

Concern Worldwide (UK)

Annual Report and Consolidated Financial Statements 2019



ENDING
EXTREME POVERTY
WHATEVER
IT TAKES

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CONCERN
worldwide



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Cover image: Ayaan* and baby Jon* who is being treated at a Concern mother and baby clinic for malnourished children in a rural area of Aweil, South Sudan.

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

Left: Dehlia* (14) with her sister Koaloch* (10 months) at a mother and baby room in the Concern Nutrition Clinic in South Sudan.

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

*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)') or ('the Charity') and its subsidiary (collectively 'the Group') 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 8-27.

The description of this overseas work has been adapted from the Concern Worldwide 2019 Annual Report.

A Concern shelter distribution in a Protection of Civilian site in Juba, South Sudan. Concern makes assessments around the camp, targeting the most vulnerable, and any people that have spoilt or ripped shelters can attend the distribution.

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



A message from the Chair of Trustees



This year, I visited the sub-Saharan country of Niger with Concern. It is a vast, arid nation in the heart of the Sahel region, and rated as one of the poorest countries in the world.

I travelled there to see our work supporting vulnerable rural communities living on the edge of the desert. It is a highly

challenging place in which to survive. The people for whom it is home face frequent droughts and unpredictable harvests, instability and conflict.

The humanitarian consequences are shocking. Extreme poverty in Niger is widespread, affecting over nine million people, around 40 per cent of the population. More than a million people are severely food insecure, and one in every seven children is acutely malnourished.

One of Concern's responses is to support health and nutrition centres in some of the hardest-to-reach areas, and during times when hunger levels are at their worst. The clinics provide essential maternal and childhood healthcare for severely malnourished babies and young children. It is a lifeline in such an unforgiving environment.

Many of the mothers we met spoke of their fears of lean times ahead. Their experience is that rainfall is now more erratic, wet seasons are shrinking and harvests are poorer. Changing weather patterns are damaging their livelihoods and leaving many of them in an ever more desperate position – unable to feed their families and forced deeper into hunger and poverty. The situation is exacerbated by growing security concerns. In parts of the country, tens of thousands of people have been displaced because of conflict and violence.

Climate risks and insecurity are intensifying around the world, and that 'double burden' on the most vulnerable means that Concern must increasingly focus our efforts on some of the toughest places – Niger, Somalia, South Sudan, the Democratic Republic of Congo (DRC), the Central African Republic (CAR), Afghanistan, Yemen, Syria and Iraq.

This is our mandate, to work in the most fragile countries – places where infrastructures are weak, where insecurity and fighting are adding to the burden of already struggling communities, and where a changing climate is disproportionately impacting on the poorest. Added to these factors is the Covid-19

pandemic which has the capacity to destroy millions of lives if it takes hold across our countries of operation.

For many communities in Niger, life is full of uncertainty, yet the people we encountered displayed determination and adaptability. We saw that, with Concern's help, they are adjusting their farming practices – using short season seeds to reduce the time it takes to harvest grains, embracing Climate Smart Agriculture techniques to cultivate crops on once degraded land, and growing modest supplies of leafy vegetables in kitchen garden sacks. In other places like CAR, communities who have fled violence and returned to their villages are making the most of the seeds, equipment and skills we have provided to re-cultivate abandoned farmland. In Afghanistan, our watershed management programme is helping to protect livelihoods by reducing erosion and flooding in remote mountain villages.

The responsibility to enhance resilience and reduce natural and human-made risks and threats requires a collective approach. Concern's life-changing emergency and development programmes are only sustainable with continued financial support. Concern (UK)'s total income of just over £27.3 million in 2019 is a reflection of the trust and confidence already placed in us by the UK public and institutions – for which we are hugely grateful.

We remain committed to ensuring the safety of our staff and the people we work with so our work on safeguarding remains a priority across the organisation.

2020 presents us with huge challenges, especially as the impact of Covid-19 unfolds. The impact of the pandemic is felt hardest by people living in extreme poverty who will struggle to implement measures such as social distancing and whose livelihoods cannot survive severe restrictions and lockdowns. We will continue to do whatever it takes to support them through this challenging time. In addition we must all continue to reflect on our own lifestyle choices in the face of climate change, and make changes to ensure that already struggling communities are given a fair and equal chance to adapt, recover and thrive.

Donald Workman
Chair

A message from the Executive Director



I am delighted to write this foreword as the new Executive Director of Concern (UK). As I write this in early 2020 we are in the midst of the global Covid-19 pandemic which is affecting our UK office and is starting to be felt across all the countries where we work. We will make every effort to build on the successes of

2019 to ensure that we reach as many people living in extreme poverty as we can with support to prevent, respond and recover from the pandemic.

I first joined Concern over 20 years ago as a volunteer in Cambodia. In the intervening years, I worked in many countries and with many organisations, and have always felt that Concern stands out for the clarity and commitment of its vision to tackle extreme poverty and inequality, reaching those most in need, whatever it takes.

This life-saving and life-changing work requires the combined support of the public and UK government. Despite economic and social uncertainty in 2019, Concern (UK) received more than £8 million in public donations, for which we are extremely grateful.

It is also important to recognise the other forms of support we receive – the tireless volunteers in our shops in Northern Ireland; the almost 4,000 people who took part in our Ration Challenge to raise funds and build awareness of the difficulties faced by Syrian people living as refugees; and all those who shake buckets, run marathons and make their voices heard in our school debates. We also acknowledge the huge contribution of the UK government, the Disasters Emergency Committee (DEC) and the other institutional donors who fund our work.

The number of people displaced and vulnerable in 2019 remains unacceptably high, with over 70 million people currently forced from their homes. The majority of them are displaced within their own countries and face an uncertain future and the challenges of loss of shelter, livelihood, community and essential services such as health and education. They are particularly vulnerable to the impacts of the Covid-19 pandemic and we will work to ensure we can provide continued humanitarian relief to them.

In 2019, Concern supported displaced people fleeing conflict in Niger, Syria and South Sudan, as well as those affected by flooding and the impact of Cyclone Idai in Mozambique and Malawi. With ongoing instability in the Sahel and Syria, the potential impact of climate change on the frequency and intensity of natural disasters and the global challenge of the Covid-19 pandemic, Concern will continue to respond to the needs of those affected by emergencies.

In 2020, we will plan our future strategy carefully in a time of global uncertainty. Using our experience and in consultation with others, we will decide how best to tackle extreme poverty and respond to those in humanitarian need. Climate change will also be high on the agenda. It impacts on the people and communities we work with, and we will have to modify our own behaviours and ways of working to serve them. We will reiterate our commitment to working with those living in the most fragile and vulnerable countries and pursue better ways to address the challenges they face.

In seeking to establish new partnerships with the private sector we will find fresh ideas and opportunities to collaborate that will also help to support our work. Most importantly, we will need to continue to engage the UK public and institutions, making sure we remain accountable for the way in which we work and use the funds entrusted to us.

Finally, I want to acknowledge the leadership and commitment of Rose Caldwell, who grew and nurtured an organisation that has made an important contribution to the wellbeing of the most vulnerable people in the world. I hope I can sustain and build on those achievements, working with the UK team, our supporters and the global organisation to achieve sustainable change for people living in extreme poverty.

Danny Harvey
Executive Director

Our overseas work in 2019

In 2019 Concern reached approximately 28.6 million people in 24 of the world’s poorest and most vulnerable countries.

Our work spans five main areas: emergencies, livelihoods, health and nutrition, education and integrated programmes.

Concern (UK) contributed funds to 22 of these countries.

- Afghanistan
- Bangladesh
- Burundi
- Central African Republic
- Chad
- Democratic People’s Republic of Korea*
- Democratic Republic of Congo
- Ethiopia
- Kenya
- Haiti
- Iraq
- Lebanon
- Liberia
- Malawi
- Mozambique
- Niger
- Pakistan
- Republic of Sudan
- Rwanda
- Sierra Leone
- Somalia
- South Sudan
- Syria
- Turkey*

28.6 million people helped

24 of the worlds poorest and most vulnerable countries

84.3% of income raised spent on overseas programmes

£27.4 million raised

82 emergency responses across 21 countries

*Concern (UK) didn’t contribute funds to country during 2019

A person is reached directly when they have received supplies, services, treatment or support from Concern, or has participated in training or education activities. A person is reached indirectly when their life is enhanced through the impact of Concern’s programme on the wider community.

Emergencies

In 2019, we responded to 82 emergencies in 21 countries, reaching over 11.5 million people, 3.9 million of whom were direct beneficiaries.

Countries that need help in emergencies are often affected by multiple disasters. When war-torn countries also experience flooding or drought, huge numbers of people can be displaced from their homes and left with no food, shelter or clean water. When an emergency strikes, we seek out the poorest and hardest to reach communities to meet their immediate needs and work with them to design innovative, fast and effective responses. We stay with them to help them rebuild their lives and are in a better place to respond the next time disaster strikes.

Respond rapidly in order to save lives and reduce suffering

In March 2019 Cyclone Idai made landfall in southern **Malawi**. It had a major and devastating impact on the vulnerable communities living there. Fields were flooded, crops were destroyed, and infrastructure including homes, latrines, wells and roads were levelled, placing an enormous strain on already impoverished populations. Overall, an estimated 975,000 people were affected. We supported just over 10 per cent of the affected population (112,000 people) in three districts through a multi-sectoral response including food distributions to 2,500 households, seeds and tools to 7,500 households and cash transfers to 8,120 families. In total 26,400 people were reached with hygiene messaging which is especially important when clean water supplies have been destroyed.

Over 19,062 households (approximately 95,310 people) in Northern Bahr el Ghazal in **South Sudan** received food aid rations between April and September to ensure they had enough to eat during the lean period. This is the time when most households run out of food stocks between harvests because of flooding, drought and or crops suffering from pests and diseases. During this crucial six month period, over 4,000 metric tons of food including cereals, pulses, vegetable oils and salt was distributed to targeted vulnerable households.

In early August significant severe flooding occurred in Freetown, **Sierra Leone**, when heavy rainfall coincided with a high tide. Numerous informal settlements in the city were severely affected, with a number of fatalities and significant damage to houses and infrastructure.

Overall, 40,000 people were affected and more than 5,000 displaced. Various public health risks then arose due to contamination of water sources and sanitation problems caused by the flood water. We focused our response on communities that were particularly vulnerable, reaching just under 13,500 people. Water purification items were provided to over 7,790 households, we facilitated the desludging and deep cleaning of a Community Health Centre, and provided drainage cleaning tools and food assistance for volunteers involved in cleaning up in their community.

A chaotic and deteriorating security situation in **Afghanistan**, combined with recurring natural disasters and a severe drought, resulted in a surge in the numbers of internally displaced people in the northeast of the country. Concern supported almost 19,000 conflict and disaster-affected people throughout Badakhshan and Takhar with cash payments, household items and emergency shelter.

Improve access to food, healthcare and water

The Rohingya crisis remained a focus of our emergency interventions in Cox's Bazar in **Bangladesh**. We continued to screen and treat children and vulnerable older people for malnutrition, achieving cure rates of above 80 per cent. We also increased our efforts on preventative measures, including teaching over 5,000 pregnant and lactating mothers and care givers about nutrition and personal hygiene, running more than 400 cooking demonstrations for approximately 12,700 people and distributing seeds and fertilisers to over 2,100 households for home gardening.

In the **Democratic Republic of Congo** our teams organised a market in Kowe, North Kivu Province, enabling some 3,000 internally displaced people and host families to buy food and household essentials as well as rehabilitating water points, latrines and local health centres – all in a context where there are no cars and the closest town is 150km away by boat. In Lomami Province, the team was able to reach over 6,450 households (43,860 people) with food, seeds and tools despite severe logistical challenges, including having to cross a river without a bridge.

Our emergency programme to improve food security for over 7,100 conflict-affected people in Kouango in **Central African Republic** has seen some significant results. At the beginning of the year, none of the households surveyed had a kitchen garden but as a



result of seed distributions, training on agricultural techniques and regular monitoring, 88 per cent now do and are successfully growing a range of vegetables. This has resulted in an increase in dietary diversity which in turn helps to improve health.

In **Chad** we reached 57,000 people affected by the ongoing crisis in the Lake Chad Basin. We continued to supply two health centres with drugs, medical equipment and staff training and set up five mobile clinics to reach people in very remote villages who would otherwise not get healthcare. In addition, the drilling of 14 boreholes and installation of hand pumps gave approximately 7,500 people access to clean drinking water. These activities were supplemented with hygiene and nutrition promotion campaigns which reached over 30,000 people to improve their health and prevent disease.

Malnutrition remains an ongoing reality in **Niger**, a country which faces multiple challenges including

Belia Andrade brings her emergency supplies home after Cyclone Adai hit Malawi.

Photo: Gavin Douglas/Concern Worldwide

epidemics, malaria, vulnerability to climate change and food insecurity. The situation is aggravated by the presence of armed groups in the country whose attacks cause massive internal and refugee displacements and increases vulnerabilities. Tahoua region (where Concern works) suffers particularly high rates of child malnutrition. In 2019, we worked with the Ministry of Public Health to address malnutrition by supporting 66 health facilities to treat affected children and prepare for seasonal surges. We also worked directly with vulnerable communities to prevent malnutrition by facilitating community volunteers who work with mothers to advise on good health and nutrition practices.

Prevent and reduce the impact of emergencies

An Ebola outbreak in the **Democratic Republic of Congo** has been ongoing since August 2018 and poses a considerable health risk to vulnerable communities. Our Ebola response programmes in North Kivu aim to break the chain of transmission through water, sanitation and hygiene interventions, and support health centres, with a strong focus on community engagement. In 2019 over 400,000 people were made aware of the risks of Ebola and how to better protect themselves.

In the Projet Drouillard neighbourhood of Cité Soleil in **Haiti** we initiated a canal rehabilitation project to improve the immediate environment and to mitigate against regular flooding in the area. By cleaning the canal of debris to get rid of stagnant water (a cause of water-borne disease in the community), the project directly impacted 150 households. This was followed by rehabilitation work to raise the canal bank to prevent future flooding in the area. The impact of raising the canal wall was felt during the 2019 June – November hurricane season, when there was less flooding in the neighbourhood compared to previous years and residents who previously had to move from their houses due to regular floods, were able to remain in their houses.

The **Democratic People's Republic of Korea's** vulnerability to climate change is rapidly increasing. Floods and drought have become frequent over the past decade, destabilising agricultural production, impacting food security and infrastructure and posing a threat to human lives. In 2019 almost 18,500 people were supported by our programme to reduce the impact of potential disaster. Activities included organising 30 sessions for farmers on disaster risk reduction and handling an emergency. We trained over 4,960 individuals on various disaster management skills such as hazard and vulnerability assessment, first aid, search and rescue, and disaster management planning, as well as refurbishing 45 child institutions to make them safer for almost 2,000 children.



Concern distribution of essential supplies in a refugee camp in North West Iraq.

Photo: Gavin Douglas/Concern Worldwide

Livelihoods

In 2019, we improved the food security and livelihoods of 0.6 million people directly and two million indirectly.

Our livelihoods programmes address some of the underlying problems that affect the ability of people living in extreme poverty to earn a living. We provide small-scale credit to invest in business development, and train people in vocational skills that create employment opportunities. We also work with communities to improve the productivity and nutritional value of crops using practices that help mitigate against the impact of climate change.

Reduce hunger

In Marsabit County in northern **Kenya**, our livelihoods programme directly impacts over 47,500 people. Livestock is the main source of food and income for 81 per cent of the population so the programme has a focus on improving animal health and productivity, be that in terms of quantity of milk or quality of meat or value at market. This in turn directly helps to reduce acute malnutrition rates. In our target areas we supported extension workers to advise on selective breeding as well as working with the Marsabit County government to treat and vaccinate over 37,000 livestock against disease, and ensured that more than 87,500 animals were able to access water at the height of a drought by repairing boreholes.

Food insecurity and malnutrition are highly pervasive in the **Democratic People's Republic of Korea** with 40 per cent of the population unable to access or afford adequate food. We have worked to increase the quantity and variety of food for people in over 1,400 households. They were provided with the seeds and materials necessary to build kitchen gardens and have been extremely successful in increasing the amount of vegetables produced from 267kg to 412kg per household, an increase of 64 per cent.

In northern **Syria**, displaced communities face high levels of food insecurity but limited opportunities to earn a living or grow their own food. We provided cash for work schemes which benefited over 1,385 households who earned an income working on the restoration of essential public/municipal services such as water supplies and schools. In rural areas we assisted more than 1,478 farming households with agricultural vouchers to enable them to buy the necessary inputs such as seeds, fertilisers and irrigation mechanisms to increase their harvest.

Data collected during the post-harvest monitoring showed that productivity had increased for 81 per cent of the targeted households.

Strengthen our social protection programming, work skills and support systems

Our integrated urban programme in **Bangladesh** works with just under 41,000 extremely poor people living in slums, squatter settlements and on the pavement to improve their health and opportunities to earn a living. In 2019, over 1,470 households were supported in running small businesses, including business skills training and cash grants. A further 480 people were supported with vocational training, of whom 265 succeeded in securing jobs.

In Cité Soleil, a marginalised urban area in Port-au-Prince, **Haiti**, vulnerable people are unable to move out of poverty due to a lack of employment opportunities. We supported more than 1,500 extremely poor households to improve their livelihoods through vocational training, coaching and mentoring, life and business skills training and cash payments to support small business development.

In **Turkey** where we work with Syrian refugees, high unemployment rates and or the prevalence of irregular, low-skilled and low-paying job opportunities for Syrian adults has forced many families to live in extreme poverty. According to potential employers surveyed in Sanliurfa, one of the areas we work in, language problems are regarded as the biggest obstacle to employing Syrians. As part of our work to support refugees find employment, Turkish language courses were completed by 232 programme participants. Vocational training courses were also provided for 250 people and work applications submitted for 50 people.

Antonio Saint Louis is involved in Concern's Graduation Programme in Haiti and he is hoping to renovate a disused boat to earn money from fishing.

Photo: Kieran McConville/ Concern Worldwide





Nimo Mohamed Jibnil (21) sitting in her shop. She is supported by Concern's youth entrepreneurship programme in Somalia to sell clothes to her local community.

Photo: Gavin Douglas/Concern Worldwide

Promote graduation to economic productivity

Our Graduation Programmes benefit over 6,924 households in **Burundi** (5,174) and **Rwanda** (1,750) and continue to have a powerful and sustainable impact on the communities we work with. Participants in the programme are supported to graduate out of poverty through a combination of cash assistance, coaching and support to set up small businesses. In 2019, the average monthly income for families taking part more than doubled.

In **Malawi** we continued implementing the Graduation Programme for its third year. We reached over 1,911 vulnerable households who were supported with monthly cash payments of MWK 15,000 (£16.75) to meet their basic needs, bi-monthly mentoring and

coaching visits, business and technical skills training and a further cash payment to set up income generation activities, especially small-scale businesses. The programme also has complementary activities that benefit a further 2,878 vulnerable households in the wider community, including access to credit through Village Savings and Loan Associations.

In **Ethiopia**, our integrated livelihoods programme reached over 11,453 extremely poor households (approximately 51,538 people) in South Wollo (Amhara Region) and Wolayita (Southern Nations, Nationalities, and People's Region). The programme uses a graduation approach to build the livelihood security and improve the nutrition of participants through a number of activities. A survey conducted in 2019 shows that participants are now in a much more secure

position since the start of the programme in 2017. The amount of livestock households now own has grown from an average of 1.7 animals to 11.5 animals and 97 per cent of households are now able to save cash regularly. In addition, 89 per cent of households report that they are now able to have at least two meals a day and that their diet is more varied and balanced.

Strengthen our climate smart agriculture programme

In **Liberia** the rural poor are particularly vulnerable to the impact of climate change and we are working to improve the food security and resilience of over 3,000 people in Grand Bassa County. We provided training on crop production and Climate Smart Agriculture to over 1,683 smallholder farmers. This included 60 farmer field assistants who then go on to support small holder

farmers in their district. Other elements of the programme include supporting Community Savings and Loans Associations which give over 3,328 members access to loans from their pooled savings.

In **Pakistan**, as part of a wider resilience building programme we worked to increase the food and nutrition security of small landholders through improved agricultural productivity, crop diversification, production of high value crops, conservation agriculture and climate smart agriculture practices. Disaster affected communities' capacities were enhanced through Farmer Field Schools where farmers were trained on best climate smart practices and climate smart livestock management. In total, 204 climate smart agriculture sessions were conducted.

Health

In 2019, our health and nutrition programmes reached over 10.1 million people of whom 2.9 million were direct beneficiaries.

The health systems are extremely weak in many of the countries where we work, and communities 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 improve access to good maternal and child healthcare and water and sanitation services.

Prevent under-nutrition and extreme hunger

Our nutrition programmes in **Burundi** reached over 89,260 people and produced impressive results with the number of children in our programme twice as likely to have a minimal acceptable diet for a healthy life. The families of these children are far less likely to have to resort to negative coping strategies like selling their household assets or eating seeds meant for planting.

In Northern Bahr-el-Ghazal in **South Sudan** we continued to tackle malnutrition through our Community-based Management of Acute Malnutrition (CMAM) Programme. Forty-nine Concern-supported nutrition sites provided quality health and nutrition services to vulnerable children and pregnant and lactating women suffering from acute malnutrition. Over 13,500 children under five years and approximately 4,700 pregnant and breastfeeding women were treated between January and October across the sites. At the heart of the CMAM approach are volunteers in the community who actively screen children and pregnant and breastfeeding women for malnutrition. Approximately 59,500 children under the age of five and 35,600 women were screened in 2019.

Health worker Nelly Lessene (left), and matron and immunisation coordinator Emiellienne Mapouka (right) at the Concern-supported Bekadili Health Facility. Both women help to deliver around 15 babies each month on average.

Photo: Chris de Bode/Panos Pictures for Concern Worldwide/Central African Republic



Strengthen maternal and child health

In **Sierra Leone**, malaria poses a significant health risk in the communities in which we work and can lead to death if not treated early. In Tonkolili district where malaria is prevalent and is a leading cause of death in children under five we are taking a unique approach to tackling the disease by working with, and training over 100 traditional healers and other influential women to promote health facility treatment and preventative measures as opposed to traditional ones. The women visit the communities to share their knowledge and make referrals to the health clinics where necessary. Earlier and more consistent treatment of malaria symptoms is reported in the communities with the project reaching just over 14,000 people in 2019.

In Marsabit County in northern **Kenya**, Traditional Birth Attendants (TBAs) are accorded high status and respect in the community. Leveraging on this we worked with the County Department of Health to train 147 TBAs as Community Birth Referral Agents (CBRAs) to ensure better pre and postnatal care for mothers and babies and safer childbirth. The CBRAs encourage mothers to attend antenatal clinics, deliver their babies with the support of trained personnel, exclusively breastfeed for the first six months and continue for two years, and have their babies immunised. With the integration of TBAs into the system, skilled delivery has improved in the county from 44.4 per cent to 53.9 per cent and exclusive breastfeeding from 75.7 per cent to 97.1 per cent.

Strengthen health facilities

In Kouango town in the **Central African Republic**, we have been supporting the local hospital to improve sanitary conditions and access to clean water. Before Concern's arrival, the hospital had only one latrine, shared by all staff and patients. There was also no proper way of disposing of medical waste such as needles and bandages, and there was no clean water supply. During 2019, a new hospital latrine block including a shower room, and an incinerator were built, and work commenced to rehabilitate the hospital well to ensure clean water is available year-round.

In West Darfur in the **Republic of Sudan**, we continued to support and strengthen the health systems in two areas to provide improved health and nutrition services

to almost 66,000 conflict-affected people. We expanded and rehabilitated two nutrition centres and rehabilitated a further 11 health centres, and in conjunction with the Ministry of Health, procured and provided essential supplies and equipment to ensure communities had access to basic health services throughout the year. Over 32,649 patients were treated at the health centres in 2019, and a further 5,812 women received antenatal services. We also continued to build the capacity of the state and local health authorities, paying monthly incentives and providing technical assistance and training to staff.

Improve access to clean water and sanitation

Syrian refugees living in informal settlements in **Lebanon** often face health-related risks caused by unsafe or non-existent water supplies and sanitation. We ensured and maintained standards of health and wellbeing for over 10,300 of the most vulnerable people in 2019, supplying safe drinking water to over 9,800 people, and connecting 27 informal settlements to the public water supply network. Sanitation and hygiene were improved for over 7,000 people through the rehabilitation of 80 latrines and the construction of 173 new latrines. Forty-three new septic tanks were installed and 126 water tanks were distributed. In addition, 9,500 people benefited from hygiene-related awareness sessions.

Our water, sanitation and hygiene programme in the **Democratic People's Republic of Korea** successfully contributed to the improved health of almost 31,000 people through the provision of safe water, improved latrines and handwashing facilities, together with hygiene promotion. This included the construction of nine gravity-fed water supply systems bringing clean water to more than 3,025 households and 50 schools, clinics, kindergartens and nurseries.

In the Sila region of **Chad** we have been working to supply clean water to communities by installing boreholes and pumps. To ensure their upkeep, volunteers from the villages form committees and are trained on maintenance, hygiene around the pump and administration. Sixty committees were supervised in 2019, and a household survey showed that 65 per cent of households had access to clean water, a significant increase on 48 per cent in 2018.

Midwife Rebekka at a Concern Mobile Health Clinic in a remote rural area of Aweil, South Sudan. The mobile clinic visits five locations once a week. In the picture Rebekka is seeing Chagawa* (28) who is visiting for a check-up in her ninth month of pregnancy.

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

*name changed to protect the identity of the individual



Education

In 2019, our education programmes directly benefited over 200,000 people and 800,000 indirectly.

We believe that all children have the right to an education and that it provides one of the best routes out of poverty. We integrate our education programmes into both our development and emergency work to give extremely poor children more opportunities in life and support their overall wellbeing.

Increase school access

Our programme in Takhar province in **Afghanistan** aims to provide a quality primary school education for children in vulnerable communities. It also supports illiterate adults to learn basic reading and writing skills, which improves their own opportunities and also contributes to an enabling environment for children over the long-term. Almost 4,800 people benefited from the programme in 2019. We established and supported 20 community based education (CBE) classes, six government-run schools and 27 adult literacy courses, including hiring teachers. Learning materials were distributed to over 2,860 students, and 76 learning kits were provided to enhance the capacity of CBE and government school teachers.

Our ‘Leave No Child Behind’ programme allows extremely poor children in Nairobi and Marsabit counties in **Kenya** access to a quality education in a safe environment. In order to improve school attendance, we supported 70 community groups made up of parents with income generation, and savings and loans activities to finance their children’s education. Parents’ associations have now been set up in 150 of the 181 schools in the programme. As a result, school attendance rates are 99 per cent and 86.8 per cent in Marsabit and Nairobi counties respectively.

Improve learning outcomes

In **Malawi**, we completed our ‘Right to Learn’ programme which supported girls in Phalombe District to achieve their right to an education in a safe environment free from discrimination and violence. We worked in 30 schools in the district and also with the wider community reaching almost 62,000 people to address the root causes of school-related gender-based violence and encourage behaviour change. Across the 30 schools the reading ability of the target girls improved significantly – at the beginning of the

programme 39 per cent of girls were able to read 45 correct words per minute, rising to 82 per cent by the end. The girls’ confidence also increased significantly, with 83 per cent feeling able to say no to sexual advances and abuse and demand the support they needed at school from teachers and parents, up from 38 per cent.

Past conflict and poverty together with a lack of school buildings, unpaid teachers and harmful and discriminatory gender attitudes all contribute to a situation where a child’s right to education does not always materialise. In Tonkolili District in **Sierra Leone**, we reached approximately 37,000 people through our ‘Safe Learning Model’ by facilitating community mobilisation sessions around the value of education, which contributed to the enrolment of more than 20,900 pupils in 80 schools. All 80 schools were supported with teaching and learning materials, and 55 were provided with social and emotional learning/school club materials which helped to keep the average attendance rate high at 94 per cent.

Provide access to education for children in emergencies

In Akkar Governorate in **Lebanon**, we provided community-based early childhood education to 303 Syrian refugee children aged three to five years who would otherwise be unable to join the formal education system. 17 teachers were recruited and trained to ensure programme quality and were also trained on child protection. Over 100 parents took part in parent/caregiver groups.

Many Syrian refugee children living in **Turkey** have now missed up to four years of school. In Sanliurfa district where Concern works, over half of the school-aged children do not attend for a variety of reasons including the need to help earn money for the family and low literacy rates. Additionally, many are suffering from trauma, anxiety and stress. Our emergency education programme in Sanliurfa district supported over 1,703 vulnerable children to go to school by providing cash assistance to parents and materials such as school uniforms, glasses and hearing aids so children could succeed in the classroom. Some 456 teachers and school counsellors were trained to spot and communicate effectively with children suffering from trauma.



Rose from Cité Soleil, Haiti, taking part in a summer camp run by Concern.

Photo: Kieran McConville/ Concern Worldwide

Improve school facilities

In the Benadir region of **Somalia**, we provided access to safe quality primary education to just under 9,900 children from the poorest, most vulnerable and marginalised communities. We rehabilitated 11 school buildings, as well as providing furniture such as desks. Over 80 Community Education Committee members (responsible for school management and encouraging the community to send their children to school) received training, and a further 364 teachers received training on positive classroom management techniques, and lesson plan development and execution.

Our education programme in North East **Syria** saw huge growth through 2019, reaching just under 9,000 children and 500 teachers and caregivers. Our education team supported hundreds of out-of-school children to develop basic numeracy and literacy skills with over 70 per cent of these children reintegrating into the formal education system by the start of the new school year in October 2019. At the same time, Concern rehabilitated fourteen primary schools which had been in a state of disrepair and presented serious risks to the children attending. These schools are now safe, happy and conducive learning environments and as a result, attendance and retention rates have risen dramatically.



Girls in class at a school in Afghanistan, supported by Concern.
Photo: Kieran McConville / Concern Worldwide

Integrated Programmes

In 2019, we reached approximately one million people directly through our integrated programmes, and over 2.2 million indirectly.

The challenges faced by people living in extreme poverty are multi-dimensional. We believe that more effective and lasting solutions can be found in integrated interventions that deliver a range of activities with the same target group, in the same area, in a coordinated way.

Acute malnutrition in children under five years of age continues to be a significant problem in **Ethiopia**. In Amhara Region, Concern reached over 135,300 vulnerable people with its integrated programme to reduce spikes in child malnutrition. We supported improved food production for more than 5,500 households; distributing carrot, cabbage and tomato seeds and providing training on land preparation and vegetable gardening techniques. Over 10,000 people were supported with nutrition education, focusing on maternal and child feeding, and 66 mother to mother support groups with just above 1,050 members were established. More than 21,000 people benefited from newly constructed latrines together with hygiene

education to help reduce incidents of diarrheal disease, especially among children.

Our programme to reduce under five mortality and disease rates in Grand Bassa and Rivercess counties in **Liberia** benefited over 16,000 people with livelihoods, nutrition, WASH (water, sanitation and hygiene) and gender equality activities. To improve the nutrition and health of mothers and children under five, over 2,625 mothers were supported with seeds and tools to establish kitchen gardens. We also set up 51 mother groups, adding to the 91 previously established, with a total membership in excess of 3,525 mothers/ caregivers. Members learn about the importance of good nutrition and changes they need to make; they are encouraged to bring their husbands to the training sessions so they learn together and have a shared understanding of the recommended changes.

Matron and immunisation coordinator Emiellene Mapouka (39) with six-month-old Rosalia. Mum Hortense has brought her sick daughter to Bekadili Health Facility because she has a cough and stomach pains.

Photo: Chris de Bode/ Concern Worldwide/Central African Republic



In **Pakistan**, where 70 per cent of the population are acutely exposed to natural disasters, our resilience building programme reached almost 170,000 of the most vulnerable people in three districts. Activities included setting up 231 disaster management committees, training 350 masons to build disaster-resilient shelters, constructing 63 resilient handpumps and 585 underground household water tanks, and running 536 hygiene promotion sessions.

Our 'Building Resilience for Poverty Reduction' programme in West Darfur in the **Republic of Sudan** supports just over 38,000 people to be better able to withstand weather-related shocks and stresses through a combination of livelihood and health-related activities. To help programme participants build more secure livelihoods the focus has been on training and providing agricultural inputs such as seeds and livestock, strengthening access to markets, and helping people, especially women, join village saving and loans associations. Since the start of the programme in 2017, there has been a reduction in the hunger gap (the length of time when food supplies have been used up) from 3.65 months to 1.95 months in 2019 and targeted households have reported a better and more diversified diet.

Our emergency response programme brought lifesaving assistance to over 270,000 internally displaced persons and other marginalised groups in **Somalia** and **Somaliland**. We provided over 125,000 consultations for adults and children at health facilities, immunised more than 21,600 children, and treated over 18,000 children under-five and pregnant and lactating women for acute malnutrition.

Water, sanitation and hygiene work reached almost 193,000 people. This work included water trucking, the construction of boreholes, wells, the creation of underground water storage and water pipelines, the rehabilitation of water points, distribution of hygiene kits and carrying out hygiene promotion activities. Over 80,000 extremely vulnerable people benefited from cash payments to enable them to buy food and other essentials.



Drainage canal clearance work in Port-au-Prince, Haiti. Rubbish washed down from the city blocked these canals causing flooding and disease in low-lying communities.

Photo: Kieran McConville/ Concern Worldwide

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.

Working with partners

Concern cannot achieve its mission to eliminate extreme poverty in isolation. 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).

Collaborations might involve Concern staff working on joint operations with partners or, in cases where projects are being fully implemented by partners, we may provide monitoring and technical expertise. In many cases, a large part of our input has been, and will continue to be, in building the capacity of our partners.

Our partners include other international and local non-governmental organisations (NGOs), government bodies, research institutions and private sector companies. Partnerships were evident across all the sectors in which we work and grants to partners represented over eight per cent of total charitable expenditure.

We continue to work in strategic partnerships. We are an active member of the Disasters Emergency Committee, the START network, several of the working groups under BOND (the UK network for organisations working in international development), the International Coalition for Advocacy on Nutrition (ICAN) and the Scaling Up Nutrition (SUN) movement. We have also collaborated with a range of academic institutions in 2019, notably University College London in studying the health impacts on communities in Somalia when they are displaced because of conflict.

In 2019, Concern provided €14 million to 116 partners.

How we measure success and learn from our programmes

Concern uses a results based management approach in delivering on its strategic objective to improve programme quality and impact. During 2019, we conducted a review of our own experiences of using this approach.

This review highlighted the solid planning processes that are in place in Concern and the importance of these processes in setting realistic programme objectives and targets. A key planning step is the context analysis process where an assessment is made to identify the extreme poor in a given area and investigate the reasons

why they are poor – looking at assets, inequalities, and risk and vulnerability. Such context analysis allows clear and relevant objectives be set for each programme.

Monitoring plans are then designed to track progress towards objectives, through data collection on standard indicators using both digital surveys and qualitative data collection techniques.

It was found that the key to effective results based management is conducting periodic reflection exercises on data from monitoring systems. Such reflection should lead to programme adjustments and realignment of targets as necessary, and will facilitate learning and continuous improvement.

The next important step in the results based management approach is conducting an evaluation at the end of a programme that yields credible evidence on what works and provides evidence based recommendations for future programmes. Concern conducted over 20 independent evaluations of its overseas programmes in 2019, where both successes and challenges to implementation helped us to design new programmes targeting the extreme poor.

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. During 2019, we signed up to the InterAction CEO Pledge on Preventing Sexual Abuse, Exploitation, and Harassment by and of NGO Staff and the Dóchas Safeguarding Code. We work with BOND in the UK to develop best practice and stay abreast of regulatory requirements.

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, namely the Programme Participant Protection Policy, Anti-Trafficking in Persons Policy and Child Safeguarding Policy. 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. During 2019, we revised the Whistleblowing Policy to enhance protection for staff who come forward about wrongdoing within our organisation.

We are committed to taking all safeguarding reports seriously and to respond appropriately to allegations of

a breach of the CCoC. We have dedicated safeguarding staff (since 2018), and they maintain a secure database to register and track all safeguarding cases.

All safeguarding reports that are received are screened to ensure that everyone involved in the incident is appropriately safeguarded. Established investigation guidelines are followed and where allegations are substantiated, disciplinary action is taken, up to and including dismissal.

During 2019 our safeguarding team received a total of 22 new referrals and two cases were carried forward from last year giving a total caseload for 2019 of 24. Three of these related to incidents in partner organisations and were investigated and addressed by the partners – with inputs from the Concern team. Of the 21 cases relating to Concern:

- six were under investigation at year-end
- four related to child safeguarding – specifically the use of corporal punishment (slapping) in schools being supported by the organisation

The remaining 11 cases all fell within Concern’s definitions of sexual exploitation, harassment or abuse which are as follows:

- Sexual exploitation – Any actual or attempted abuse of a position of vulnerability, differential power, or trust, to pressure or demand others to provide sexual favours.
- Sexual harassment is any form of unwanted verbal, non-verbal or physical conduct of a sexual nature.
- Sexual abuse - The actual or threatened physical intrusion of a sexual nature, whether by force, coercion or under unequal conditions.

The profile of cases and the results of investigations are summarised below.

Type of case	No. of complaints substantiated	No. of complaints unsubstantiated or unfounded	Other*	Total
Sexual exploitation	–	–	–	–
Sexual harassment	3	3	3	9
Sexual abuse	1	1	–	2
Total	4	4	3	11

*not taken forward at the request of the person who experienced the incident

Substantiated complaints resulted in disciplinary action ranging from written warning to termination. Where appropriate cases were also referred to the local authorities.

During 2019 we developed safeguarding awareness raising training and communication material for staff and

volunteers, including an enhanced flow chart to report anonymous, historical, and actual or suspicion of harm. 57 Safeguarding Focal Persons have been designated in 20 countries of operation and these are supported in this role by our safeguarding team.

We employ 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.

At a governance level, there are two safeguarding Trustees who have been appointed and there are regular reports on safeguarding at our Board meetings. The Board received safeguarding awareness briefings in 2019. The Serious Incident Monitoring Group meets regularly to review and decide on actions to be taken in reporting obligations with regards to safeguarding incidents, with the best interests of the person who has been harmed at the centre of every decision and action.

Concern is a certified member of the Core Humanitarian Standard (CHS) Alliance. This is an internationally recognised standard of best practice certifying that our policies and procedures ensure that we are accountable to the people with whom we work. We maintained certification this year by undergoing a quality assurance audit undertaken by Humanitarian Quality Assurance Initiative (HQAI), an independent Geneva based company. Certification acknowledges that our systems and processes meet quality standards of best practice and programme delivery.

While we believe that our systems are working, we are committed to their on-going development. To this end, members of the safeguarding and senior management teams sit on a number of sector safeguarding working groups to ensure that we are contributing to the further development of policies, systems and learning at the sector level.

In late 2019, we commissioned an external review of our safeguarding function to ensure that it is meeting the needs of our organisation with the report due in January 2020. Our global staff survey, completed in October 2019 had specific questions around safeguarding, and was published in early 2020. These reports will provide guidance to the leadership on how to enhance our safeguarding measures, processes, guidelines and standards of best practice across all areas of our organisation. The main actions planned for 2020 are:

- To appoint a Director of Safeguarding
- To expand the safeguarding team
- To enhance our investigative capacity

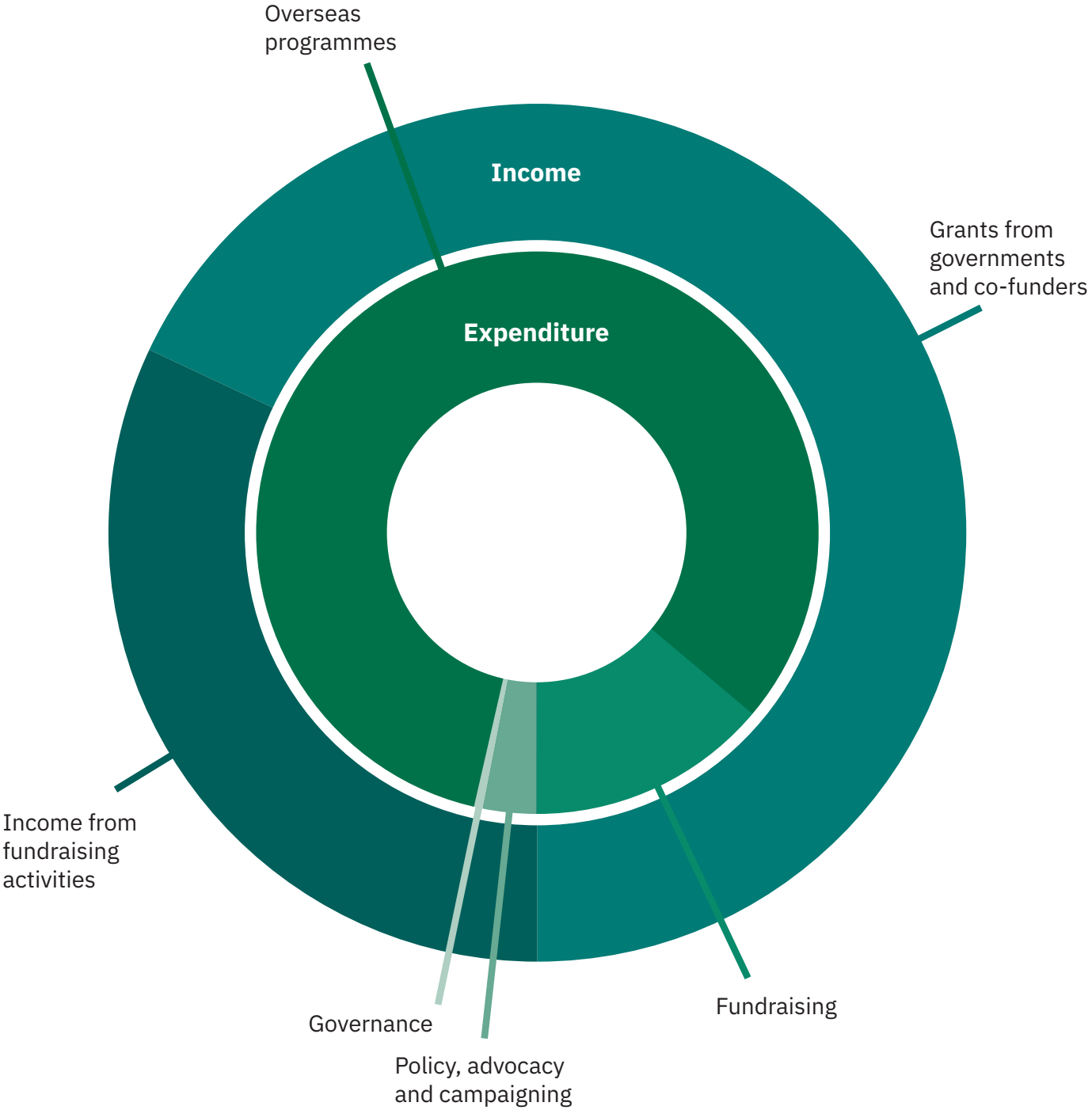
Income and expenditure

Income

Total income:	£27.4 million
Income from fundraising activities:	£8.8 million (32.2%)
Grants from governments and co-funders:	£18.6 million (67.8%)

Expenditure

Total expenditure:	£28 million
Overseas programmes:	£23.1 million (82.5%)
Fundraising:	£3.9 million (13.9%)
Policy, advocacy and campaigning:	£0.9 million (3.2%)
Governance:	£0.1 million (0.4%)



Trustees' report



Stawa James with her crop of soya near the village of Chituke in Mangochi Distrct, Malawi. Stawa says her yields have increased dramatically since she started using conservation agriculture techniques.
Photo: Kieran McConville / Concern Worldwide

Legal and administrative information

Trustees of the charity – Concern (UK)

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
Dr Diane Chilangwa Farmer
Linda Horgan
Jemima Jewell
Michael Kenny*
Tony McCusker
Rob McGrigor (Chair of Audit and Finance committee and Honorary Treasurer)
George Milne (appointed 28 September 2019) (Chair of Fundraising committee)
Bernadette Sexton*
Nicola Stones (appointed 14 December 2019)
Rosalyn Tamming*
Peggy Walters
Donald Workman* (Chair)
Sam Sims resigned as Trustee of the organisation on 13 February 2019
Tony Foster resigned as Trustee of the organisation on 11 December 2019
James Shaw-Hamilton resigned as Trustee of the organisation on 21 April 2020
*Also members of the Board of Concern Worldwide

Sub-committees of the Board

Audit and Finance Committee

Dr Diane Chilangwa Farmer
Tony McCusker
Rob McGrigor (Chair and Honorary Treasurer)
Bernadette Sexton
James Shaw-Hamilton served on the Audit and Finance Committee prior to his resignation as a Trustee of the organisation on 21 April 2020.

Fundraising Committee

Jemima Jewell
Tony McCusker
George Milne (Chair)
Nicola Stones
Peggy Walters
Tony Foster served on the Fundraising committee prior to his resignation as a Trustee of the organisation on 11 December 2019.
Sam Sims served on the Fundraising committee prior to his resignation as Trustee of the organisation on 13 February 2019.

Company Secretary

Rosaleen Walsh

Registered office

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

Trustees of the charity – Concern (Northern Ireland)

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

Tony McCusker* (Chair) (appointed 25 September 2019)
Wes Moody (appointed 25 September 2019)
Anne O’Dwyer (appointed 25 September 2019)
Jim Hynes and **Rose Caldwell** resigned as Trustees of the organisation on 25 September 2019.
*Also member of the Board of Concern (UK)

Company Secretary

Rosaleen Walsh – 12 December 2018 to 20 April 2020
Alison Bartholomew – 20 April 2020 to present

Registered office

47 Frederick Street, Belfast, BT1 2LW

Executive Team of Concern (UK)

Danny Harvey – Executive Director
Peter Anderson – Northern Ireland Director
Deborah Underdown – Director of Communications
Peter Reynolds – Director of Fundraising
Bob Ruxton – Director of International Support
Gavin Crowden – Director of Policy and Campaigns
Basia Wosiek– Director of Finance and Operations

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 7E

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 consolidated financial statements of the group for the year ended 31 December 2019.

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

Concern Worldwide (Northern Ireland) (‘Concern (NI)’) is a company limited by guarantee registered in Northern Ireland (company number NI9332) and pending registration as a registered Charity with the Charity Commission for Northern Ireland. Concern (UK) is the sole member of Concern (NI). In 2019, Concern (NI) took over and now operates and manages all retail activities conducted by charity shops in Northern Ireland. The net assets of the existing retail outlets were transferred from Concern (UK) to Concern (NI) during 2019. Concern (UK) provides oversight, administrative and other services to Concern (NI) to support it in those retail activities.

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. The Fundraising Committee comprises five Trustees and is 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 2019. Board attendance was as follows:

Name	Meetings
Zamila Bunglawala	4/5
Dr Diane Chilangwa Farmer	5/5
John Dunford	4/5
Tony Foster	5/5
Jemima Jewell	4/5
Linda Horgan	3/5
Michael Kenny	4/5
Tony McCusker	4/5
Rob McGrigor	4/5
George Milne	1/1
Bernadette Sexton	5/5
James Shaw-Hamilton	4/5
Sam Sims	1/1
Rosalyn Tamming	5/5
Peggy Walters	3/5
Donald Workman	5/5

1.4 Charity Governance Code

The Board of Trustees has adopted the Charity Governance Code for larger charities, in addition to following best practice from the Charity Commission and sector.

We have maintained our ways of working following the successful assessment against the code in 2018. We have introduced a key performance indicator dashboard for Trustees.

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.

The Board believes it benefits from having a balanced board with a maximum of 16 Trustees, given the complexity of the charity's operations and the important relationship with our parent organisation, Concern Worldwide. This is larger than the suggested 12 Trustees in the code.

1.5 Fundraising compliance

We comply with all relevant laws and regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the General Data Protection Regulation (GDPR) 2018, Data Protection Act 2018 and the Privacy and Electronic Communications Regulation 2003. We also comply with the regulatory standards for fundraising, including guidance published by the Charity Commission. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise, compliance with the Fundraising Preference Service and adherence to the Code of Fundraising Practice. Concern (UK) is also an organisational member of the Institute of Fundraising.

Fundraising from the public is vital in making our work possible and we are committed to being fully accountable to our donors for the way we fundraise and how we make use of donations. Our fundraising programme includes encouraging donations and gifts in wills, fundraising events, applying for funding from charitable trusts and foundations and through sales of donated goods through our shops. We are also fortunate to be supported by a number of local groups that fundraise on our behalf. Most of this activity is carried out by our own internal team. However, in 2019 we also engaged five professional fundraising service providers to attract new donors on our behalf or to ask for further support. We ensure that these service

providers also comply with the Fundraising Regulator Code of Practice, so that we protect our supporters and the reputation of our charity.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We have a formal complaints procedure and complaints are monitored by our Supporter Care Management Team, which includes three members of our Senior Management Team. Our Board of Trustees' Fundraising Sub-committee monitors complaint levels every six months. In 2019, we received a total of 45 complaints about our fundraising, nine more than we received in 2018, due to increased levels of fundraising activity. We respond to all complaints within one working day to ensure we address our supporters' concerns and put them right.

We have published our vulnerable donor's policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out of receiving fundraising communications from us and we actioned 10 requests from this service in 2019.

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 is committed to the participation of 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 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.

Mary Wrobone (40) demonstrates how to cook a meal for a sick or malnourished child between six and eight months old during a Mothers' Group in Liberia.

Photo: Nora Lorek/Panos Pictures for Concern Worldwide



4. Strategic report

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

It does not implement its own overseas programmes, but does seek to address the root causes of poverty directly through its own advocacy work. In 2016, the Trustees approved Concern (UK)'s 2016 – 2020 strategic plan, 'Tackling hunger, crises and extreme poverty in the toughest parts of the world'. The plan sets out five specific goals developed to capture the contribution Concern (UK) aspires to make towards Concern Worldwide programmes and the global strategic plan. Below, we set out our strategic goals and our progress in 2019 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 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.

Funding Sources

In 2019 we stayed on track to meet our targets for funds raised from UK institutional donors, and continued to make progress on increasing the impact of Concern's programmes in the most fragile countries.

The UK Aid Match scheme has been an important arrangement for Concern over the past six years. The scheme sees DFID make a grant to match what the participating agency can raise through a public fundraising campaign of its own. In May/June, our partner Penny Appeal raised over £1 million for its Ramadan Appeal, and Concern will implement the resulting DFID-funded project, a mother and child health programme in Kenya. See Goal 3 for details of Concern (UK)'s own Free From Hunger 2019 Aid Match campaign.

The Guernsey Overseas Aid Commission has supported Concern's development work over many years, and in 2019 enabled Concern to bring clean water to communities in DRC and in Chad.

On a rather larger scale, we were delighted to be selected to head up a new multi-agency health programme in Bangladesh, again funded by DFID. Launched in July, the 42-month programme is piloting innovations in how existing government health services are delivered, bringing in the private sector and exploring how digital solutions and mobile technology can help communities and health providers be better prepared and respond more effectively and efficiently to climate events.

Concern (UK) continues to support the wider organisation to build its capacity to win and implement commercial contracts. In March, we were successful in bidding to become a 'preferred partner' for DFID in delivering small to medium contracts in the field of Health and Human Development. This means that we, and a small number of other pre-selected agencies, can rapidly respond with a competitive offer.

We have maintained our strong collaborative relationship with DFID, identifying common areas of interest where Concern can use UK Aid to transform the lives of the world's poorest people. We have also taken steps to develop partnerships with the private sector, bringing their skills and alternative ways of working into our work.

Humanitarian response

A number of significant programmes have been successfully completed this year. Most notably, we concluded a programme that delivered food security assistance, education and livelihood opportunities to nearly 200,000 people in Northern Syria. The programme enabled those living in appalling conditions to live with a little more dignity, though we are acutely aware of how much need and suffering there continues to be in this region.

Elsewhere, we completed programmes funded by the DEC appeals for Rohingya refugees in Bangladesh and the victims of Cyclone Idai in Malawi, though in both cases Concern's broader responses continue.

The devastating food security crisis in the Horn of Africa has yet again received too little attention from the international community. Concern has been at the heart of efforts to address this crisis in Somalia. Working with consortium partners, we are determined to ensure that the gains of longer-term development work are not wiped out by this crisis. Extra funding of some £1 million from DFID has been instrumental in that effort.

In the DRC, DFID awarded £3 million to Concern (as part of a consortium), to respond with speed to the cyclical emergencies that flare up there, including when communities are displaced by conflict.



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.

This year we made significant progress in our advocacy work. Our achievements include increasing access and visibility to senior UK government decision makers via meetings with DFID Ministers and the Permanent Secretary and stepping up our work to engage parliamentarians.

Concern produced several well received policy reports in nutrition and resilience; led coalition efforts at a number of UN summits and continued to chair the International Coalition for Advocacy on Nutrition (ICAN) UK.

We also worked closely with several country teams including Bangladesh, Burundi and Chad on local advocacy issues crucial to their work, such as flood resilience.

Panel discussion on climate change and hunger. Held on World Food Day at City Hall, London.

Photo: Kevin Percival/Concern Worldwide

Hunger

Much of our focus in 2019 has been the build up to the 'Nutrition for Growth (N4G) Summit' in Japan. We participated in the official Summit working group on nutrition in fragile states – a tribute to our influence in this area as civil society organisations are not generally involved. With input from ICAN colleagues, we also produced 'Nutrition: the key to unlocking UK Aid's impact', demonstrating why good nutrition is at the centre of health and wellbeing and outlining the commitments we would like the UK government to make at the Summit.

Our experts fed into a number of high-level discussions on nutrition; joining a roundtable hosted by the Independent Commission for Aid Impact ahead of a review of DFID's support to nutrition and a roundtable discussion of the All Party Parliamentary Group on Food and Agriculture for Development. Concern (UK) also fed in to a DFID civil society consultation on their 'Ending Preventable Deaths Strategy'.

The UK recently reported on its progress to reaching the Sustainable Development Goals (SDGs) in its Voluntary National Review (VNR). Concern (UK) wrote the chapter on SDG2 ('zero hunger') in the NGO

‘shadow’ report, and our Building Disaster Resilience in Pakistan project was featured as a positive case study in the UK’s official VNR report.

For World Food Day we held an event on ‘Climate Change and Hunger’. The event brought together the climate and nutrition sectors ahead of two critical international summits; Nutrition for Growth in Tokyo and UN climate negotiations in Glasgow.

The panel discussion featured expert speakers: Amina Abdulla, Concern Kenya; Professor Alan Dangour, The London School of Hygiene & Tropical Medicine; Jason Hickel, author and anthropologist and Clare Shakya, International Institute for Environment and Development. It was chaired by Guardian journalist Fiona Harvey.

Resilience

2019 saw a number of key global moments on the issue of resilience. In May, we attended the Global Platform for Disaster Risk Reduction, where we led the advocacy engagement for the Zurich Flood Resilience Alliance (ZFRA).

Ahead of the UN Climate Action Summit in September, the UK government led a strand of work on resilience and climate change adaptation. In collaboration with others, we worked with DFID to achieve a significant shift in their positioning ahead of the summit, putting the needs of the world’s most vulnerable people more clearly at the centre of the call to action.

In December we supported the Bangladesh team’s participation in the UN climate negotiations, holding two panel discussions on our climate resilience policy messaging, in collaboration with ZFRA.

We also published a new report ‘Building Resilience in Fragile and Conflict-Affected Contexts’, which summarises lessons from Concern’s experience in the field. The report makes policy recommendations and identifies gaps in the sector’s understanding for future work. With Bond, we brought together technical experts from across the sector and the UK government by co-organising a workshop on the same subject.

Parliamentary presence and campaigns

Working with ICAN UK, we helped launch the new All Party Parliamentary Group (APPG) on Nutrition for Growth (N4G) in June and supported an APPG roundtable event in October.

We attended the Conservative and Labour party conferences and met with MPs, who then tabled parliamentary questions and wrote to the Secretary of State for International Development about the N4G Summit. We were involved with a meeting with Labour

shadow Secretary of State for International Development, Dan Carden MP, as Labour gathered ideas from NGOs to inform their manifesto. With ICAN we met with the Minister for International Development, Dr Andrew Murrison, to discuss our policy asks to the UK government on nutrition.

In September we launched our new integrated advocacy and fundraising campaign, ‘Can’t Stomach Hunger’, which aims to press the government for action on nutrition at the N4G summit. By the end of 2019 we had recruited approximately 7,000 new supporters through this campaign. New supporters go on to receive a mix of campaign, engagement and fundraising emails.

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.

In 2019 Concern (UK)’s supporters once again showed their unfailing compassion and generosity. Our supporters contributed donations of more than £8.2 million, an increase of almost a third compared to the previous year. The additional funds will help Concern reach more of the world’s poorest families – we cannot thank you enough.

The Ration Challenge

A key factor behind the increase in funds raised was the launch of our new fundraising campaign, the Ration Challenge – an innovative peer-to-peer fundraising challenge. Participants raise sponsorship for committing to eat the equivalent of refugee rations for seven days.

Developed by Act for Peace in Australia, we were pleased to be selected as the UK partner for the challenge for 2019-2021. The campaign launched in April, with a three month sign-up period leading up to the challenge during Refugee Week, 16-23 June 2019. In our first year over 3,500 participants took part. They raised just over £1 million, an amazing achievement for year one of the challenge.

Cyclone Idai Appeal

When Cyclone Idai struck Southern Africa in March, we launched a special appeal in collaboration with our fellow Disasters Emergency Committee member agencies to support those whose lives and livelihoods had been devastated.



The Ration Challenge box that was sent out to participants taking part.

Photograph: Concern Worldwide

Once again our supporters responded incredibly generously, contributing £793,000 towards our recovery work in Malawi. Our supporters also gave generously to a range of other appeals in 2019, including child nutrition programmes in Niger and the Central African Republic and our ongoing work supporting Rohingya communities taking refuge in Bangladesh.

Regular Monthly Gifts

We remain enormously grateful to more than 23,000 committed donors, who choose to support Concern (UK) with a regular monthly gift. This provides a bedrock of predictable income that allows us to plan our programmes into the future. New regular givers have received updates about our ‘Through to 2’ programme. The updates inform supporters on how their donations help to support some of the world’s poorest children in the vital first two years of life via health, nutrition and sanitation programmes. In 2019 we completed the full programme of ‘Through to 2’ feedback communications and we are delighted that these updates have been well received.

Bequests

Once again, our supporters continued to remember Concern (UK) with generous bequests in their wills, contributing over £645,000 to our work. Legacies are another source of long-term support which play an important role in sustaining our programmes into the future and we are grateful to every single supporter who remembered Concern in this way.

Community fundraising

We are also grateful to our network of Concern (UK) support groups, schools and community supporters who continue to give their time to undertake fundraising events, raising £183,000 in 2019 to support our work. From first time fundraisers, to dedicated supporters who have been raising money for over 25 years, people of all ages from across the UK raised vital funds for Concern through events such as the London Marathon, the Belfast Marathon, street collections, door-to-door collections, sponsored walks, our Concern (UK) 24-hour FAST and even a dodgeball tournament and yoga event.

Shop Income

Our shop income continued to grow in 2019, raising £279,000 from our five shops in Northern Ireland. We would not have been able to achieve this without the stock donations from our supporters or the continued dedication of our volunteers. A huge thank you to our shop volunteers who, in 2019, gave a total of 17,500 hours to help us run our shops.

Philanthropists

We are fortunate to benefit from the support of a number of highly committed and generous philanthropists. The Concern (UK) Philanthropic Circle, which sees members commit to support an overseas project for three years, remains an important source of support. It has 16 members with an additional 14 associate members. Overall, philanthropic giving grew by 28 per cent in 2019, contributing £670,000 to our work.

Derry bookshop volunteers Paul Morrison and Damian Barr.
Photo: Darren Vaughan/Concern Worldwide



Charitable trusts and foundations

Charitable trusts and foundations also provide crucial funds in support of our work. We are delighted that their support increased significantly in 2019 to reach just over £905,000, a growth of 50 per cent compared to 2018. We were also very pleased to continue our partnerships with valued supporters such as the Whole Planet Foundation, the Innocent Foundation, tcc Foundation and the Milton Damerel Trust, while forging new partnerships with the Waterloo Foundation and the Vitol Foundation and we look forward to maintaining these partnerships in the years ahead.

Aid Match

In the build up to Christmas, we launched our fourth UK Aid Match appeal, Free From Hunger. During this appeal, the UK government matched donations made by the UK public. Our supporters responded generously, raising a grand total of £1,843,780, including £858,961 of match funding from the UK government. This match funding will save lives by equipping and stocking much needed child health clinics in the Central African Republic.

Goal 4: Raise awareness, build brand and increase visibility

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

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

Free From Hunger exhibition on display in London during October 2019.

Photograph: Yiannis Katsaris/Panos Pictures for Concern Worldwide



New brand and messaging

The redesign of our brand and newly developed messaging was rolled out across the UK in 2019. The new brand was developed to resonate with our audience and set us apart from other organisations. It tells a story born from our mission and values and is encapsulated in our new tagline: ‘Ending extreme poverty, whatever it takes’.

Digital

We launched our new website in collaboration with Concern. The site aims to deliver an improved user experience, allowing people to quickly and easily find the content they’re looking for, as well as offering a smooth donation journey.

In 2019 the total number of new users to concern.org.uk increased by 17 per cent and the total of new users to our alternative gifts website increased by 53 per cent. In addition our social channels grew by eight per cent.

We used our digital channels to generate awareness of the Ration Challenge and the issues facing refugees who have fled Syria. Our social experiment film gave members of the public a glimpse of what Syrian refugees living in Jordan have to live on.

The film won Gold in the Innovation category at the EVCOM Clarion Awards, which recognises films that seek to engage audiences with social issues in a unique and original way. We worked with eight social media influencers who had a combined reach of over 54,000, identifying this as an opportunity to amplify our message and reach a new audience.

Communications Partnerships

As part of our Free from Hunger Aid Match appeal we secured key partnerships to help us raise awareness. The Daily Mirror NI, NI4KIDS and Mumsnet partnerships resulted in published articles and online coverage of the appeal and our work. Our partnership with London Bridge Estates allowed us to hold an outdoor photo exhibition along London's Southbank that resulted in an estimated one million people (based on footfall figures) viewing stories from Liberia, CAR and South Sudan.

Public Engagement Events

We continued our successful post-primary school debates programme in Northern Ireland, and participated in a number of public engagement events in 2019.

As an active member of the Coalition of Aid and Development Agencies (CADA) we were involved in the planning and launch of the One World Festival – Northern Ireland's first global development, arts and culture festival, and organised a debate on the climate crisis. As part of the Imagine Belfast Festival, we held an event exploring the UN global goal of peace and sustainable governance. We also held a panel discussion with the International Broadcasting Trust on how the media reports humanitarian issues, attended by BBC World Service Director Jamie Angus.

In March we facilitated a talk at the Great Hunger Art Exhibition in Derry on modern day famine and food insecurity with Irish artist Brian Maguire, who travelled to South Sudan with Concern.

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.

Our staff

In order to improve retention and recruit the best staff we continued to implement actions identified through a staff engagement programme carried out in 2018 which sought to make progress in areas such as learning and development, induction and organisational culture. We are grateful to our staff for their continued commitment to this process which has allowed us to make significant progress in ensuring that Concern (UK) is a great place to work.

Building on work carried out in 2017 and 2018, we worked closely with staff to understand our employer brand. Finding clear and effective ways to articulate this brand will help us to ensure we continue to attract bright, passionate and highly capable staff to support the delivery of our mission.

All managers are expected to promote a positive working environment through employment of robust HR practices. These practices include having regular 1-2-1s with staff, nurturing continued learning and development, and fostering a work culture that balances our critical organisational mission with the wellbeing of our staff by encouraging good work-life balance strategies.

Regulation changes and financial management

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

Financial management continues to be sound with accurate budgeting and management accounts produced in a timely manner allowing robust decision-taking. We also remain focused on maintaining strong internal procedures to protect the organisation and its resources against possible risks.



Belfast artist Aly Harte at a live painting demonstration for the Concern Philanthropic Circle.

Photo: Darren Vaughan/Concern Worldwide

4.2 Financial Review

The financial outcome for 2019 is set out in the Statement of Financial Activities on page 58.

Our final position for the year shows a net deficit of just over £0.6 million, reducing total reserves to £2.6 million (in line with our reserves policy). Total income for 2019 was £27.4 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 people living in extreme poverty. A more detailed commentary on the financial results reflected in the 2019 Annual Report is set out below:

Income

Concern (UK) raised a total of £27.4 million in 2019, which represents a 23 per cent year on year increase from 2018 and this is discussed under the various income streams below. We continue 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 £8.5 million in donations and legacies in 2019, an increase of £1.7 million from the amount received in 2018.

In the year, income from individuals of £4.6 million increased by £0.5 million (2018: £4.1 million) and income from corporates, major donors and trusts of £1.3 million increased by £0.15 million (2018: £1.1 million). The generous response to Cyclone Idai emergency appeals in 2019 allowed us to deliver lifesaving support in Malawi. We are grateful to our dedicated supporters, who consistently respond swiftly and generously when an urgent and vital need is presented. During the year 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 2020.

In 2019, we received £0.8 million from the Disasters Emergency Committee (DEC) in response to major emergency in Malawi. In comparison, in 2018 we also received income of £0.8 million towards Rohingya crisis in Bangladesh and the ongoing conflict in Yemen.

Our community fundraising income in 2019 has increased almost four times raising £1.2 million (2018: £0.3 million) due to launching the Ration Challenge to help refugees and other vulnerable communities around the world.

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 £18.6 million (2018: £15.3 million) from governments and other institutional donors, an increase of 22 per cent from prior year.

The Department for International Development (DFID) remained the single largest donor in 2019, donating £17.9 million (2018: £14.4 million) which amounts to 96.7 per cent of total co-funding income, with grants for projects in 11 (2018:16) 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 £0.3 million in income from our charity retail stores in 2019 (2018:£0.2 million), an increase of £0.1 million. We are grateful to our dedicated team of shop volunteers and employed staff for their continuous commitment and support of our retail function.

In 2019 we had five shops in Northern Ireland (2018:4).

Expenditure

Our total expenditure in 2019 of £28.0 million (2018: £22.7 million) was made up as follows:

	£m	%
Charitable activities	24.1	86
Raising funds	3.9	14
	28.0	100.0

Total expenditure in 2019 increased by £5.3 million (23%) compared to 2018. This increase reflects the increases in income explained above which allowed us to invest more in the projects and our fundraising function.

The cost of raising funds increased from the prior year to £3.9 million (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)			
	2019	2018	2017	2016
Return on fundraising spend	2.2x	2.3x	3.7x	2.9x
Support costs as a percentage of total costs	2.9%	3.2%	1.7%	2.4%
Unrestricted reserves as a percentage of otal income	9%	11%	6%	13%

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 sufficient and 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 £2.6 million at 31 December 2019 are detailed in note 17 to the financial statements and fall into two categories:

Restricted reserves

(£1.0 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 2020.

Unrestricted reserves

(£1.6 million): These funds fall into two categories:

Designated reserves

(£1.3 million): represent unrestricted funds set aside by the Board of Trustees for specific purposes. At the end of 2019, 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 2019 in order to ensure that amounts held are adequate for both of these purposes (see note 17(b)).

General unrestricted funds (£0.3 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 2020 will continue to focus on addressing extreme poverty and hunger while saving lives and reducing suffering through rapid and effective response to emergencies. The final year of the current strategic plan is 2020 and progress across all goals is on track. A response to Covid-19 across the international programme will form a major part of our work in 2020, against the backdrop of the impact of the pandemic on Concern’s operations and staff in the UK and overseas.

A new Concern Worldwide Strategic Plan will be developed by the end of 2020 and the Concern (UK)

strategy will follow, contributing to the overall goals while setting out a clear ambition for Concern (UK) over the coming years.

The new strategy will respond to the global challenges of climate change, widening inequality, large scale displacement and contested humanitarian space. It will retain our focus on people living in extreme poverty who are increasingly living in fragile contexts. We will continue to support the achievement of the Sustainable Development Goals (SDG’s) by 2030. The SDG’s enter their final decade in 2020 and they are currently off track. It will be critical for everyone working in development to commit to deliver the changes promised in the goals. Concern will both advocate for and act in support of their achievement, in particular to leave no-one behind. In particular we support the pledges to end hunger and extreme poverty and believe that the knowledge, resources and skills exist to achieve these goals within the timeframe.

Over the next year we will support the gains made in our country programmes through the UK office via our fundraising, relationship building and advocacy. In order to do this we will remain agile in responding to the emerging economic and political situation in the UK following Brexit, the possible changes to DFID and UK Aid and the emerging impact of the Covid-19 pandemic.

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 £44 million over 2019 and 2020 (of which £18.6 million was secured in 2019).

We aim to play a leading role in building a global funding capability across all the Concern offices; developing the capacity to position Concern for multi-country/multi-donor funding opportunities; and exploring new funding models including partnering with (as opposed to simply fundraising from) private sector entities. This will include continuing to strengthen the commercial contracting unit as a resource for all of Concern.

We will continue to support our humanitarian response work through funding, technical support and raising the profile of humanitarian needs. We will ensure we can respond to existing and new needs created by the Covid-19 pandemic. 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.



Students from Friends' School, Lisburn and St Paul's High School, Bessbrook who took part in the Concern Debates.
Photo: Sarah Macartney/Friends' School Lisburn

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

Concern will work to ensure nutrition stays a UK government development priority. We will achieve this through joint private advocacy with ICAN, parliamentary engagement, and our own public facing integrated campaign 'Can't Stomach Hunger'.

We will continue to look to influence policies, approaches and DFID's strategy around building resilience in hard to reach and vulnerable communities. We will develop our policy asks from our work on resilience around the world and our collaboration with the Zurich Flood Resilience Alliance.

We will amplify our voice in the UK 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

In 2020 we will continue to focus on providing our donors with engaging feedback on how their support is helping to improve the lives of some of the world's poorest communities. We will also seek to increase the number of new donors that we attract by expanding the range of ways the public can support Concern, including expanding our virtual gifts offering, launching the second Ration Challenge and by testing new donation offers, using a range of channels including digital and social media.

We will also seek to further strengthen the service we provide to existing funding partners, such as trusts and foundations, while also creating partnerships with new funders. We will also invest in introducing a new Customer Relationship Management system, which will allow us to further improve and individualise the communications we send to our donors and supporters.



Concern's Connor Malone and Jayne Donaldson taking part in a collection in a local supermarket.
Photo: Concern Worldwide

Goal 4: Raise awareness, build brand and increase visibility

We will continue to build the reputation of Concern (UK) as an agency specialising in tackling hunger and extreme poverty and our work delivering humanitarian assistance.

In 2020 we will continue the roll out of our global brand and tagline 'Ending Extreme Poverty, Whatever it Takes'. With our new award-winning website, we will implement a robust digital conversion rate optimisation and personalisation strategy to streamline and improve the donation process. We will grow our audiences across social media with the implementation of a content strategy and will explore the use of voice search technology. We will build on the success of the 2019 Ration Challenge and raise greater awareness of the campaign through the production of quality, engaging content. We will also develop a communications plan to support the delivery of the Can't Stomach Hunger campaign. All of our activities will be informed by the use of data analysis.

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

Concern (UK) will continue to attract and retain high quality staff, offering a working environment that enables staff to develop. An updated flexible working policy, continued development of our employer brand, work on inclusion and diversity and a review and benchmarking of our salary scale are important actions planned for 2020 to contribute to a better working environment.

We will continue to deliver strong financial management and ensure we remain up to date on compliance issues across the board through continued review of the external environment and adherence to internal processes, policies and statutory guidance. A strong risk management process, involving both Senior Management and Trustees will continue to be important with cyber-security risks taking more prominence to ensure they are well understood and managed.

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 and Concern (UK), although relative rankings vary across the two organisations.

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

Covid-19 Pandemic

Emerging at the very end of 2019, this risk affects all aspects of Concern's operations. In the UK, the restrictions to reduce the spread of the disease, the expected economic downturn and the potential impact of the disease on the wellbeing of staff are all expected to be significant. More broadly there are likely to be substantive impacts on the overseas programme including interruptions to operations and the risk of security and wellbeing of staff.

Concern has made every effort to mitigate against these risks with extensive contingency planning and rapid adaptation of systems and processes to facilitate remote working. Support to all staff has been put in place and rigorous measures to reduce risk of transmission. To protect income and secure programmes, there have



Volunteer Geraldine Corry and manager Brenda Kernoghan in Concern's second-hand shop on Belfast's Ormeau Road.
Photo: Darren Vaughan/Concern Worldwide

been adjustments to fundraising strategy and frequent communications with institutional donors. While all efforts have been taken to mitigate the effects of the pandemic, there is still a likely to be a substantive impact on the work of Concern, therefore there is specific planning, budgeting, forecasting and management processes in place for this risk.

Funding, economic instability and political uncertainty:

The UK remains an extremely challenging environment in which to generate income. Political developments during this Brexit transition year could have a negative impact on the economy and the emergence of Covid-19 will also add to this.

Concern (UK) will continue to react to the external 2020 environment by carefully adjusting budgets and expenditure to reflect likely levels of available income. We will aim to maintain diverse sources of income, foster public support for international aid and development and maintain good relations with institutional donors while maintaining appropriate reserves.

Staff recruitment and retention:

Concern (UK) achieves its results through an excellent and experienced staff team. Effective recruitment, retention and motivation of good quality staff members is of paramount importance to the organisation. Staff turnover and long-standing vacancies create gaps and put additional pressure on the workloads of incumbent staff.

In 2020 we will respond to the findings of the 2019 all staff survey to improve the working environment for Concern (UK) employees. A key focus will be to improve retention and reduce staff turnover while being in a strong position to attract good staff in to the organisation. Important actions for 2020 will be to introduce a revised flexible working policy, develop a plan to improve inclusion and diversity, focus more on supporting development and training, and create opportunities for progression where possible and continuing to improve the office environment. Efforts are ongoing to increase our employer brand awareness and deliver an effective recruitment process.

Declining public trust in the charity and international development sector:

Concern (UK) recognises that the sector has been the subject of continued public and media scrutiny. This environment is challenging the public's support and confidence in both charities and international aid, making it increasingly difficult to raise funds from the public.

The organisation seeks to be open and transparent in the way it operates as well as working with others to help inspire public confidence in the sector.

Compliance:

This risk is broken down into the different areas of compliance relevant to the organisation including donor (both public and institutional), internal policies and procedures and regulatory compliance. The organisation receives a significant amount of funding from institutional donors and the processes to manage compliance to donor guidelines and agreements are strong. Regulatory requirements concerned with data management, fundraising and charitable status are translated into controls, systems and internal guidelines and which in turn are operationalised through staff training. There are frequent reviews of action plans, adherence and feedback related to compliance.

Staff safety, wellbeing and security:

Concern operates in regions where the political and social circumstances make the personal health and security of staff a significant concern. The wellbeing of Concern's staff is of paramount importance and in order to ensure that this risk is appropriately managed, the organisation has comprehensive health and security management policies in place, including the provision of training in areas such as security management, hostile environment and crisis management. In 2020 we will also introduce training regarding the management of mental health issues. Ambitions to achieve objectives

need to be considered alongside pressure and impact on the wellbeing of staff.

Fraud, corruption, other criminal behaviour or significant error:

Significant fraud, cyber-crime or incidents of corruption could severely damage the organisation's reputation and result 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. Concern also has a comprehensive internal audit programme. 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.

Safeguarding:

As an organisation which works to improve the lives and wellbeing of some of the most vulnerable people in the world, maintaining the safety and protection of the communities with whom we work and of our staff is of primary importance to Concern. Robust policies and processes ensure strong management of this risk and there is an internal serious incident monitoring group to ensure any incidents are managed appropriately, rapidly and in accordance with policy and guidance. In 2020 there will be further improvements to the structure and resources available for safeguarding.

5. Staff and volunteers

The organisation acknowledges with gratitude the work of its staff and that of its volunteers in 2019. 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 (2018 – £nil).

7. Post balance sheet events

The Board has considered the assessment by management of the impact of COVID-19 on the continued operations of the organisation and is satisfied that the Group, acting in conjunction with its parent Concern Worldwide, has sufficient reserves and measures in place to absorb the negative financial impact. The details of the assessment are included in note 22.

8. Auditor

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

9. Subsidiary undertaking

Details of the subsidiary undertaking are set out in note 14 to the financial statements.

By order of the Board


Donald Workman
Trustee


Rob McGrigor
Trustee

26 May 2020

Kabir* is pictured harvesting alfalfa for animal fodder after receiving agricultural training through one of Concern’s livelihood programmes in Afghanistan.
Photo: Kieran McConville / Concern Worldwide
*name changed to protect the identity of the individual.



Statement of Trustees’ responsibilities in respect of the strategic report, Trustees’ annual report and the 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

26 May 2020



Leylo* (30) with her youngest child, six month old Dit*. Leylo is a member of Concern’s Targeted Supplementary Feeding Programme in Aweil, South Sudan and attended the programme for two months whilst pregnant with Dit. She was taught by Concern to exclusively breastfeed and said that he looks much healthier than her other children because of it.
Photo: Abbie Taylor-Smith/ Panos Pictures for Concern Worldwide
*name changed to protect the identity of individuals

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 consolidated financial statements of Concern Worldwide (UK) ("the charitable company") and its subsidiaries for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and related notes, including the summary of significant accounting policies in note 1.

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Going concern

The trustees have prepared the consolidated financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and 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 their ability to continue as a going concern for at least a year from the date of approval of the consolidated 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 consolidated financial statements. In our evaluation of the trustees conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and 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 group or the charitable company will continue in operation.

Other information

The trustees are responsible for the other information presented in the Annual Report, which comprises Trustees' Report, and other information preceding the consolidated financial statements. Our opinion on the consolidated financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

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

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

Matters on which we are required to report by exception

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

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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

Trustees' responsibilities

As explained more fully in their statement set out on page 52 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and 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 group or 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its trustees as a body, for our audit work, for this report or for the opinions we have formed.



Caroline Flynn
(Senior Statutory Auditor)
for and on behalf of KPMG
Statutory Auditor

*Chartered Accountants
1 Stokes Pace
St. Stephens Green
Dublin 2, Ireland*

26 May 2020



Cecelia Morris (40), right, and Teneh Morris (40), left, in Teneh's vegetable garden. They are both members of a Mother's Group in Liberia. They have received training and support from Concern to grow their own vegetables.
Photo: Nora Lorek/ Panos Pictures for Concern Worldwide

FINANCIAL STATEMENTS

Consolidated Statement of Financial Activities
for the year ended 31 December 2019

	Notes	Restricted Funds Stg£	Unrestricted Funds Stg£	Group Total 2019 Stg£	Restricted Funds Stg£	Unrestricted Funds Stg£	Group Total 2018 Stg£
Income from:							
Donations and legacies	2a	2,867,437	5,666,470	8,533,907	2,232,927	4,615,229	6,848,156
Charitable activities – grants and contracts from governments and other co-funders	2b	18,579,859	–	18,579,859	15,263,339	–	15,263,339
Trading and other income	2c	–	284,885	284,885	–	176,328	176,328
Total income		21,447,296	5,951,355	27,398,651	17,496,266	4,791,557	22,287,823
Expenditure on:							
Charitable activities	3	21,226,664	2,884,696	24,111,360	18,140,827	1,651,066	19,791,893
Raising funds	4	–	3,889,296	3,889,296	181,407	2,745,707	2,927,114
Total expenditure		21,226,664	6,773,992	28,000,656	18,322,234	4,396,773	22,719,007
Net movement in funds		220,632	(822,637)	(602,005)	(825,968)	394,784	(431,184)
Reconciliation of funds:							
Total funds brought forward		820,392	2,381,388	3,201,780	1,646,360	1,986,604	3,632,964
Total funds carried forward	17	1,041,024	1,558,751	2,599,775	820,392	2,381,388	3,201,780

The statement of financial activities includes all gains and losses recognised during the year. All income and expenditure derives from continuing activities.

The notes on pages 61-73 for part of these financial statements.

As permitted by section 408 of the Companies Act 2006, the individual charity’s statement of financial activities has not been included in these financial statements. The gross income of the charity is £27,120,324 (2018: £22,287,823) and the net result is a deficit of £607,319 (2018: £431,184).

Consolidated and Concern (UK) Balance Sheets
as at 31 December 2019

	Notes	Group 2019 Stg£	Group 2018 Stg£	Charity 2019 Stg£	Charity 2018 Stg£
Fixed assets					
Tangible assets	9	288,832	307,110	284,194	307,110
Total fixed assets		288,832	307,110	284,194	307,110
Current assets					
Debtors and prepayments	10	5,256,355	3,176,981	5,299,730	3,176,981
Cash at bank and in hand	11	7,686,024	8,836,068	7,638,270	8,836,068
Total current assets		12,942,379	12,013,049	12,938,000	12,013,049
Creditors:					
amounts falling due within one year	12	(10,631,436)	(9,118,379)	(10,627,733)	(9,118,379)
Net current assets		2,310,943	2,894,670	2,310,267	2,894,670
Total net assets		2,599,775	3,201,780	2,594,461	3,201,780
The funds of the charity:					
Restricted funds	17	1,041,024	820,392	1,041,024	820,392
Unrestricted funds	17	1,558,751	2,381,388	1,553,437	2,381,388
Total charity funds		2,599,775	3,201,780	2,594,461	3,201,780

The notes on pages 61-73 form part of these financial statements.

The financial statements on pages 58-73 were approved by the Board of Trustees on 26 May 2020.

On behalf of the Board


Donald Workman
Trustee


Rob McGrigor
Trustee

26 May 2020

Consolidated Cash Flow Statement
for the year ended 31 December 2019

Notes	Group 2019 Stg£	Group 2018 Stg£
Cash flows from operating activities		
Net deficit for the year	(602,005)	(431,184)
Adjustments for:		
Depreciation of tangible assets	37,916	36,335
Interest received	(5,410)	(4,453)
(Increase)/decrease in debtors	(2,079,374)	1,237,101
Increase in creditors	1,513,057	4,623,073
Net cash from operating activities	(1,135,816)	5,460,872
Cash flows from investing activities		
Purchases of tangible assets	(19,638)	(9,569)
Interest received	5,410	4,453
Net cash from investing activities	(14,228)	(5,116)
Net (decrease)/ increase in cash and cash equivalents	(1,150,044)	5,455,756
Cash and cash equivalents at beginning of year	8,836,068	3,380,312
Cash and cash equivalents at end of year	7,686,024	8,836,068

As permitted by paragraph 1.12 of FRS 102, Concern (UK) has not prepared a statement of cash flows for the parent entity. The consolidated statement of cash flows above includes both the parent and subsidiary entity.

The notes on pages 61-73 form part of these financial statements.

Notes to the consolidated financial statements
(forming part of the financial statements) for the year ended 31 December 2019

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group financial statements of Concern Worldwide (UK) (‘Concern (UK)’ or ‘the Charity’) and its subsidiary (collectively ‘the Group’).

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

Basis of preparation was determined having regard to events as described in note 22. 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.

In the application of the accounting policies the Trustees are required to make judgements, estimates and assumptions and the most important areas where the judgements affect the financial statements and could impact the results of reported operations are listed in note 21.

Basis of consolidation

The financial statements of Concern (UK) and Concern (NI) are consolidated, on a line by line basis, to produce the Group financial statement. The consolidated entity is referred to as ‘the Group’.

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.

Concern Worldwide (Northern Ireland) (“Concern (NI)”) is a company limited by guarantee registered in Northern Ireland (company number NI019332) and pending registration as a registered charity with the Charity Commission for Northern Ireland. Concern Worldwide (UK) (“Concern (UK)”) is the sole member of Concern (NI), therefore, Concern (NI) is regarded as a subsidiary of Concern (UK). Concern (NI) 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.

b) Income

Income in the statement of financial activities is recognised only when the Group 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 the Group.

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 Group 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 entity), 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 entity 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 - Concern (UK) is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the entity 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 - Concern (UK) is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the entity 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 entity is notified of entitlement.

Other trading income

Other trading income 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.

Costs of charitable activities

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

Costs of raising funds

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

d) Funds

Concern (UK) maintains various types of funds as follows:

Restricted Funds

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

Unrestricted Funds

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

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

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

e) Tangible fixed assets

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

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

Leasehold premises3%

Furniture & equipment10%

Other equipment.....20%

Computer equipment33%

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 (NI)'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 in hand

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

Creditors

Creditors and provisions are recognised where the entity 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. The 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

Concern (UK) is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

k) Leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

2. Incoming Resources

(a) Income from donations and legacies

	Restricted 2019 Stg£	Unrestricted 2019 Stg£	Group Total 2019 Stg£
Individual giving	1,044,085	3,557,814	4,601,899
Corporate, major donor and trust	1,015,967	277,215	1,293,182
Disasters Emergency Committee (DEC)	793,367	–	793,367
Legacy income	3,500	642,128	645,628
Community fundraising	10,518	1,189,313	1,199,831
Total	2,867,437	5,666,470	8,533,907

	Restricted 2018 Stg£	Unrestricted 2018 Stg£	Group Total 2018 Stg£
Individual giving	543,920	3,560,287	4,104,207
Corporate, major donor and trust	889,277	257,432	1,146,709
Disasters Emergency Committee (DEC)	791,294	–	791,294
Legacy income	–	501,824	501,824
Community fundraising	8,436	295,686	304,122
Total	2,232,927	4,615,229	6,848,156

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

	Group Total 2019 Stg£	Group Total 2018 Stg£
Department for International Development	17,973,547	14,435,924
Comic Relief	397,632	575,103
Penny Appeal	144,053	109,114
Guernsey Overseas Aid	64,627	80,936
Other governments and co-funders	–	62,262
Total	18,579,859	15,263,339

Income from government grants comprises grants to fund the charitable activities of Concern (UK).

(c) Trading and other income

	Group Total 2019 Stg£	Group Total 2018 Stg£
Retail income	278,822	171,875
Deposit interest and other income	6,063	4,453
Total	284,885	176,328

All trading and other income was unrestricted in both the current and prior year.

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* Stg£	2019 Group Total Stg£
Overseas programmes			
Health	2,076,811	34,102	2,110,913
Education	1,113,076	18,277	1,131,353
Livelihoods	4,758,745	78,140	4,836,885
Integrated programming	4,410,712	72,426	4,483,138
Emergency	10,435,164	171,349	10,606,513
Total overseas programmes	22,794,508	374,294	23,168,802
Policy, Advocacy and Campaigning	699,807	155,633	855,440
Governance (Note 5)	30,528	56,590	87,118
Total charitable expenditure	23,524,843	586,517	24,111,360
* see note 6			
	Direct costs Stg£	Support costs Stg£	2018 Group Total Stg£
Overseas programmes			
Health	2,941,954	52,936	2,994,890
Education	1,197,962	21,555	1,219,517
Livelihoods	824,114	12,433	836,547
Integrated programming	776,089	13,965	790,054
Emergency	12,794,878	230,224	13,025,102
Total overseas programmes	18,534,997	331,113	18,866,110
Policy, Advocacy and Campaigning	684,194	150,167	834,361
Governance (Note 5)	35,416	56,006	91,422
Total charitable expenditure	19,254,607	537,286	19,791,893

4. Cost of raising funds

	Campaign costs Stg£	Staff costs Stg£	Occupancy & other direct costs Stg£	Total direct costs Stg£	Support costs* Stg£	2019 Group Total Stg£
Individual giving	1,366,280	1,057,787	248,592	2,672,659	88,757	2,761,416
Corporates, major donors and trusts	31,389	341,324	102,344	475,057	23,605	498,662
Legacy	27,685	-	-	27,685	-	27,685
Community fundraising	-	163,783	186,216	349,999	104,025	454,024
Retail costs	4,074	74,414	55,653	134,141	13,368	147,509
Total	1,429,428	1,637,308	592,805	3,659,541	229,755	3,889,296

*see note 6

	Campaign costs Stg£	Staff costs Stg£	Occupancy & other direct costs Stg£	Total direct costs Stg£	Support costs* Stg£	2018 Group Total Stg£
Individual giving	574,782	1,073,842	268,273	1,916,897	140,816	2,057,713
Corporates, major donors and trusts	22,261	307,113	106,303	435,677	32,797	468,474
Legacy	78,230	-	-	78,230	-	78,230
Community fundraising	-	146,733	26,924	173,657	11,387	185,044
Retail costs	7,913	66,263	59,159	133,335	4,318	137,653
Total	683,186	1,593,951	460,659	2,737,796	189,318	2,927,114

5. Governance costs

	Direct Stg£	Support costs Stg£	2019 Group Total Stg£	Direct Stg£	Support costs Stg£	2018 Group Total Stg£
Staff costs	-	37,041	37,041	-	42,853	42,853
Legal and professional fees	18,245	41	18,286	19,776	937	20,713
Office and other costs	12,283	19,508	31,791	15,640	12,216	27,856
Total	30,528	56,590	87,118	35,416	56,006	91,422

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£	2019 Group Total Stg£
Administration and finance	218,167	106,158	56,590	194,623	575,538
Other support costs	156,127	49,475	-	35,132	240,734
Total support costs	374,294	155,633	56,590	229,755	816,272

	Overseas programmes Stg£	Policy, Advocacy & Campaigning Stg£	Governance Stg£	Fundraising Stg£	2018 Group Total Stg£
Administration and finance	172,190	87,684	56,006	160,754	476,634
Other support costs	158,923	62,483	-	28,565	249,971
Total support costs	331,113	150,167	56,006	189,319	726,605

7. Other information

	2019, Stg£	2018 Stg£
The surplus for the year is after charging the following items:		
Depreciation of tangible fixed assets	38,123	36,335
Auditor's remuneration (including expenses)	18,000	18,000
Direct reimbursement of expenses to Trustees	1,819	1,270
Payments under operating leases for premises	141,891	131,105

8. Staff

(a) Numbers and costs

The aggregate payroll costs of these employees were as follows:

	2019, Group Stg£	2018 Group Stg£
Wages and salaries	2,132,573	2,131,556
Social welfare costs	209,760	209,342
Other pension costs	148,002	137,677
	2,490,335	2,478,575

Other pension costs include employer contributions to individual staff member pension schemes of £109,171 (2018: £96,919) as well as the cost of insurance policies that provide benefits in the event of the death or ongoing incapacity of staff members totalling £38,831 in 2019 (2018: £40,758).

The staff numbers provided below and costs reflected above include 20 staff (2018: 26), 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 £362,881 (2018: £433,917), 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 32 of the annual report) amounted to £451,427 in 2019 (2018: £513,712).

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

	2019, No.	2018 No.
Management	6	7
Development	7	8
Marketing	54	57
Administration	8	6
	75	78

(b) Salary range

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

	2019 No. employees	2018 No. employees
£60,001 to £70,000	–	1
£70,001 to £80,000	2	1
£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 2019 (2018: 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 £8,255 (2018: £7,293) were incurred by Trustees in travelling to and attending meetings of the Board in 2019 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 2019 amounted to £4,742 (2018: £1,186) for 5 members (2018: 2).

9. Tangible assets

	Leasehold premises Stg£	Furniture & equipment Stg£	Computer equipment Stg£	Total Stg£
Group tangible assets				
Cost				
At beginning of year	316,163	416,945	329,587	1,062,695
Additions in year	2,230	8,889	8,519	19,638
At end of year	318,393	425,834	338,106	1,082,333
Depreciation				
At beginning of year	158,098	271,960	325,527	755,585
Charge for year	9,552	23,256	5,108	37,916
At end of year	167,650	295,216	330,635	793,501
Net book value				
At 31 December 2019	150,743	130,618	7,471	288,832
At 31 December 2018	158,065	144,985	4,060	307,110
Charity tangible assets				
Cost				
At beginning of year	316,163	416,945	329,587	1,062,695
Additions in year	2,230	3,393	8,519	14,142
At end of year	318,393	420,338	338,106	1,076,837
Depreciation				
At beginning of year	158,098	271,960	325,527	755,585
Charge for year	9,552	22,398	5,108	37,058
At end of year	167,650	294,358	330,635	792,643
Net book value				
At 31 December 2019	150,743	125,980	7,471	284,194
At 31 December 2018	158,065	144,985	4,060	307,110

10. Debtors and prepayments

	Group 2019 Stg£	Group 2018 Stg£	Charity 2019 Stg£	Charity 1018 Stg£
Amounts due from governments and other co-funders	4,236,879	2,180,014	4,236,879	2,180,014
Amounts due from Disasters Emergency Committee	–	114,870	–	114,870
Gift Aid receivable	690,883	719,593	690,883	719,593
Accrued income	183,385	–	183,385	–
Sundry debtors	41,609	124,603	40,816	124,603
Prepayments	103,599	37,901	103,599	37,901
Amount owed from subsidiary undertaking	–	–	44,168	–
	5,256,355	3,176,981	5,299,730	3,176,981

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

11. Cash at bank and in hand

	Group 2019 Stg£	Group 2018 Stg£	Charity 2019 Stg£	Charity 1018 Stg£
Funds held in UK banks	7,686,024	8,836,068	7,638,270	8,836,068

12. Creditors: amounts falling due within one year

	Group 2019 Stg£	Group 2018 Stg£	Charity 2019 Stg£	Charity 1018 Stg£
Trade creditors	886,231	326,209	886,253	326,209
Amounts advanced by governments and other cofunders (i)	1,097,646	377,061	1,097,646	377,061
Accruals	293,721	187,924	291,195	187,924
Bank overdraft (ii)	–	1,798	–	1,798
Amount owed to parent company (iii)	8,329,360	8,225,387	8,329,360	8,225,387
Sundry creditors	24,478	–	23,279	–
	10,631,436	9,118,379	10,627,733	9,118,379

- (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. Financial instruments

Financial instruments are stated at fair value, equivalent to book value.

14. Activities of consolidated subsidiary – Concern (NI)

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 was dormant until March 2019.

In March 2019 Concern Worldwide (UK) (‘Concern (UK)’) and Concern Worldwide (Northern Ireland), (‘Concern (NI)’), have agreed that Concern (NI) will take over, operate and manage all retail activities conducted through charity shops in Northern Ireland (the ‘Retail Outlets’) and that Concern (UK) will provide oversight, administrative and other services to Concern (NI) in order to support it in those retail activities.

As a result of the agreement, from 1 March 2019, all financial activities (transactions) related to the Retail Outlets were segregated and moved at book value between the parent and the subsidiary. Concern is a limited company by guarantee and no capital has been raised or payment made between the parties in exchange for business. Identifiable net assets were also at NIL value.

Activities of consolidated Concern (NI)

	2019 Stg£	2018 Stg£
Income	278,328	-
Expenditure	273,014	-
Total	5,314	0
Assets	53,208	-
Liabilities	47,894	-
Net assets	5,314	0

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

	Opening Balance 20189 Stg£	Movement during the year Stg£	Closing Balance 2019 Stg£
Amounts due from governments and other co-funders (note 10)	2,180,014	2,056,865	4,236,879
Amounts due from Disasters Emergency Committee (DEC) (note 10)	114,870	(114,870)	0
Amounts advanced by governments and other co-funders (note 12)	(377,061)	(720,585)	(1,097,646)
	1,917,823	1,221,410	3,139,233
Analysis of movement:			
Cash received during the year			(19,121,234)
Income earned during the year			20,343,714
Exchange Rate Movements			(1,070)
			1,221,410

16. Analysis of changes in net debt

	At 1 Jan 2019 Stg£	Cash flows Stg£	At 31 Dec 2019 Stg£
Cash and cash equivalents			
Cash	8,836,068	(1,150,044)	7,686,024
Overdrafts	(1,798)	1,798	-
Cash equivalents	-	-	-
Total	8,834,270	(1,148,246)	7,686,024

17. Group funds

(a) Reconciliation of funds

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2019 Stg£	Total 2018 Stg£
Total funds at beginning of year	820,392	2,381,388	3,201,780	3,632,964
Net movement in funds for the year	220,632	(822,637)	(602,005)	(431,184)
Total funds at end of year	1,041,024	1,558,751	2,599,775	3,201,780

(b) Movements in funds

	Opening balance 1 January 2019 Stg£	Income Stg£	Expenditure Stg£	Transfers Stg£	Closing balance 31 December 2019 Stg£
Restricted funds					
Afghanistan	-	232,698	(197,495)	-	35,203
Bangladesh	7,741	1,276,376	(1,284,117)	-	-
Burundi	51	1,286,564	(1,266,602)	-	20,013
DR Congo	199,436	253,597	(307,107)	-	145,926
Central African Republic	35,587	104,721	(128,057)	-	12,251
Ethiopia	11,087	143,687	(154,774)	-	-
India	-	100	(100)	-	-
Syria– Iraq	37,471	2,638,456	(2,675,927)	-	-
Kenya	-	1,217,333	(1,218,918)	-	(1,585)
Lebanon	-	140,718	(65,155)	-	75,563
Liberia	214,935	161,126	(89,721)	-	286,340
Malawi	170,604	3,484,751	(3,333,976)	-	321,379
Mozambique –		300	(300)	-	-
Niger	-	227,573	(143,806)	-	83,767
Nepal	-	10	(2)	-	8
Pakistan	-	2,111,649	(2,111,649)	-	-
Republic of Sudan	1,071	1,475	(1,490)	-	1,056
Sierra Leone	-	1,923,258	(1,923,258)	-	-
Somalia	69,113	4,473,40	(4,542,522)	-	(2)
South Sudan	-	395	(395)	-	-
Chad	-	31,332	(31,332)	-	-
Yemen	73,296	3,272	(15,463)	-	61,105
Zambia	-	20	(20)	-	-
HQ Projects	-	1,734,478	(1,734,478)	-	-
Total restricted funds	(i) 820,392	21,447,296	(21,226,664)	-	1,041,024
Unrestricted funds					
General funds	(ii) 758,722	5,951,355	(6,773,992)	376,768	312,853
Designated funds:					
Tangible asset fund	(iii) 276,626	-	-	6,514	283,140
Programme continuity fund	(iv) 1,346,040	-	-	(383,282)	962,758
Total unrestricted funds	2,381,388	5,951,355	(6,773,992)	-	1,558,751
Total funds	3,201,780	27,398,651	(28,000,656)	-	2,599,775

17. Group funds (cont.)

(b) Movements in funds (continued)

The above funds carried forward at 31 December 2019 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
- (v) Analysis of net assets between funds

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total Funds Stg£
Funds balances at 31 December 2019 are represented by:			
Tangible fixed assets	-	288,832	288,832
Current assets	1,792,993	11,149,386	12,942,379
Current liabilities	(751,969)	(9,879,467)	(10,631,436)
	1,041,024	1,558,751	2,599,775

18. Pensions

The Charity contributes to individual pension schemes for eligible staff. The total pension contributions charged to the statement of financial activities amounted to £109,171 (2018: £96,919). An accrual of £17,941 (2018: £15,938), in respect of pension costs is included in creditors at 31 December 2019.

19. Related party disclosure

In order to achieve its mission, Concern (UK) supports the overseas programmes of Concern Worldwide. During 2018 Concern (UK) provided total funds of £22,794,508 (2018: £18,534,997) 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 £30,000 (2018: £29,358). Concern (UK)'s Executive Director is a trustee of the DEC. Concern (UK)'s income in the year included £0 (2018: £114,870) receivable from DEC appeals.

20. 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:

	2019 Stg£	2018 Stg£
Total payments due within:		
- one year	150,402	135,802
- two to five years	409,261	543,208
- more than five years	94,716	230,634
	654,379	909,644

- (c) During 2019 Concern (UK) was the lead agency in 4 consortia of non governmental organisations (2018: 7), that were awarded grants and contracts from institutional co-funders to fund programme activities. The total value of these grants and contracts is £93,806,647 (2018 : £78,311,657). Of this amount £41,789,969 is expected to be spent by Concern (UK) (2018: £35,983,284) and the balance will be utilised by the other consortia members.

In 2019, expenditure of these grants and contracts totalled £12,847,309 (2018 : £12,150,733). Of this amount £6,164,019,740 (2018 : £4,519,474) was utilised by Concern (UK) and the remainder was utilised by the other consortia members.

20. Commitments and contingencies (cont)

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 the consortia members Stg£	Closing Balance Stg£
Funds relating to consortia members	113,196	12,773,799	12,135,026	751,969

21. Accounting estimates and judgements

In preparing the consolidated financial statements, the trustees are required to make estimates, judgements and assumptions. The most important areas where the judgements affect the financial statements and could impact the results of reported operations are listed below.

Income recognition

In applying the income recognition principles of the Charities SORP at contract inception, where contract terms are less formal, Management are occasionally required to apply judgement to ascertain whether a contract is performance or non-performance based. Furthermore, unless inappropriate to do so based on the terms, Management typically uses incurred expenditure as means to measure contract progress. In doing this a qualitative assessment of the status of a project is made in addition to the quantitative analysis prior to income recognition. Management monitors the pattern of income recognition at a donor contract level and assesses the impact of contract modifications on an ongoing basis in order to ensure the pattern of income recognition is in line with the accounting policy.

Cost allocation

Support costs (note 6), which cannot be attributed directly to one activity, are allocated in proportion to estimated staff time spent on each activity. Management perform the cost allocation process annually with due regard to prior year consistency and assess if a change in allocation basis is appropriate from time to time.

22. Subsequent events

The Board has considered the assessment by management of the impact of Covid-19 on the continued operations of organisation and is satisfied that the Group, acting in conjunction with its parent Concern Worldwide, has sufficient reserves and measures in place to absorb the negative financial impact. The following areas have been considered as part of the impact assessment:

- Operations – As a global pandemic, Covid-19 affects all countries of operation and the organisation has addressed this in a number of different ways including adapting programmes to deal with Covid-19 and through additional and revised donor funding proposals in affected areas, ensuring staff have access to protective materials as required and changing work practices to ensure continuity of operations.
- Going Concern – the Group, together with its parent company Concern Worldwide, has sufficient cash resources to meet its obligations as they fall due and has specifically designated reserves to deal with the effects of a possible downturn in income and to ensure funding for ongoing operations.
- Performance – In the period to March 31, 2020 the Group has performed substantially in line with expectations. The Board have assessed managements reforecasting exercise to assess the impact that the Covid-19 and are satisfied that the projections and related cost saving measures are adequate and appropriate.

As the status of the pandemic is constantly evolving, management continues to monitor performance to ensure changes do not significantly impact the assessment set out above.

22. Approval of financial statements

These financial statements were approved by the Board on 26 May 2020.



Shopkeeper Roble Barkad. Roble’s shop facilitates cash transfers in his shop. This helps beneficiaries from Concerns cash programme gain access to food and clean water
Photo: Gavin Douglas/Concern Worldwide

Appendix
(not forming part of the financial statements)

Expenditure on charitable activities by country

In order to achieve its mission, Concern (UK) supports the overseas programmes of Concern. During 2019 Concern (UK) funded Concern operations in the following countries:

	2019 Stg£	2018 Stg£
Afghanistan	426,607	1,157,240
Bangladesh	1,406,311	785,159
Burundi/Rwanda	1,363,969	858,740
Central African Republic	113,352	204,627
Chad	180,003	293,971
DPR Korea	–	–
DR Congo	533,462	1,464,886
Ethiopia	849,027	218,783
Haiti	66,638	131,589
India	80	–
Kenya	1,254,499	1,245,727
Lebanon	114,427	123,307
Liberia	195,272	170,875
Malawi	3,499,672	554,519
Mozambique	162,298	32,340
Nepal	–	233,003
Niger	498,088	220,489
Pakistan	2,321,740	1,864,542
Philippines	–	439
Republic of Sudan	94,146	515,209
Sierra Leone	2,023,610	1,268,866
Somalia	4,651,049	4,061,417
South Sudan	285,772	634,513
Syria- Iraq	2,739,660	1,816,676
Turkey	–	–
Uganda	–	36,725
Yemen	14,808	471,372
Zambia	–	36,593
HQ Projects	18	133,390
Total direct overseas programme costs	22,794,508	18,534,997
Support costs	374,294	331,113
Total overseas programme costs	23,168,802	18,866,110
Policy, Advocacy and Campaigning (UK)	855,440	834,361
Governance	87,118	91,422
Total charitable expenditure	24,111,360	19,791,893



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 governments, individuals, organisations, trusts and foundations who have helped us so much in 2019.

- Brian Mercer Charitable Trust**
- British government**
- Capital International Limited**
- Comic Relief**
- De Vere Hunt Charitable Trust**
- Disasters Emergency Committee**
- Evan Cornish Foundation**
- Grace Trust**
- Milton Damerel Trust**
- Penny Appeal**
- Souter Charitable Trust**
- Start Fund**
- States of Guernsey Overseas Aid and Development Commission**
- tcc Foundation**
- The Anna Rosa Forster Charitable Trust**
- The McClay Foundation**
- The innocent foundation**
- The Waterloo Foundation**
- Vitol Foundation**
- Whole Planet Foundation**

Although Chad has a vast lake, the water is saline and cannot be drunk. Concern has drilled boreholes across villages to provide clean, safe drinking water to over 4,000 people. For Harta*, Hdidja* and Fadoul* the nearest water source is 5km away from their village. Traveling to get clean water is a chore that takes hours in the intense heat.

Photo: Gavin Douglas/Concern Worldwide

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

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Charitable company limited by guarantee, registered in
England and Wales under company no. 4323646.

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