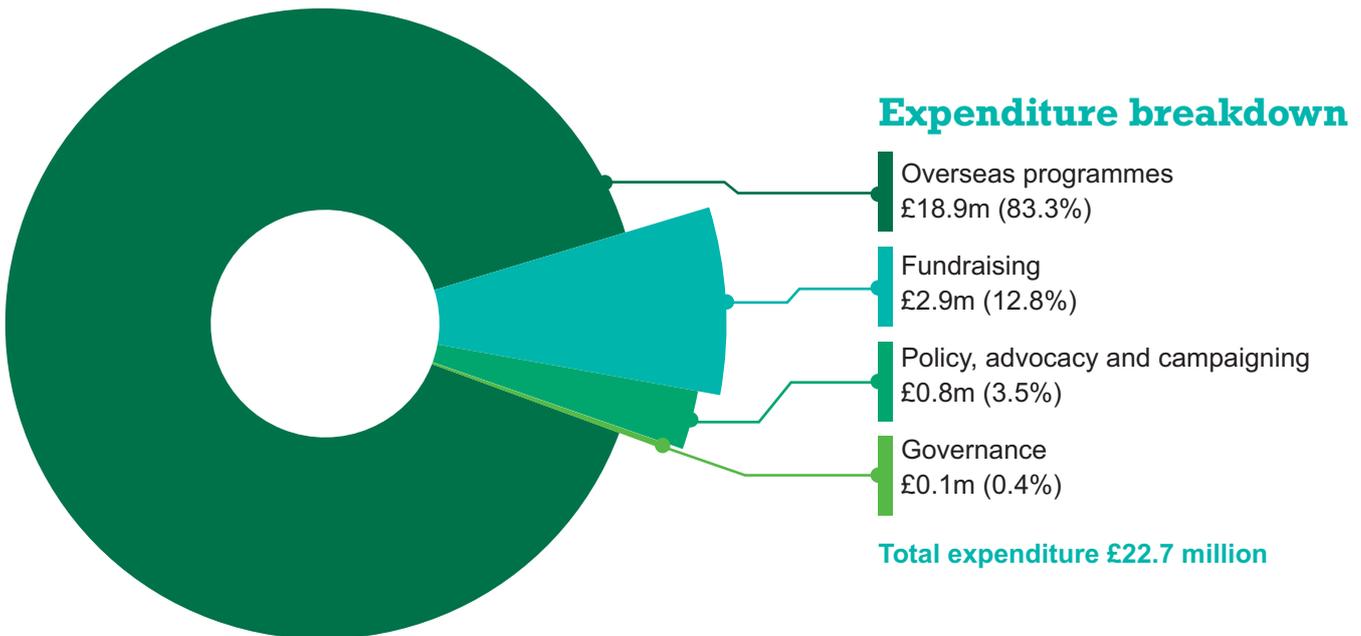
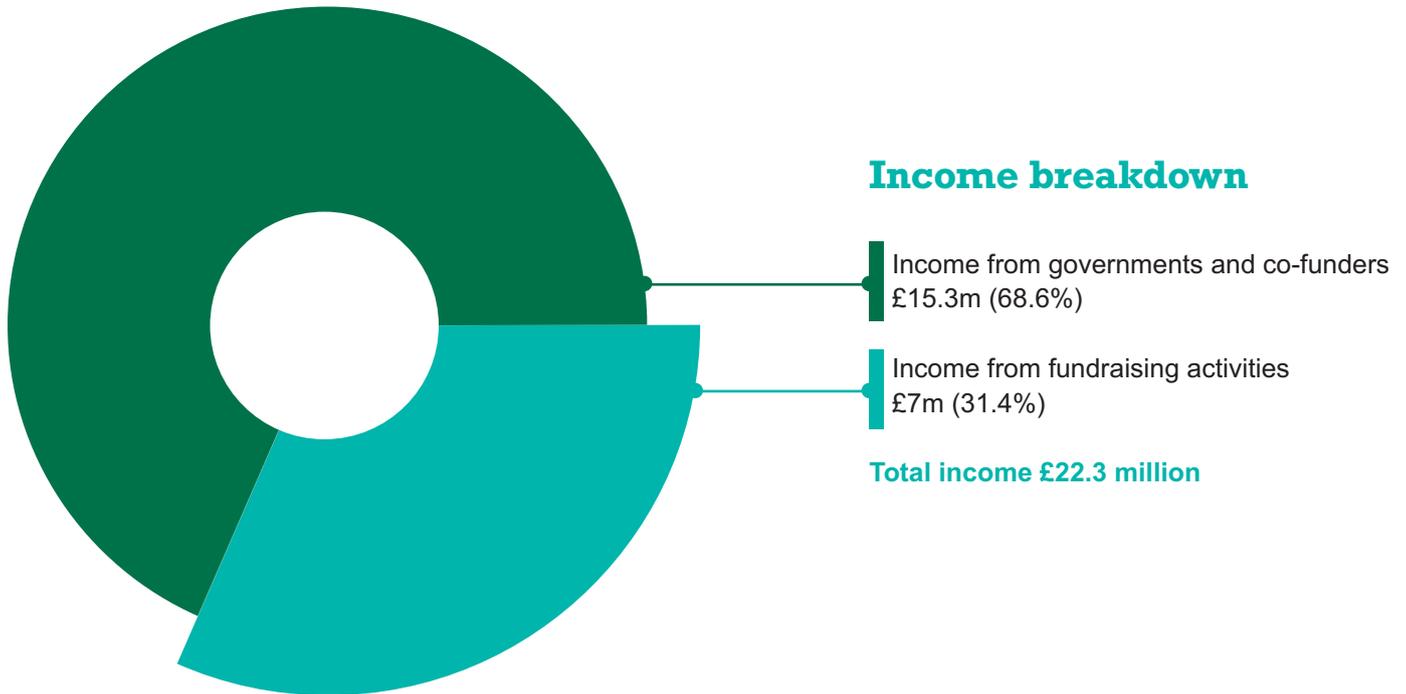
Concern employs a Protection Adviser at our head office and in a number of our programme countries. These advisers have supported and strengthened the integration of humanitarian protection into programming through the development of good humanitarian protection practice and the dissemination and application of the Code of Conduct and Associated Policies throughout the organisation.

At a governance level, safeguarding trustees have been appointed and regular reports on safeguarding are presented at our Board meetings. Concern's CEO has engaged directly with all staff in home and overseas offices to raise further awareness of our safeguarding policies and mechanisms and to encourage greater reporting of incidents.

Concern is a certified member of the Core Humanitarian Alliance. This means that our policies and procedures 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. To this end, members of our Senior Management Teams sit on a number of sector safeguarding working groups both in the UK and Ireland to ensure that we are contributing to the further development of policies and systems at the sector level.

Income and expenditure



Right: Habsatou Moussa shows 150 women how to prepare a millet, onion and bean leaf couscous. She is part of a support group facilitated by Concern to improve nutrition in her village.

Photograph: Darren Vaughan/ Concern Worldwide/Niger/2018

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 Bunglawala*
John Dunford (appointed 23 June 2018)
Dr Diane Chilangwa Farmer
Tony Foster
Linda Horgan (appointed 28 April 2018)
Jemima Jewell
Michael Kenny* (appointed 29 September 2018)
Tony McCusker (Interim Chair of Fundraising committee)
Rob McGrigor (Chair of Audit and Finance committee and Honorary Treasurer)
Bernadette Sexton
James Shaw-Hamilton
Rosalyn Tamming* (appointed 23 June 2018)
Peggy Walters
Donald Workman* (Chair)

Barbara O'Reilly resigned as Trustee of the organisation on 23 April 2018

Gary Rice resigned as Trustee of the organisation on 23 June 2018

Sam Sims resigned as Trustee of the organisation on 13 February 2019

*Also members of the Board of Concern Worldwide

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

Fundraising committee

Tony McCusker (Interim Chair)
Jemima Jewell
Peggy Walters
Tony Foster
Nicola Stones (not a Trustee but has offered her time and expertise to assist the committee in its work)
Sam Sims served as Chair of the Fundraising Committee in 2018 prior to his resignation as a Trustee of the organisation on 13 February 2019.

Executive Team

Rose Caldwell – Executive Director
Peter Anderson – Northern Ireland Director
Deborah Underdown – 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 (5 March until 14 December 2018)

Company Secretary

Brenda Tobin (appointed 17 February 2017 to 23 April 2018 to cover maternity leave)
Maeve Seery from 23 April 2018 until 12 December 2018
Rosaleen Walsh from 12 December 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 2018.

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 the Board and 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 2018, as well as a Board away day.

Board attendance was as follows:

Name	Meetings
Tony Foster	3/5
Rob McGrigor	5/5
Zamila Bunglawala	5/5
Jemima Jewell	5/5
James Shaw-Hamilton	5/5
Barbara O'Reilly	0/2*
Bernadette Sexton	4/5
Diane Chilangwa Farmer	4/5
Donald Workman	5/5
Peggy Walters	4/5
Sam Sims	5/5
Tony McCusker	3/5
Gary Rice	1/3
Linda Horgan	3/3
John Dunford	2/2
Rosalyn Tamming	2/2
Michael Kenny	2/2

* with the consent of the Chair

1.4 Charity Governance Code

The Board of Trustees is committed to adopting the Charity Governance Code for larger charities. In 2018, the Board commissioned an external evaluation of its effectiveness including an assessment of Concern (UK)'s governance practice as measured against the code. The evaluation confirmed that the charity complies with the Charity Governance Code.

The evaluation also identified areas where we can further strengthen our governance, such as introducing a key performance indicator dashboard for trustees; more consideration to awareness and measurement of board diversity and the Chair introducing annual appraisals of individual trustee effectiveness.

The Board is committed to embracing best practice in all areas of governance and will periodically assess its alignment with the principles set out in the code, identifying opportunities to strengthen its systems, procedures and practices and monitoring its progress towards these ambitions.

One area identified where we diverge from the code is the size of our Board; given the complexity of the charity's operations and the important relationship with our parent organisation, Concern Worldwide, the Board believes it benefits from having more than the recommended 12 trustees and aims to maintain a balanced board with a maximum of 16 trustees.

1.5 Fundraising compliance

We comply with all relevant statutory regulations, including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 1998, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service, the Fundraising Preference Service and the General Data Protection Regulation 2018.

We strive to achieve best practice in fundraising by complying with a range of codes of practice and standards; we are registered with the Fundraising Regulator adhering to its Code of Fundraising Practice and Fundraising Promise and we are an organisational member of the Institute of Fundraising. If we ever fail to meet the standards we aim for, we seek to rectify this as soon as possible and put measures in place to stop this happening again. We have a formal complaints procedure and overall complaint levels are monitored by our Supporter Care Management team and the Fundraising Committee. In 2018, we received a total of 36 complaints about

our fundraising. All complaints were dealt with promptly to ensure we address our supporters concerns and, where possible, put them right.

We utilise a wide range of fundraising approaches to raise money and most of this activity is carried out by our own internal team. However, in 2018 we also engaged three professional fundraising agencies to attract new donors, door-to-door, on our behalf, and to telephone supporters asking for further support.

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, subject to it meeting required standards, 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

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

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 towards Concern programmes and the global strategic plan. Below, we set out our strategic goals and our progress in 2018 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 2018, as anticipated, we fell short of reaching our income target from institutional funders due to: the completion of operations in three of our long-standing country programmes in Zambia, Mozambique (both chosen partners of DFID) and Uganda; a significant reduction in the DFID funded Somalia programme as the emergency phase came to an end, as well as wrapping up our emergency response programme in Nepal that began after the earthquakes in 2015.

Additionally, 2018 also saw six years of work draw to a close on a £30m programme led by Concern Worldwide in the Democratic Republic of Congo (DRC), and with which Concern (UK) has been very closely involved. As a result of this programme, 640,000 people in rural areas obtained the long-term health and economic benefits that come from gaining access to water and from adopting the vital hygiene practices that clean water makes possible.

However, we successfully raised £15.3m from UK funders, including £14.4m from DFID, and did much work to secure funding for programmes that will start in 2019. We were delighted to secure £21m of UK Aid funding for a consortium Concern will lead over the next four years in Malawi. The programme will support communities in the drought-prone south of the country, in Balaka, Chikwawa, Mangochi, and Phalombe, to prepare for the predicted effects of climate change.

By the end of 2018, we were successfully publishing all relevant funding flowing through Concern (UK) to the standards of the International Accountability and Transparency Initiative (IATI).

Our partnership with the fast-growing charity Penny Appeal, based in Wakefield, has gone from strength to strength. In 2018, we began working with them on their Ramadan 2019 appeal under DFID's UK Aid Match scheme, which will secure DFID funding for Concern's work in northern Kenya in child health and nutrition services.

We continue to manage relationships with key UK-based funders, working closely with the DEC, sitting on the Board of the START network and engaging with relevant Bond working groups and other fora in the UK.

There were no new large-scale emergencies in 2018. However, throughout the year, funding from the UK, in particular from a DEC appeal, sustained Concern's work in and around the refugee camps in Cox's Bazar, Bangladesh. Initially the DEC support was focused on child nutrition but more recently a high priority has been to meet the specific needs of women and we have provided 10,000 women with kits that included sanitary products, culturally-appropriate clothing, and solar powered torches to enable them to move around safely at night. We are also supporting 900 of the most vulnerable families in the host communities, many of whom have lost their livelihoods, with training and start-up grants.

Support from a DEC appeal also allowed Concern Worldwide to respond to the crisis in Yemen. Working through our partner organisation ACTED, we brought access to clean water to nearly 200,000 people.

Alongside our emergency response work, Concern also supports communities to be better able to protect the gains of longer-term development work when disaster strikes. In Afghanistan in 2018, more people were displaced by drought than by conflict. With DFID funding, Concern Worldwide has been working alongside other UK NGOs over the last four years, across a broad swathe of the north and east, to mitigate against the dire effects of water shortage and to support communities to prepare for the next crisis.

Two years ago, Concern won its first DFID-funded commercial contract, to run the 'Building Disaster Resilience in Pakistan' programme. Through our own and our consortium partners' work, we demonstrated successfully how communities can, if given the right support and access, participating in the decisions affecting them, develop the ability to prepare themselves for crises such as flooding, and reduce the loss of life and property, as well as the disruption to their livelihoods, health, and education. We are very pleased to report that in 2018 we were awarded a follow-on two-year contract to take the work to a larger scale.

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.

Throughout 2018, we continued to focus 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. This year we gave greater focus to conflict as the biggest driver of increasing hunger levels.

Putting the spotlight on hunger and conflict:

As part of our work focusing on the link between conflict and hunger, we held a policy event at the Irish Embassy in London. The event was opened by the Irish Minister for International Development, with a keynote speech from Mark Lowcock, UN Under Secretary General for Humanitarian Affairs. A panel discussion on the challenges faced in addressing global hunger and conflict was chaired by the BBC's special correspondent Fergal Keane. Panellists included Matthew Rycroft, Permanent Secretary for the Department of International Development, Sara Pantuliano, Managing Director of the Overseas Development Institute, and Concern staff. The event was well received and has enabled us to engage with UK Government officials across DFID.

We drew attention to the often neglected crisis in the Central African Republic (CAR). The country is at the bottom of the Global Hunger Index and the Human Development Index yet has often been ignored by aid donors. We ran a public campaign to get CAR pushed up the political agenda, and saw hundreds of Concern supporters writing to or tweeting their MPs. MPs followed up, asking questions in the Houses of Parliament and themselves writing to DFID. We were invited to Whitehall to talk about our campaign, received a positive response, and heard recently that CAR has become one of a handful of UK government humanitarian priorities.

Promoting investment in nutrition:

We also continued to push the UK Government to invest more in tackling hunger and malnutrition. Working with colleagues in the International Coalition for Advocacy on Nutrition (ICAN), we led the development of a briefing: 'Fighting Malnutrition: The role of UK parliamentarians'. This sets out the benefits of investing in nutrition and the need for parliamentarians to champion UK leadership on the issue. The brief was shared with over 60 parliamentarians, and forms part of our plans to secure greater support for nutrition ahead of an important global summit on nutrition in 2020.

We analysed DFID's nutrition investments in our report: 'Leaving no one behind in the fight against malnutrition'. Our research found that countries with the highest rates of malnutrition received little nutrition investment from international donors, including the UK. We are using the report to lobby DFID to invest more in the countries with the highest malnutrition burdens and to work with other donor countries to ensure no country is left behind.

Resilience:

As part of our work to promote resilience, we presented Concern's work on disaster risk reduction in fragile and conflict-affected contexts to government, UN, and research and NGO representatives at the Africa-Arab Regional Platform on Disaster Risk Reduction. We also published 'A review of community-centred early warning early action systems', looking at how emergency responses can be launched more quickly and be better suited to meet the needs of crisis-affected people.

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.

For many years, Concern has been fortunate to receive the support of many thousands of loyal donors and funders. Without your continued generosity, our work tackling hunger and extreme poverty would be impossible.

In 2018 Concern's (UK) supporters continued to help us support a wide range of programmes. We launched appeals for our food security programme in the Central African Republic, our work tackling child malnutrition in Ethiopia, and for water and sanitation programmes in Kenya. Our Christmas appeal, 'Keep Out the Cold',

focused on our work supporting Syrian refugees in Lebanon who have been forced to take shelter wherever they can find it: in tents, derelict buildings, garages, or in shelters made from wood or plastic sheeting. Thanks to Concern (UK) supporters, we were able to provide many with better accommodation over the harsh winter.

Over 23,000 supporters chose to support Concern (UK) with a regular monthly donation, providing a vital source of predictable income that allows us to plan our programmes into the future. In 2017, we launched our 'Through to 2' campaign, created especially for these loyal donors, and in 2018 we developed it further. Through to 2 supporters received a series of communications explaining how they are helping to give some of the world's poorest and most disadvantaged babies a better start in life by supporting maternal health; providing good nutrition and clean water; and offering parents with livelihoods training to help them provide a better standard of living for their children. We are thrilled that in 2018, 2,600 new supporters signed up to Through to 2.

We are grateful for the support we received in 2018 from over 90 charitable foundations, and we were delighted to form new, highly valued partnerships with three new funders. The Kulczyk Foundation supported four projects increasing access to water and sanitation for internally displaced and other hard-to-reach communities in Chad, Sudan, the Central African Republic and Niger. The Innocent Foundation is supporting a programme in Kenya, training mothers from pastoralist communities to identify the signs of malnutrition in their children and refer them for treatment. The Whole Planet Foundation is supporting our Graduation programme in Burundi, by funding start-up grants to enable people to establish a new livelihood.

In 2018 we increased to 16 the membership of the Concern Philanthropic Circle, where donors commit to a higher level of giving for a minimum of three years to support a livelihoods programme targeted at extremely poor families in Burundi. Overall, philanthropic giving contributed over £500,000 towards Concern's work in 2018.

We are grateful also to our network of Concern support groups, schools and community supporters who give their time to undertake fundraising events on our behalf. In 2018 community fundraising raised almost £200,000 towards our programmes and included supporters participating in the London Marathon, the London Triathlon, music events, cakes sales, street collections, door-to-door collections, and the Concern 24-hour sponsored Fast. Supporters of all ages have

given their time and creative talents to support us, including one eight-year-old boy who made hand-made Christmas gifts to sell at his school fete, two 10-year-old girls who raised sponsorship by going for '4 weeks with no sweets', and a number of supporters who have been doing the Concern Fast for over 20 years.

Our shops continued to grow in 2018. Without the volunteers who give their time so generously, and supporters who donate their pre-loved items, our shops would not be able to operate as successfully as they do.

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.

In 2018, we continued to focus our external communications on raising awareness of Concern (UK) as a charity tackling hunger and extreme poverty.

Using traditional channels to amplify our message:

In 2018, we maintained previous levels of media coverage. Coverage focused on our emergency response work in Bangladesh, reporting back on our 2017 UK Aid Match appeal and coverage of our Christmas gifts. A communications partnership with Q Radio, which owns seven local radio stations in Northern Ireland, resulted in several broadcast reports on our work in Niger. In addition, our communications partnership with outdoor advertising company JCDecaux Ireland continued throughout 2018 with them donating more than 300 billboard spaces.

We used the opportunity provided by our 50th anniversary to raise our profile, holding events at Stormont in Belfast and the Irish Embassy in London. The events enabled Concern to thank supporters in person, and in addition, generated positive media coverage of the contribution the charity has made to tackling hunger and extreme poverty over the last five decades.

We launched a series of articles for publication across our own platforms and in key sector-relevant external outlets. These articles helped to build the profile of our key spokespeople with policy makers, global institutions and other non-profits and positioned Concern as a thought leader in areas such as nutrition.

In Northern Ireland, thirteen local schools took part in Concern's flagship development education debates programme, with one Belfast school successfully making it through to the all-Ireland quarter finals.

Investing in digital marketing and running innovative campaigns to attract our audience and increase engagement with them:

At the beginning of the year, we ran an integrated campaign across fundraising, communications and advocacy departments, focusing on the Central African Republic. We produced a range of communication products to allow us to reach our audience across multiple platforms and give them several ways to support our work, by sharing content, taking campaign actions or donating funds. On Twitter, two out of the top five best performing posts in terms of engagement in 2018 were about this campaign.

In late 2018, we started a campaign to raise awareness of the Through to 2 regular giving product by harnessing the power of social influencers. With the knowledge that these individuals can directly engage our target audience, we worked with them to create content for use across their own channels. The campaign reached over 470,000 via social media and our flagship content, a video from Chad, reached just over 319,000.

At Christmas, we created animations of our alternative gifts range to raise awareness of the products that were on sale. This creative content contributed to a greater number of people visiting the gifts website during the campaign.

Laying the groundwork:

We agreed a new global brand positioning and developed a refreshed website which will provide the best possible online experience for our target audiences. Both of these projects will launch in Spring 2019.

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.

Success in achieving strategic goal five is essential if we are to deliver goals one to four.

All charities in the UK are facing increased scrutiny of their practices and compliance is a vital area of work. We are committed to ensuring that we adhere to all regulations and legislation, and have the highest standards of accountability. We recruited a highly experienced Compliance Officer at the beginning of 2018 and with this additional resource we were able to roll out the Compliance Framework developed in 2017. This framework comprises an Internal Compliance Register which lists all internal policies and procedures, as well as a directory which enables us to map our internal policies and procedures against external laws and regulations and ensure we are fully compliant.

The General Data Protection Regulation that became law in 2018 is recognised as a positive step for the protection of the individual's rights and data. We have worked hard to bring our processes and practices up to the high standard demanded by the legislation, and data protection is now established as a central element of our day-to-day work in fundraising, communications and human resources.

Recruitment and retention of staff remains a challenge for Concern (UK). In order to address this, all managers are expected to promote a positive working environment through robust HR practices. These practices include having regular meetings with staff, encouraging ongoing learning and development opportunities, and fostering a work culture that promotes good work-life balance. We have also invested in HR infrastructure - introducing a digital HR resource, People HR, and will be introducing a volunteer database in 2019.

Financial management continues to be strong, with good budgeting and management accounts produced in a timely manner to allow robust decision taking. We also remain focused on maintaining a strong internal control environment to protect the organisation and its resources.

As an organisation that works with some very vulnerable people, we take the issue of safeguarding seriously. With the introduction of a serious incident monitoring group, we have further enhanced our processes around monitoring of incidents across Concern Worldwide, meeting regularly to review incidents, ensuring appropriate reporting to external bodies is taking place and learning lessons from our experience.

We were very pleased when the Department for International Development Central Assurance Assessment Report conducted by Keeping Children Safe rated Concern as being "satisfactory across all the standards, with some excellent examples of good practice across each of the six standards. Most notably within its approach to whistleblowing, recruitment, downstream partners, and creating an organisational culture with safeguarding at its centre" (Keeping Children Safe, 2018).

4.2 Financial Review

The financial outcome for 2018 is set out in the Statement of Financial Activities on page 46.

Following a record year in 2017 with significant growth in income from both voluntary and institutional donors, Concern (UK) experienced an expected reduction in income in 2018. Our final position for the year shows a net deficit of just over £.4 million, reducing total reserves to £3.2 million (in line with our reserves policy). Total income for 2018 was £22.3 million and we remain incredibly grateful to all of our supporters and donors, large or small, who allowed us to continue to change the lives of the world's poorest people. A more detailed commentary on the financial results reflected in the 2018 Annual Report, is set out on the following pages.

Income

Concern (UK) raised a total of £22.3 million which represents a 35 per cent year on year decrease from 2018 and this is discussed under the various income streams that follow. We continue, however, to have a diversified income base that provides stability for the organisation in a challenging economic environment.

Income from donations and legacies

Income from donations and legacies comprises donations from individual and corporate donors, community groups, trusts and foundations and the Disasters Emergency Committee. We received £6.8 million in donations and legacies in 2018, representing a £2.9 million decrease from the amount received in 2017.

Income from individuals fell by £0.8 million in 2018 while income from corporates, major donors and trusts reduced by £1.2 million. The generous response to our East Africa Crisis and Rohingya Refugee Crisis emergency appeals in 2017 allowed us to deliver lifesaving support in these regions into 2018. We are grateful to our dedicated supporters, who consistently respond swiftly and generously when an urgent and vital need is presented.

With no new mayor emergencies in 2018, our income is down as a result, but we continued to engage with the compassionate UK public, developing important relationships with key donors and were able to secure vital funds for our ongoing development work which will generate income and programme expenditure in 2019.

In 2018, we received £0.8 million from the DEC in response to major emergencies including the Rohingya crisis in Bangladesh and the ongoing conflict in Yemen. This is in comparison to 2017, when our DEC income was £1.4 million, due to the large-scale response to the East Africa emergency during the year.

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 £15.3 million from governments and other institutional donors in 2018. As noted on page 31, this 38 per cent reduction from prior year levels was anticipated and is mainly due to the closure of our country offices in Mozambique and Zambia, which reflects: our strategic aim to focus on extremely poor communities and fragile states; the completion of our work to deliver emergency response activities in Somalia to address the food crisis; and the conclusion of our large scale WASH programme in DRC.

The Department for International Development (DFID) remained the single largest donor in 2018, donating £14.4 million or 94.1 per cent of total co-funding income, with grants for projects in 16 of the countries in which Concern works.

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 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:

We raised £0.2 million in income from our charity retail stores in 2018, increasing from £0.1 million in 2017. We are grateful to our dedicated team of shop volunteers, led by our talented Retail Development Manager, who have all worked tirelessly to generate this increase in retail income year on year. Our newest store opened towards the end of 2017, has performed above expectations and we look forward to building on this success in the coming year with planned investment in our retail operations

Expenditure

Our total expenditure in 2018 of £22.7 million was made up as follows:

	£m	%
Charitable activities	19.8	87
Raising funds	2.9	13
	22.7	100.0

Total expenditure in 2018 decreased by £12.8 million (36%) compared to 2017. This reduction reflects the decreases in income explained above.

The cost of raising funds increased from the prior year to £2.9m (12%).

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

Indicator	Concern (UK)			
	2018	2017	2016	2015
Return on fundraising spend	2.3x	3.7x	2.9x	3.5x
Support costs as a percentage of total costs	3.2%	1.7%	2.4%	2.0%
Unrestricted reserves as a percentage of total income	11%	6%	13%	9%

It is evident from the above table that these indicators can fluctuate depending on the level of emergency income raised each year; however the Board is satisfied that the efficiency of fundraising and the level of support costs and reserves remain in line with the agreed strategic direction.

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

Reserves and financial position

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

The total reserves of £3.2 million at 31 December 2018 are detailed in note 14 to the financial statements and fall into two categories:

Restricted reserves (£0.8 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 2019.

Unrestricted reserves (£2.4 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 2018, 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 2018 in order to ensure that amounts held are adequate for both of these purposes (see note 14(b)).

General unrestricted funds (£0.8 million) represent unrestricted funds which are held temporarily pending their application for the general purposes of the charity.

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

4.3 Plans for Future Periods

Our work in 2019-2020 will continue to focus on addressing extreme poverty and hunger. During 2018 we reviewed and refreshed our 2016-2020 strategy.

We are committed to working collaboratively towards achieving the ambition of the 2030 Sustainable Development Goals. We support in particular the pledges to end hunger and extreme poverty and believe that the knowledge, resources and skills exist to achieve these goals within the timeframe. However, we are acutely aware that the world is "off track" to meet these goals and they will only be achieved with significant political will, leadership and investment.

Over the next two years we will continue to work hard to see the gains that have been made over the past decade in reducing hunger and poverty extended to the poorest, most isolated communities. We will strive to ensure that commitments made under the Sustainable Development Goals are implemented and that as few of the poorest as possible are left behind.

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 £44m over 2019 and 2020. We seek to become established as an expert practitioner on community resilience.

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

Additionally, we will enhance and embed our commercial contracting unit as a resource for all of Concern Worldwide.

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

We will leverage our reputation for balanced, intelligent and timely information to become an authoritative thought leader on development and humanitarian issues. Hunger will remain a core focus of our advocacy work. We will build on our existing reputation in the area of food and nutrition security, linking this to our work building the resilience of extremely poor communities, helping them to stand on their own feet in the long term. We will amplify our voice on humanitarian issues and use our experience, presence on the ground and influence to bring about positive change.

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

Throughout the lifespan of this strategy we will continue to improve our communications to new and current supporters and funders, seek to better understand their expectations, show the tangible impact of their support and demonstrate the difference their money is making to the lives of some of the world's poorest people. In this way we will grow the number of donors and funders who are motivated to support the life-changing work of Concern.

Goal 4: Raise awareness, build brand and increase visibility

We seek to build the reputation of Concern as an agency specialising in tackling hunger and undernutrition and delivering support to those affected by humanitarian crises. Our creative communications will inspire and motivate our audiences and mobilise widespread support for our work, as well as development issues in general. Over the next two years, we will develop our digital and social media expertise and will use all media channels and platforms available to us to communicate the critical importance of addressing extreme poverty and hunger, and the role that Concern has to play in that task.

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.

4.4 Principal risks and uncertainties

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

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

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

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

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 both the charitable 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.

Funding and economic instability: Like all organisations Concern (UK) is operating in an uncertain and challenging economic environment. 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)'s communications strategy aims to strengthen relationships with existing supporters as well as reaching out to new audiences in order to generate growth.

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 and prescriptive in nature, is challenging both in the UK and at field office level. At the same time, the regulatory environment in which charities operate continues to evolve, the most notable advancement in 2018 being the introduction of the General Data Protection Regulation. Concern (UK) developed a Compliance Framework in 2017 which provides for a systematic approach to managing and monitoring compliance within the organisation and this has been rolled out in 2018 with the support of a newly appointed Compliance Officer. Any gaps 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. In 2018 we embarked on a meaningful engagement process with our staff in which they were invited to focus group sessions and encouraged to share their views on what changes could be implemented to ensure that Concern (UK) remains a great place to work now and in the future. In 2019 we will continue engaging with staff to deliver some of these changes including enhancing flexible working arrangements, fostering an environment of sharing and learning and nurturing the commitment and passion of our teams to stimulate innovation and determination in the face of ever-growing challenges.

Abusive, exploitative or offensive behaviour involving breaches of the Code of Conduct and associated policies: This risk encompasses all types of inappropriate behaviour that negatively

impact the people with whom we work. We manage this risk by the development and enforcement of strong policies, by good recruitment practices and by the provision of ongoing training and guidance. This was an area of focus in 2018 and we established a specific safeguarding taskforce, led by senior staff, to identify any further measures or actions that may need to be taken. We are implementing measures identified by the taskforce and will seek to ensure that we represent best practice in this area. One such measure has been to establish a Safeguarding Unit which operates to ensure that the organisation can, as far as possible, prevent safeguarding incidents from occurring and is prepared to deliver a robust and appropriate response where they do occur.

Fraud, significant error, corruption and inappropriate behaviour: Significant fraud, error or incidences of corruption could severely damage the organisation's reputation as well as resulting in the loss of resources. The organisation has developed detailed financial management and reporting systems to mitigate these risks which are reviewed on a regular basis and which evolve and are strengthened each 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 which could potentially impact upon the communities with whom we work. Cyber Security was added into this risk in 2017, reflecting the increasing prevalence and sophistication of fraud in this area.

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.

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, including the provision of training in areas such as security management, hostile environment and crisis management.

5. Staff and volunteers

The organisation acknowledges with gratitude the work of its staff and that of its volunteers in 2018. 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 (2017 – £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

Pursuant to Section 485 of the Companies Act 2006, a resolution for the re-appointment of KPMG as the auditor is to be proposed at the forthcoming Annual General Meeting.

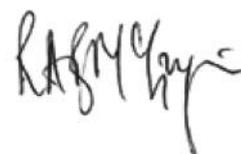
9. Subsidiary undertaking

Details of the subsidiary undertaking are set out in note 19 to the financial statements. The 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.

By order of the Board



Donald Workman
Trustee



Rob McGrigor
Trustee

23 April 2019

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 have elected to prepare the financial statements in accordance with 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 expenditure over income of the Charitable Company 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 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 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 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 controls 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 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 2019

Right: Rufo has received support from Concern's community health outreach – screening her and 18-month-old Nura, for malnutrition.

Photographer: Peter Caton/Concern Worldwide/Kenya/2017



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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Concern Worldwide ('the Charitable Company') for the year ended 31 December 2018 set out on pages 46 to 58, which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 December 2018 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 *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly 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 conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have nothing to report on going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the Charitable Company or to cease its operations, and as they have concluded that the Charitable Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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 a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the Charitable Company's business model, including the impact of Brexit, and analysed how those risks might affect the Charitable Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Charitable Company will continue in operation.

Other information

The trustees are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic and trustees' report, the message from the Chair, the message from the Executive Director and all information, other than the financial statements and our auditors' opinion 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.

Based solely on our work on the other information;

- 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;
- in our opinion, the trustees' report 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:

- adequate accounting records have not been kept, 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.

Respective responsibilities and restrictions on use

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 40, 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 including 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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

Our 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 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 Charitable Company and the Charitable Company's members, 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
23 April 2019



A healthy meal prepared by mothers who are part of Concern's nutrition programme in a Protection of Civilians (POC) site in Bentiu, South Sudan.

Photograph: Steve De Neef/Concern Worldwide/South Sudan/2018



Financial Statements

Statement of Financial Activities

for the year ended 31 December 2018

	Notes	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2018 Stg£	Total 2017 Stg£
Income from:					
Donations and legacies	2a	2,232,927	4,615,229	6,848,156	9,747,992
Charitable activities – grants and contracts from governments and other co-funders	2b	15,263,339	–	15,263,339	24,560,783
Trading and other income	2c	–	176,328	176,328	69,469
Total income		17,496,266	4,791,557	22,287,823	34,378,244
Expenditure on:					
Charitable activities	3	18,140,827	1,651,066	19,791,893	32,885,214
Raising funds	4	181,407	2,745,707	2,927,114	2,642,252
Total expenditure		18,322,234	4,396,773	22,719,007	35,527,466
Net movement in funds		(825,968)	394,784	(431,184)	(1,149,222)
Reconciliation of funds:					
Total funds brought forward		1,646,360	1,986,604	3,632,964	4,782,186
Total funds carried forward	14	820,392	2,381,388	3,201,780	3,632,964

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 48 to 58 form an integral part of these financial statements.

Balance Sheet

as at 31 December 2018

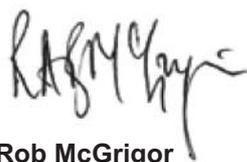
	Notes	2018 Stg£	2018 Stg£	2017 Stg£	2017 Stg£
Fixed assets					
Tangible assets	9		307,110		333,876
Total fixed assets			307,110		333,876
Current assets					
Debtors and prepayments	10	3,176,981		4,414,082	
Cash at bank and in hand	11	8,836,068		3,380,312	
Total current assets		12,013,049		7,794,394	
Creditors:					
amounts falling due within one year	12	(9,118,379)		(4,495,306)	
Net current assets			2,894,670		3,299,088
Total net assets			3,201,780		3,632,964
The funds of the charity:					
Restricted funds	14		820,392		1,646,360
Unrestricted funds	14		2,381,388		1,986,604
Total charity funds			3,201,780		3,632,964

The accompanying notes on pages 48 to 58 form an integral part of these financial statements.

On behalf of the Board



Donald Workman
Trustee



Rob McGrigor
Trustee

23 April 2019

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

Consortia 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 (which consists of monetary donations from the public, corporates, trusts, legacies, major donors (including Disasters Emergency Committee (DEC) appeals) together with related Gift Aid income) 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 achieved. 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 goods 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 developing world, are split between costs of raising funds and costs of charitable activities on the basis which seem the most reasonable and appropriate for each type of campaign.

Notes forming part of the Financial Statements (continued)

Costs of charitable activities

The cost of charitable activities comprises costs of overseas programmes and of policy, advocacy and campaigning work together with related support and governance costs.

Concern (UK) works in the developing world by providing resources to the overseas branches of 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 ongoing 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 3 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 the Company's functional currency because the majority of the funds raised by the Company 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 2018 Stg£	Total 2017 Stg£
Individual giving	4,104,207	4,910,827
Corporate, major donor and trust	1,146,709	2,304,060
Disasters Emergency Committee (DEC)	791,294	1,410,416
Legacy income	501,824	703,537
Community fundraising	304,122	419,152
Total	6,848,156	9,747,992

In 2018 £2,232,927 of incoming resources from donations and legacies was restricted (2017: £4,853,672).

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

	Total 2018 Stg£	Total 2017 Stg£
Department for International Development	14,435,924	24,057,178
Comic Relief	575,103	358,635
Jersey Overseas Aid	–	100,000
Penny Appeal	109,114	22,468
Guernsey Overseas Aid	80,936	22,502
Other governments and co-funders	62,262	–
Total	15,263,339	24,560,783

Income from government grants comprises grants to fund the charitable activities of Concern (UK). In 2018 £15,263,339 of incoming resources from grants and contracts from governments and other co-funders was restricted (2017: £24,560,783).

(c) Trading and other income

	Total 2018 Stg£	Total 2017 Stg£
Retail Income	171,875	67,915
Deposit interest	4,453	1,554
Total	176,328	69,469

All trading and other income 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£	2018 Total costs Stg£	2017 Total costs Stg£
Overseas programmes				
Health	2,941,954	52,936	2,994,890	4,367,027
Education	1,197,962	21,555	1,219,517	1,025,413
Livelihoods	824,114	12,433	836,547	1,817,004
Integrated programming	776,089	13,965	790,054	2,515,548
Emergency	12,794,878	230,224	13,025,102	22,205,624
Total overseas programmes	18,534,997	331,113	18,866,110	31,930,616
Policy, Advocacy and Campaigning	684,194	150,167	834,361	872,328
Governance (Note 5)	35,416	56,006	91,422	82,270
Total charitable expenditure	19,254,607	537,286	19,791,893	32,885,214
2017 – Total	32,426,918	458,296		32,885,214

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£	2018 Total costs Stg£	2017 Total costs Stg£
Individual giving	574,782	1,073,842	268,273	1,916,897	140,816	2,057,713	1,955,103
Corporates, major donors and trusts	22,261	307,113	106,303	435,677	32,797	468,474	429,259
Legacy	78,230	–	–	78,230	–	78,230	14,072
Community fundraising	–	146,733	26,924	173,657	11,387	185,044	157,649
Retail costs	7,913	66,263	59,159	133,335	4,318	137,653	86,169
Total	683,186	1,593,951	460,659	2,737,796	189,318	2,927,114	2,642,252
2017 – Total	573,155	1,460,959	456,046	2,490,160	152,092		2,642,252

Notes forming part of the Financial Statements (continued)

5. Governance costs

	Direct Stg£	Support costs (see note 6) Stg£	2018 Stg£	2017 Stg£
Staff costs	–	42,853	42,853	33,353
Legal and professional fees	19,776	937	20,713	18,784
Office and other costs	15,640	12,216	27,856	30,133
Total	35,416	56,006	91,422	82,270
2017 – Total	35,581	46,689		82,270

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£	2018 Total Stg£	2017 Total Stg£
Administration and finance	172,190	87,684	56,006	160,754	476,634	386,403
Other support costs	158,923	62,483	–	28,565	249,971	223,985
Total support costs	331,113	150,167	56,006	189,319	726,605	610,388
2017 – Total	287,284	124,323	46,689	152,092		610,388

7. Other Information

	2018 Stg£	2017 Stg£
The surplus for the year is after charging the following items:		
Depreciation of tangible fixed assets	36,335	33,287
Auditor's remuneration (including expenses)	18,000	17,000
Direct reimbursement of expenses to trustees	1,270	1,652
Payments under operating leases for premises	131,105	125,547

Notes forming part of the Financial Statements (continued)

8. Staff

(a) Numbers and costs

The aggregate payroll costs of employees were as follows:

	2018 Stg£	2017 Stg£
Wages and salaries	2,131,556	2,092,114
Social welfare costs	209,342	200,876
Other pension costs	137,677	118,344
	2,478,575	2,411,334

Other pension costs include employer contributions to individual staff member pension schemes of £96,919 (2017: £73,073) as well as the cost of insurance policies that provide benefits in the event of the death or ongoing incapacity of staff members totalling £40,758 in 2018 (2017: £45,251).

The staff numbers and costs reflected above include 26 staff (2017: 28), 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 £433,917 (2017: £442,081), are recharged to Concern (UK) as they are incurred.

Remuneration, including pension contributions, paid to the key management of Concern (UK) (the executive management team as detailed on page 28 of the annual report) amounted to £513,712 in 2018 (2017: £450,593).

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

	2018 No.	2017 No.
Management	7	7
Development	8	11
Marketing	57	54
Administration	6	5
	78	77

(b) Salary range

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

	2018 No. employees	2017 No. employees
£60,001 to £70,000	1	2
£70,001 to £80,000	1	2
£80,001 to £90,000	1	–

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 2018 (2017: 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 £7,293 (2017: £5,671) were incurred by trustees in travelling to and attending meetings of the Board in 2018 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 Concern's 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 2018 amounted to £1,186 (2017: £7,273) for 2 members (2017: 6).

Notes forming part of the Financial Statements (continued)

9. Tangible assets

	Leasehold premises Stg£	Furniture & equipment Stg£	Computer equipment Stg£	Total Stg£
Cost				
At beginning of year	316,163	412,744	324,219	1,053,126
Additions in year	–	4,201	5,368	9,569
At end of year	316,163	416,945	329,587	1,062,695
Depreciation				
At beginning of year	147,278	249,525	322,447	719,250
Charge for year	10,820	22,435	3,080	36,335
At end of year	158,098	271,960	325,527	755,585
Net book value				
At 31 December 2018	158,065	144,985	4,060	307,110
At 31 December 2017	168,885	163,219	1,772	333,876

10. Debtors and prepayments

	2018 Stg£	2017 Stg£
Amounts due from governments and other co-funders	2,180,014	3,114,620
Amounts due from Disasters Emergency Committee (DEC)	114,870	407,238
Gift Aid receivable	719,593	810,146
Sundry debtors	124,603	64,919
Prepayments	37,901	17,159
	3,176,981	4,414,082

(i) All amounts included within debtors and prepayments fall due within one year.

11. Cash at bank and in hand

	2018 Stg£	2017 Stg£
Funds held in UK banks	8,836,068	3,380,312

Notes forming part of the Financial Statements (continued)

12. Creditors: amounts falling due within one year

	2018 Stg£	2017 Stg£
Trade creditors	326,209	260,870
Amounts advanced by governments and other co-funders (i)	377,061	1,751,362
Accruals	187,924	246,488
Bank overdraft (ii)	1,798	2,470
Amount owed to parent company (iii)	8,225,387	2,234,116
	9,118,379	4,495,306

(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 2018 £Stg	Movement during the year	Closing Balance 2018 £Stg
Amounts due from governments and other co-funders (note 10)	3,114,620	(934,606)	2,180,014
Amounts due from Disasters Emergency Committee (DEC) (note 10)	407,238	(292,368)	114,870
Amounts advanced by governments and other co-funders (note 12)	(1,751,362)	1,374,301	(377,061)
	1,770,496	147,327	1,917,823
Analysis of movement:			
Cash received during the year			(16,441,886)
Income earned during the year			16,589,213
			147,327

14. Funds**(a) Reconciliation of funds**

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2018 Stg£	Total 2017 Stg£
Total funds at beginning of year	1,646,360	1,986,604	3,632,964	4,782,186
Net movement in funds for the year	(825,968)	394,784	(431,184)	(1,149,222)
Total funds at end of year	820,392	2,381,388	3,201,780	3,632,964

Notes forming part of the Financial Statements (continued)

(b) Movements in funds

		Opening balance 1 January 2018	Income	Expenditure	Transfers	Closing balance 31 December 2018
		Stg£	Stg£	Stg£	Stg£	Stg£
Restricted funds						
Afghanistan		–	1,001,402	(1,001,402)	–	–
Bangladesh		26,120	699,889	(718,268)	–	7,741
Burundi & Rwanda		–	901,289	(901,238)	–	51
Central African Republic		–	156,725	(121,138)	–	35,587
Chad		80,273	148,035	(228,308)	–	–
DR Congo		249,999	1,311,625	(1,362,188)	–	199,436
Ethiopia		56,376	195,163	(240,452)	–	11,087
Haiti		–	725	(725)	–	–
Kenya		103,519	1,164,543	(1,268,062)	–	–
Lebanon		–	126,899	(126,899)	–	–
Liberia		331,808	940	(117,813)	–	214,935
Malawi		281,250	443,873	(554,519)	–	170,604
Nepal		238,060	(12,360)	(225,700)	–	–
Niger		–	51,755	(51,755)	–	–
Pakistan		–	1,864,549	(1,864,549)	–	–
Philippines		340	125	(465)	–	–
Republic of Sudan		1	354,129	(353,059)	–	1,071
Sierra Leone		–	1,215,014	(1,215,014)	–	–
Somalia		165,850	3,924,431	(4,021,168)	–	69,113
South Sudan		–	597,451	(597,451)	–	–
Syria / Iraq		1	1,857,935	(1,820,465)	–	37,471
Yemen		112,763	432,703	(472,170)	–	73,296
Zambia		–	36,593	(36,593)	–	–
HQ Projects		–	1,022,833	(1,022,833)	–	–
Total restricted funds	(i)	1,646,360	17,496,266	(18,322,234)	–	820,392
Unrestricted funds						
General funds	(ii)	400,000	4,791,557	(4,396,773)	(36,062)	758,722
Designated funds:						
Tangible fixed asset fund	(iii)	333,284	–	–	(56,658)	276,626
Programme continuity fund	(iv)	1,253,320	–	–	92,720	1,346,040
Total unrestricted funds		1,986,604	4,791,557	(4,396,773)	–	2,381,388
Total funds		3,632,964	22,287,823	(22,719,007)	–	3,201,780

Notes forming part of the Financial Statements (continued)

14. Funds (continued)

(b) Movements in funds (continued)

The funds on page 56 carried forward at 31 December 2018 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 2018 are represented by:			
Tangible fixed assets	–	307,110	307,110
Current assets	933,588	11,079,461	12,013,049
Current liabilities	(113,196)	(9,005,183)	(9,118,379)
	820,392	2,381,388	3,201,780

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 £96,919 (2017: £73,093). An accrual of £15,938 (2017: £11,770), in respect of pension costs is included in creditors at 31 December 2018.

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 2018 Concern (UK) provided total funds of £18,534,997 (2017: £32,104,868) 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 £29,358 (2017: £27,542). Concern (UK)'s Executive Director is a trustee of the DEC. Concern (UK)'s income in the year included £114,870 (2017: £407,238) receivable from DEC appeals.

Notes forming part of the Financial Statements (continued)

17. Commitments and contingencies

- (a) The 2019 Annual Plan, as approved by the trustees, allows for overseas expenditure in 2019 of £18,040,777. 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:

	2018 Stg£	2017 Stg£
Payable on leases in which the commitment expires within :		
– one year	135,802	135,802
– two to five years	543,208	543,208
– more than five years	230,634	366,436
	909,644	1,045,446

- (c) During 2018 Concern (UK) was the lead agency in 7 consortia of non governmental organisations (2017: 6), that were awarded grants and contracts from institutional co-funders to fund programme activities. The total value of these grants and contracts is £78,311,657 (2017: £57,311,657). Of this amount £35,983,284 is expected to be spent by Concern (UK) (2017: £24,410,809) and the balance will be utilised by the other consortia members.

In 2018, expenditure of these grants and contracts totalled £12,150,733 (2017: £14,245,574) Of this amount £4,519,474 (2017: £8,359,920) 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 Stg£	Funds received during the year Stg£	Funds transferred to consortia members Stg£	Closing Balance Stg£
Funds relating to consortia members	126,506	10,119,960	10,133,270	113,196

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 2018 financial statements or inclusion of a note thereto.

21. Approval of financial statements

These financial statements were approved by the Board on 23 April 2019.

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 2018 Concern (UK) funded Concern Worldwide operations in the following countries:

	2018 Stg£	2017 Stg£
Afghanistan	1,157,240	1,525,833
Bangladesh	785,159	926,742
Burundi & Rwanda	858,740	359,003
Central African Republic	204,627	197,893
Chad	293,971	1,366,043
DPR Korea	–	65,494
DR Congo	1,464,886	2,607,883
Ethiopia	218,783	643,342
Haiti	131,589	235,273
Kenya	1,245,727	1,119,958
Lebanon	123,307	112,504
Liberia	170,875	226,388
Malawi	554,519	833,162
Mozambique	32,340	1,467,308
Nepal	233,003	420,866
Niger	220,489	376,259
Pakistan	1,864,542	1,432,327
Philippines	439	152
Republic of Sudan	515,209	1,574,540
Sierra Leone	1,268,866	1,641,067
Somalia	4,061,417	9,660,855
Sudan South	634,513	1,440,361
Syria / Iraq	1,816,676	407,498
Turkey	–	723,067
Uganda	36,725	367,688
Yemen	471,372	240,451
Zambia	36,593	1,259,018
HQ Projects	133,390	412,357
Total direct overseas programme costs	18,534,997	31,643,332
Support costs	331,113	287,284
Total overseas programme costs	18,866,110	31,930,616
Policy, Advocacy and Campaigning	834,361	872,328
Governance	91,422	82,270
Total restricted funds	19,791,893	32,885,214





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 2018.

BP McKeefry Trust

Bliss Family Charity

Brian Woolf Trust

Capital Group

Classic Marble

Cotton Trust

Evan Cornish Foundation

Grace Trust

Greendale Charitable Foundation

Grent Trust

Hugh Symons Charitable Foundation

Jersey Overseas Aid Commission

Klaus and Gertrud Conrad Foundation

Linda Norgrove Foundation

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

The Kulczyk Foundation

The Innocent Foundation

The tcc foundation

Whole Planet Foundation

The McClay Foundation

Left: Meresiwana Cimpaye with the goats she bought from the profits of her Graduation Programme cash transfer, at her home in Cibitoke, Burundi.

Photograph: Abbie Trayler-Smith/Concern Worldwide/Burundi/2018

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