

Concern Worldwide (UK)
Annual Report and Accounts 2020

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About us

Our identity – who we are

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

Our vision for change

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

Our mission – what we do

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

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

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

A message from the Chair of Trustees

2020 was a year like no other. However, despite the challenges, and thanks to the support of the public and our donors, we stepped up to the mark to deliver our mandate to help transform the lives of people in extreme poverty around the world.

For Concern staff and trustees in the UK, it meant changing how we worked, adapting and innovating to make sure our humanitarian assistance programmes continued to be supported when the need was as great as ever.

Our teams in London and Belfast quickly moved to remote working. And as our fundraising, advocacy and programme support plans were disrupted, we sought new ways to engage donors, civil society and governments.

The result was that we ended the year better than expected. It is remarkable that despite such economic uncertainty, our institutional funding income topped £24.7 million, and public donations reached £9.4 million.

Thanks to a truly collective effort – the dedicated professionalism of staff, the overwhelming generosity of the public, and continued commitment of institutional funders – we were able to sustain our operations and do much more besides, at such a critical time for the world's poorest.

All of us, our families and communities have been adversely affected by Covid-19 in one way or another. Its impact on our lives has been profound. However, the trust you have placed in us shows a willingness to reach beyond our own difficulties, and to put the needs of the world's most vulnerable ahead of our own. For that, we are extremely grateful.

We are proud of what we have achieved as an organisation in 2020. And it is that resilience – the ability of our teams to adapt and overcome - that we take forward as we embark on our next five year organisational plan.

It has been the toughest of years, yet we will use our experiences to shape how we work as we face the challenges ahead so that we will have an even greater humanitarian impact and benefit more communities in need across the world.

On behalf of the Trustees, thank you for your commitment and generous support.

Donald Workman
Chair

A message from the Executive Director

My first year as Executive Director has been full of challenges, with the Covid-19 crisis affecting every aspect of our work.

Almost all of the 23 countries in which we are operational have experienced both the impact of the virus itself and the secondary effects of both restrictions and economic hardship. These have been substantive, reducing access to preventative and life-saving healthcare, keeping children out of school and limiting the ability of many people to earn a decent income. The consequences of this will last long into the future. Globally, the World Bank estimates that Covid-19 could push an additional 124 million people into extreme poverty in 2021 and the World Food Programme has warned that the crisis has likely doubled the number of people experiencing acute hunger.

In response, Concern has done more and worked harder. Despite the challenges of local restrictions and the impact of the pandemic, we have been able to pivot and adapt our programmes to make them Covid secure and respond to ever growing needs.

None of this could have been achieved without our amazing staff who have met the challenges by being more productive and effective than ever. We have pulled together across the globe, enabled by our use of digital interactions and we are excited to sustain our connectedness into the future. Also in 2020, our Trustees passed a resolution that commits us to becoming more diverse and representative at all levels within the organisation, and we are looking forward to working to realise this ambition in 2021.

We adapted activities like our annual Ration Challenge and received a positive response, with thousands of people across the UK signing up to eat the same rations as a Syrian refugee for a week. This year, I took part in the challenge and found that while the calorie count held up, the monotony and lack of choice had a powerful effect. The experience resonated with the stories from Syrian refugee families that I had heard earlier in the year when visiting Lebanon, many of whom have been waiting there for several years and are still not able to return. We need to keep providing support for them to secure improved living conditions, access to education and a means to provide for their families.

These efforts and increasing need are set against a backdrop of cuts to the UK aid budget and an uncertain policy direction on international development spending. Last year, funding from the UK government enabled us to work with communities and governments in places like Sierra Leone, Somalia and Pakistan to provide essential health services to women and children, tackle malnutrition and build resilience to future disasters, including those related to climate change. With others, we are asking that UK aid continues to be a powerful instrument for good, that it benefits the poorest and those affected and displaced by conflict and disaster, and that it builds on previous investments and successes to tackle the global hunger crisis.

Alongside coping with the changes that 2020 brought, the global organisation took time to develop our strategic plan. In early 2021, the Concern (UK) strategy will be completed, setting out our contribution to improving the lives of people living in extreme poverty in the world's poorest and most fragile countries by mobilising resources, people, power holders and partners in the UK.

As our Chair notes in his foreword, our success in public and institutional fundraising in 2020 means we have been able to contribute almost as much as ever to our work with some of the poorest people in the world - those least able to cope with the threats of Covid-19, climate change and conflict. We could not have done it without your support, and for that, we are truly grateful. Thank you.

Danny Harvey
Executive Director

Our overseas work in 2020

In 2020 Concern worked in 23 of the world's poorest and most vulnerable countries to alleviate poverty and hunger.

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

You can read some highlights of the work we contributed to around the world on pages 8-21.

The description of this overseas work has been adapted from the Concern Worldwide 2020 Annual Report.

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

Emergencies

In 2020, we responded to 78 emergencies in 23 countries, reaching 17.9 people, 4.9 million of whom were directly supported.

Many of the countries we work in are increasingly fragile and are extremely challenging to work in with high insecurity meaning aid workers are frequently the targets of violent attacks and/or kidnappings. In addition, access to hard to reach vulnerable communities with urgent humanitarian needs can be challenging due to both lack of infrastructure and the presence of armed groups. In 2020 we made the decision to start operations in Burkina Faso where, along with Yemen and South Sudan, there are sadly many communities living in near famine conditions.

Along with the challenges of insecurity and lack of humanitarian access, Concern has also responded to the Covid-19 crisis in these countries that are susceptible to frequent natural disasters and outbreaks of conflict, jeopardising the homes and livelihoods of already vulnerable people. In the immediate aftermath of an emergency, we provide life-saving support to families and communities and then stay to help them get back on their feet rebuilding livelihoods and infrastructure and working to reduce the risk and impact of future crises.

Several consecutive years of drought in southern **Ethiopia** have led to low levels of food production affecting access to food and disrupted the livelihoods of hundreds of thousands of farmers. By June 2020, 8.5 million people required emergency food assistance. Our emergency nutrition response programmes reached over 253,000 of the most vulnerable people. This included treating over 75,000 cases of moderate or severe acute malnutrition in children and pregnant women at 230 sites and reaching almost 154,000 people with information and education about how to ensure good nutrition and health for babies and young children.

Since the beginning of 2020, the humanitarian situation in the **Democratic Republic of Congo** (DRC) has worsened and armed conflicts and natural disasters continue to provoke massive population movements, mainly in the east of the country. The DRC is now home to the largest population of internally displaced persons (IDPs) in Africa with 5.5 million people displaced. Our mobile Rapid Response Team responded to five displacement crises, providing emergency support to households fleeing conflict or natural disasters and helping them to buy food, access clean water and receive hygiene kits. In total 159,000 recently displaced people were supported by Concern.

We continued to provide urgently needed assistance to almost 160,000 people affected by on-going conflict in northern **Syria**. General food rations were distributed to just under 25,000 individuals in camps, collective centres and informal settlements and food vouchers to around 116,000.

Deteriorating food insecurity due to ongoing conflict and climate change remains a persistent challenge for a large section of the population in **South Sudan**. We

provided life-saving emergency nutrition and health services to acutely malnourished children and women in some of the most affected regions, reaching over 142,000 people. Our 78 nutrition centres provided treatment for malnutrition and sought to prevent it by educating mothers about best practice in feeding their children and keeping them and themselves healthy. We also delivered health services in five hard-to-reach areas in Aweil North and West counties through mobile clinics. Altogether, in excess of 68,000 children and mothers received consultations and/or treatment and more than 90,000 individuals attended nutrition sessions.

Parts of **Pakistan** are extremely vulnerable to the impact of climate change and are frequently impacted by floods, droughts, and heat waves. In an effort to lessen the often catastrophic impact of natural disasters on vulnerable communities, Concern took the lead in a consortium working on a five-year programme 'Building Disaster Resilience in Pakistan' (BDRP). The programme aimed to increase the capacity of communities in nine districts at acute risk of natural disasters to better deal with them through better planning, preparedness, response and resource allocation at the governmental and community levels. During the final year of the programme, Concern reached almost 87,000 programme participants.

Livelihoods

In 2020, we improved the food security and livelihoods of over 580,000 people directly and approximately 3.6 million indirectly.

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

In the Sila region of **Chad** we worked with over 33,500 farmers, pastoralists and vulnerable community members who are severely affected by climate change and often struggle to provide enough food for their families. Our livelihoods programme aims to improve their food security through a range of activities. Last year, over 1,200 households received agricultural and market gardening training and support. Protecting natural resources is recognised as an important element in ensuring food security. We trained 210 young people in natural resource management and more than 1,100 women to build fuel-efficient stoves. As a result, 2,600 trees were planted and almost 1,000 stoves constructed. To help pastoralist households, over 700 livestock breeders were helped to keep their livestock healthy by community animal health workers. We also supported six pastoralist groups in cattle food protection. Six cowpea fields were established and harvested, with the crops being stored to see the cattle through the lean season next year.

The flood-prone Char (river islands) areas of **Bangladesh** are home to some of the poorest and most vulnerable people who have few opportunities to earn enough to support their families. For women, opportunities are even scarcer. To support 13,000 extremely poor women to earn an income, we used an approach based on our graduation model of moving people out of poverty. This included running training sessions on different types of income generating work such as tailoring and dressmaking. In addition, we helped them access the funds needed to start a small business by supporting group savings schemes. Nearly 80% of the project participants were able to get the necessary capital to start their businesses and build their livelihoods.

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 1,159 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.

Over 4,295 households in **Burundi** and a further 1,400 in **Rwanda** were supported through our Graduation Programme, which helps extremely poor people to learn a range of skills, gain knowledge and take part in activities that increase their capacity

to earn a living and move out of poverty. In both countries, households participating in the programme increased their monthly income as a result of the income generating activities/small businesses they were supported to set up. Another important outcome of the programme is that the participating households are able to improve their nutrition.

Democratic People's Republic of Korea faces a multitude of challenges in the agriculture and food security sector, primarily due to increased demand, a decline in arable land due to limited irrigation facilities, reduction in soil fertility due to harmful practices, and the impact of natural disasters. Our livelihoods and agriculture programmes work to improve the food security and livelihood options of resource-poor communities through the adoption of climate smart agriculture which aims to restore soil fertility and stabilise food production. The programme is being implemented at 26 cooperative farms in eight counties reaching over 50,000 people. We continued to support farmers with various training opportunities around practices to increase rice production and good results have been seen with yields increasing and less seed and labour being used than with traditional agricultural practices.

In the Phalombe and Mangochi districts of **Malawi** Concern works with poor and vulnerable rural households to build their livelihoods and resilience. A key aspect of this work is to identify, train and support lead farmers who then share their learnings with others, thereby increasing the knowledge base of the community and improving food security. Last year, 577 new lead farmers were identified, and trained on climate smart agriculture, bringing the project total up to 1,050 people who, between them, have reached just under 32,000 households.

Health and nutrition

In 2020, our health programmes reached over 1.8 million people directly and 7.3 million indirectly.

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

In Grand Bassa and Rivercess counties in **Liberia**, lack of dietary diversity together with little knowledge about what constitutes a healthy diet or the means to supply one has led to high rates of under-nutrition, especially amongst mothers and children under five. As part of an integrated programme, we worked with over 4,200 women in mothers' groups to improve their and their children's health and nutrition. This involved helping to establish 2,224 kitchen gardens to grow a variety of crops and conducting 141 cooking demonstrations to teach mothers about different food groups and show them recommended food preparation practices for children aged 6-23 months old.

In **Kenya**, we work both in the informal settlements of Nairobi County and in the remote rural counties of Marsabit, Tana River and Turkana to improve the health and nutrition of children and pregnant and breastfeeding women. In 2020, working in partnership with local and national organisations and authorities our programmes successfully reached over 614,000 people directly. We supported the training and equipping of over 1,500 community health volunteers to improve community level health services and thereby encouraged more people to make use of them. We also supported the roll-out and continuation of the Baby Friendly Community Initiative (BFCI), a programme which teaches mothers about the benefits of exclusive breastfeeding for babies. In order to promote good hygiene practices almost 240,000 people received hygiene promotion messaging through community health volunteers, outreach activities and mass media campaigns.

Sierra Leone suffers from some of the highest maternal, new-born and child mortality and morbidity rates in the world. Concern is part of a consortium of agencies working with the Government of Sierra Leone to address this by strengthening the quality of, expanding access to and building the demand for appropriate health services. Taking the lead in four districts – Western Area Urban and Rural, Tonkolili and Port Loko – we aim to indirectly reach about 1.16 million people, including 563 health workers, over 660,000 women of childbearing age and just under 500,000 children under five years of age. Building the capacity of health workers is key to improving outcomes and, in 2020, almost 2,500 individuals attended at least one Concern-supported health training session. 84 health care workers received regular on-the-job mentoring from our clinical mentors' team, and

we supported health care workers in remote facilities to take part in monthly district meetings to enable the sharing of crucial health data.

The ongoing and deepening crisis in the **Central African Republic (CAR)** continues to severely affect the livelihoods, living conditions and health of about 2.6 million people. Our health work in western CAR seeks to improve both the quality of health and nutrition services and access to them and reaches over 24,000 people. In 2020 we supported 13 health facilities, organising the training of health staff in the assessment and treatment of malnutrition, immunisations and basic emergency obstetrics and neo-natal care. In addition, 13 mobile clinics were organised every two weeks from each facility to carry out health awareness activities and provide health services in remote villages. We provided free health care to more than 13,000 extremely vulnerable people who would otherwise be forced to spend a considerable amount of their household income on health services. To complement the services provided at the clinics, we also supported community health care in 23 communities reaching 15,000 households.

In **South Sudan** over four million people have been displaced by conflict, half of whom have fled to neighbouring countries. The numbers of internally displaced people remains extremely high with little prospect of them being able to return home in the near future. In 2020, over 150,000 conflict-affected and vulnerable people in Unity State and Northern Bahr el Ghazal were reached through our water, sanitation and health programmes. This included providing regular access to safe water and sanitation services to almost 34,000 people living in Bentiu displacement camp. A further 62,000 people living in areas outside the camps were provided with safe water through a number of Concern-managed water treatment plants, bore holes and rainwater harvesting systems. Over 131,000 people were reached with hygiene messaging to promote good health practices.

Education

In 2020, our education programmes directly benefited 177,000 people and 517,000 indirectly.

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

Over many years, Concern has built its reputation as a key stakeholder in the education sector in **Somalia**. In 2020, we further strengthened our profile supporting the Ministry of Education, Culture and Higher Education (MoECHE) in the implementation of the national Education Sector Strategic Plan, which aims to ensure equitable access to education for all. A key part of strengthening the education system is developing and supporting Community Education Committees (CEC) who are responsible for school management and encouraging the local community to send their children to school. Concern was chosen by the MoECHE to lead CEC strengthening in schools countrywide, which included standardising the CEC training manual and rolling out training to over 4,600 CEC members in 658 schools.

On a national level, 2020 was an incredibly challenging year for education in **Afghanistan** with a six-month countrywide Covid-19 suspension of classes, inadequate resources for effective home learning, and winter restrictions preventing classes from resuming. Despite these significant restrictions, our programme in Takhar Province which provides quality education services for girls, boys, men and women reached almost 5,500 people. Amongst a number of activities, we established and/or supported 36 community-based education classes and 12 government-run schools providing an education to over 4,000 children. To improve the quality of education we hired 47 qualified teachers and facilitated a 10-day training course on subject upgrading and child-friendly teaching methods. Children are more likely to succeed at school if their parents are also educated and understand the benefits of an education. To that end, 236 students took part in adult literacy classes, and child protection training for parent, teacher and student associations was also conducted.

Syria has suffered from one of the greatest reversals in educational progress ever recorded. Prior to the outbreak of conflict in 2011 almost 100% of children were enrolled in school. In 2019 the Humanitarian Needs Overview noted that 5.9 million children in Syria are in need of education support, 2.1 million girls and boys are out of school and 1.3 million are at risk of dropping out. Our education programme in northern **Syria** aims to give out-of-school and conflict-affected children access to quality primary level education, providing education support in both non-formal education centres and formal schools. This programme directly reached just under 6,000 people

in 2020. Despite the challenges posed by Covid-19, we were still able to expand our programme opening two new non-formal education centres bringing the total to six, rehabilitating seven primary schools and we began our first homework support component in formal schools to help pupil retention.

Conflict and insecurity in **Niger** has had multiple detrimental effects on the education system in affected areas. Many schools have suffered attacks by armed groups, resulting in the destruction of teaching materials and the deterioration of infrastructure and equipment. As a result, many displaced children are at risk of dropping out or not attending school for lack of alternatives. In this context, Concern is implementing emergency education projects in the regions of Diffa and Tillabéry to strengthen educational services and enable affected children access to quality education. In 2020 the programmes benefitted almost 46,000 children and adults with activities that included enrolling children in schools, providing materials such as pens, notebooks, books for children and course materials for teachers, training for teachers and community members, the rehabilitation and equipping of classrooms.

Integrated Programmes

There are multiple interrelated reasons that keep extremely poor people locked in poverty. For that reason, many of our programmes are integrated, bringing together, for example, agriculture and livelihoods with other sectors like water, health and education to tackle the multiple needs of a community in a coordinated way. In 2020 we reached over 1.2 million people directly through our integrated programmes and approximately 3.6 million indirectly.

In the Aweil West and Aweil North counties of **South Sudan** our integrated programme seeks to improve the health and nutrition of vulnerable women and children through a complementary package of activities and reaches 43,000 people. In 2020 we continued to improve access to and the use of quality health and nutrition services to excluded communities who would otherwise have no healthcare services. We increased the number of nutrition sites from 49 to 53 in 2020, continued to support mobile clinics in six hard-to-reach locations, and facilitated community mobilisation as well as outreach activities for active case finding of children suffering from malnutrition and provision of health and nutrition education. To support households to provide more and better quality food for their families, almost 19,000 people took part in cash for seed activities and were also supported with hand tools and improved staple crop seeds. The programme also supported 50 demonstration plots where farmers could learn and share knowledge about farming techniques, including climate smart agriculture in which almost 800 farmers were trained.

In West Darfur in the **Republic of Sudan**, we worked with just over 53,500 people to help them maintain or improve their wellbeing despite the challenges of weather-related shocks and stresses such as droughts. An integrated package of livelihoods, health and nutrition, and water and sanitation projects has resulted in the hunger gap (the number of months during which the most vulnerable households do not have enough to eat) decreasing from 3.65 at the beginning of the project to 1.8 in 2020. Activities included the distribution of seeds and tools to almost 1,500 farmers, the training of over 1,900 farmers on climate smart agriculture, the renovation of 18 old water points, the drilling of four new ones, and the delivery of 51 hygiene training sessions. In addition, 13 Village Savings and Loans Associations were established and trained, and Village Development Associations in four villages were supported to develop plans to better mitigate against future risks.

Our 'Building Tomorrow' integrated emergency programmes provide education and livelihoods support for Syrians under Temporary Protection in four provinces in south east **Turkey** and reached over 13,500 people in 2020. The education element of the programme has been implemented at 30 Public Education Centres (PECs) and 20 Vocational and Technical High schools (TVETs). Since language barriers impede progress, the programme provides Turkish language classes to 12,000 6–13-year-old children at PECs. It also seeks to improve access to formal educational opportunities for school-aged Syrians under temporary protection through outreach, learning-support programmes and the provision of learning and psychosocial support materials.

Niger remains one of the poorest countries in the world, ranking 189th of the 189 countries on the Human Development Index. Concern works with the most vulnerable households and individuals in Tahoua, one of the poorest regions, and last year reached close to 110,000 people through a combination of livelihoods, education, and water, sanitation and health programmes. Agricultural support activities, which included training farmers on improved techniques, significantly increased productivity and contributed to households having a greater quantity of food and a more diverse diet. The average yield of fortified organic millet was 796 kg per hectare on average (compared to 568 kg per hectare in 2019), and the use of irrigation enabled households to diversify their food sources during the off-season. Significant progress was also seen in the maternal and child health component of the programme which showed that 38.5% of children were being exclusively breast fed (which protects against common childhood diseases and diarrhoea), an increase of nearly 10% since last year (29%, 2019), and 15.5% since the project began.

In eastern **Democratic Republic of Congo** we worked with over 140,000 people displaced by the ongoing security crisis in the country to improve their living conditions and their livelihoods. Over the course of the year, 92 water points were rehabilitated giving improved water supplies to 92,000 people. In addition, 832 community health volunteers were trained to promote good hygiene practices and reached over 125,000 people with good results - 93% of people surveyed at the end of the project knew at least three of the five critical moments for hand washing, vital to reducing the spread of disease. Over 15,000 people were helped to rebuild their livelihoods through training and/or cash transfers and another 2,200 were helped to earn an income through cash for work opportunities.

Responding to Covid-19

The Covid-19 pandemic presented an unprecedented challenge for the countries where we work. We focussed on maintaining our existing programmes, raising awareness of the tools used to fight the spread of the infection and supporting the communities most impacted by the crisis.

We reviewed and adjusted all activities in Ethiopia to avoid large gatherings, while also maintaining important food distribution and services to our outpatient therapeutic programmes. We distributed soap and protective equipment for health staff, as well as setting up handwashing stations.

In South Sudan we set up over 1,200 handwashing stations in key locations, provided over 14,134 people with soap and sanitiser, and ensured over 49,000 people had improved access to water as part of our Covid-19 response. We also trained 380 health care workers and 920 community health workers in Covid-19 prevention and response.

In Central African Republic, we worked with 75 health centres to train staff in Covid-19 infection control and response.

In Chad we implemented mass awareness campaigns to prevent and limit the spread of Covid-19 through a number of means, including local radio. We also provided practical assistance to prevent transmission, including strengthening access to protective equipment for health workers; rehabilitating boreholes to increase access to water for 10,000 IDP's; and distributing water, sanitation and hygiene kits to 5,000 vulnerable households.

In Sierra Leone, we introduced a range of activities under our health programmes to help slow the spread of the virus. Many were adapted from our response to the Ebola crisis in 2017. They included engaging with Traditional Healers to help spread important Covid-19 messaging; producing educational materials on infection control; training community health workers on infection control; and supplying protective materials and manufacturing alcohol hand sanitiser in four districts. We also distributed radios and spare batteries to school children so they could access the curriculum designed for use on the radio during school closures.

In Malawi, we introduced handwashing before and after trainings and seed fairs for the farmers we work with and reduced the size of meetings to ensure social distancing.

We installed handwashing stations across our areas of intervention in northern Afghanistan, where our network of community development facilitators conducted hygiene awareness campaigns specifically tailored to Covid-19. We identified substandard water infrastructure, conducted repairs and identified the best locations for handwashing stations for communities. We distributed water tanks, soap,

sanitiser and face masks to schools and reached over 14,000 students with information on how to protect themselves and their communities from Covid-19.

We focused on improving preparedness and response capacity at the government and community level in Pakistan through provision of essential supplies, equipment, disinfectants, and basic PPE, installation of sanitation infrastructure in health facilities and provision of cash grants to extremely poor and vulnerable households. Training sessions took place for front line staff in government health facilities, along with mass awareness campaigns at the community level.

Our work in Iraq focused specifically on supporting preventive measures for over 200,000 people living in camps in northern Iraq. With support from the European Commission's Humanitarian Aid and Civil Protection department (ECHO), we produced Covid-19 Hygiene Kits, distributing bathing soap bars, detergent and sanitary products to 84,500 individuals.

We worked to mitigate the impact of Covid-19 among Lebanon's most vulnerable communities by distributing hygiene kits to refugees and essential information on how to keep safe from the virus. We completed the rehabilitation of two isolation facilities for refugees that were affected by Covid-19 and distributed emergency cash assistance to refugee households that had lost their source of income due to the pandemic.

In Turkey we provided support to vulnerable individuals, which included provision of shelter support, cash for food (in the form of shopping cards), basic household items (mattresses, kitchen items, etc.) and emergency transportation. We also delivered online training sessions to parents, guardians and caregivers of children on measures they could take to prevent the spread of Covid-19. We distributed hygiene kits (comprised of soap, shampoo and anti-bacterial surface cleaners) to approximately 52,600 vulnerable people.

In Syria we provided vouchers to over 150,000 vulnerable people, which enabled them to purchase both food and hygiene products from local vendors. We also distributed almost 20,000 hygiene kits and food baskets to vulnerable people in camps, informal settlements, collective centres and urban areas.

In Haiti we supplied soap and provided money and training for unemployed people to make their own soap to use and sell in Cité Soleil, Haiti's largest slum. This initiative helped vulnerable community members to make an income, and protect themselves against Covid-19.

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 and communities

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).

Working in collaboration with existing local government and community structures is a core part of how we work. Sometimes we work directly with community groups, such as Village Development Committees and Community Education Committees; in other contexts we enter into formal partnerships with local NGOs to jointly deliver programmes. Increasingly Concern partners with other international NGOs in consortia to enable programmes to be delivered at scale. We also work with public bodies, research institutions and private sector companies.

Our local partners felt the impact of Covid-19 to varying degrees, with many affected by travel restrictions and limits on group gatherings. However, partners were by and large able to continue programme implementation, with adaptations, and Concern staff provided oversight and remote monitoring using alternative means such as Skype, Zoom and WhatsApp as well as digital data gathering, photos and videos provided by partners.

In 2020, in many of the countries we work in, programmes were partially or fully implemented through local partners. Partnerships were evident across all the sectors in which we work, and grants to partners represented over 10% of Concern's total charitable expenditure. In 2020, Concern provided €18.9m million in grants to 191 partners.

Concern remains committed to working strategically in partnership with other international actors, such as the United Nations, international NGOs and global platforms, where we can have a greater impact. These include membership of the Scaling Up Nutrition movement, playing an active role in the Cash Learning Partnership and the Collaborative Cash Delivery Network which aim to improve the quality of humanitarian cash and voucher assistance and working with organisations like Sonke Gender Justice to address gender inequality.

In the UK, we leverage our global experience and organisation focus on extreme poverty to achieve greater change by working with others. We are an active member of the Disasters Emergency Committee (DEC), the Start Network and the International Coalition for Advocacy on Nutrition (ICAN) as well as belonging to the

Campaign to Defend Aid and Development. We currently chair the Coalition of Aid and Development Agencies in Northern Ireland (CADA) and work with others through (the UK network for organisations working in international development). We co-chair the Resilience working group and the Commercial Contracts working group and we are a member of steering committee of the WASH group. We also partner with Act for Peace in running the annual Ration Challenge, raising awareness and funds to support refugees.

In the academic arena, we collaborate closely with the Conflict Unit of Dublin City University, Tufts University, Liverpool School of Tropical Medicine, Kenyatta National Hospital, the University of Nairobi, Imperial College London, University College London, the Institute of Development Studies at the University of Sussex, Trinity College Dublin and University College Dublin.

As a founding member of Alliance2015, a network of eight European non-governmental organisations with a presence in 85 countries, we continued to work in collaboration with our fellow members at programme and policy levels.

How we measure success and learn from our programmes

The global Covid-19 pandemic brought huge challenges to Concern's monitoring and accountability systems which rely on systematic communication with our programme participants on the results of our programmes and what could be improved to have greater impact on extreme poverty in the communities where we work.

Our monitoring plans were quickly adapted at the beginning of the pandemic, adopting a 'Do No Harm' approach, to ensure our teams would not contribute to the spread of the virus where we work. This meant switching to remote monitoring where necessary. Global guidance was developed for phone-based data collection, using alternative sources of information (including from partners, government and key informants within communities) and on Covid-19 prevention measures where face-to-face interactions were essential. Online webinars were held between global advisors and overseas staff to ensure widespread understanding and to ensure adherence to measures put in place.

The strengths of Concern's digital data gathering system came to the fore early in the pandemic when we were quickly able to collate all recent data on handwashing, access to soap, access to water and general knowledge of hygiene across all Concern countries into interactive dashboards. Quick access to this key information reduced the need for additional data collection and allowed us to rapidly identify communities who were particularly vulnerable to Covid-19 and focus our interventions in those areas. This was a key step in a fast and effective response.

Concern's access to vulnerable communities throughout the world meant that we were well placed to contribute to research on the impact Covid-19 is having in these parts of the world. We joined with our partner organisations in Alliance2015 to collect data

from over 16,000 people in 25 countries on the impacts of Covid-19 on general health and well-being, livelihoods, education and dynamics at household and community level. Concern collected data in six countries - Malawi, Bangladesh, Haiti, Kenya, DRC and Ethiopia - and the results are shaping our responses across all sectors to mitigate against the impacts of Covid-19. In addition, being part of this research has given our teams in Afghanistan, Burkina Faso, Burundi, Liberia, Niger, Pakistan, Somalia and Syria access to key information, without having to do primary data collection. This cross-organisation collaboration is a hugely efficient way to ensure quality programming across all agencies in Alliance2015.

Concern has remained committed to quality programming throughout the pandemic, and part of our adherence to quality means ensuring independent evaluations are done at the end of every programme. Concern completed 17 evaluations during 2020, and contributed to an additional three evaluations completed by partner agencies. Of these, 25% were conducted remotely, making great use of communication technology to ensure a high quality evaluation without risking the spread of Covid-19. A further 19 final evaluations were postponed until 2021 to align with extensions in programme funding due to Covid-19.

Accountability

Concern is determined to be fully accountable to the communities with whom we work in relation to the quality and impact of all that we do. We committed at an early stage to the Core Humanitarian Standard on Quality and Accountability (CHS). The CHS outlines what good humanitarian action looks like for communities and people affected by crisis, and the staff and organisations involved in delivering a response. Its purpose is to help organisations design, implement, assess, improve and recognise quality and accountability in assistance programmes. The CHS includes

- Nine commitments to communities and people affected by crisis;
- Supporting quality criteria;
- Key actions to be undertaken in order to fulfil the commitments; and
- Organisational responsibilities to support consistent and systematic implementation throughout the organisation.

It is a voluntary and measurable standard that resulted from a global consultation process.

In late 2017, Concern was the first Irish agency to gain certification re compliance with the CHS – having first had its processes, procedures and approaches independently audited by the Humanitarian Quality Assurance Initiative (HQAI) - the supervisory/awarding body. A maintenance audit was carried out in October 2020 to check our ongoing compliance, and to follow up on progress on the resolution of the four corrective action requirements from previous audits. The actions mainly focused on the systematisation of Complaints and Response Mechanisms across country programmes, and systematic information-sharing across communities and

partners. The audit concluded that good progress was being made and we continue to embed the principle of accountability in all that we do.

Safeguarding

Concern is committed to safeguarding through our responsibility to ensure that our staff, anyone engaged by Concern, our operations, and our programmes cause no harm to children or at-risk adults and do not expose them to abuse or exploitation. The behaviour that we require from all of our staff and associated personnel is outlined in our policies: the Concern Code of Conduct, the Child Safeguarding Policy, the Programme Participant Protection Policy and the Anti-Trafficking in Persons Policy.

In 2020, we further strengthened our organisational capacity and commitment to deliver safe programmes by creating a dedicated Protection and Safeguarding Unit and appointing a Director of Protection and Safeguarding. The Unit plays a critical role by providing strategic leadership for all protection and safeguarding activities and ensuring that an effective safeguarding culture is maintained across the organisation. We also appointed an Investigations Manager to build the organisation's capacity to investigate and manage all incidents that arise.

The Covid-19 pandemic exacerbated vulnerabilities and increased exposure to protection and safeguarding risks. This required us to review, adapt and strengthen our safeguarding actions to protect people we aim to assist as well as our own staff. As a result, we have worked to identify potential risks and to develop guidance on assessing and mitigating risks arising directly or indirectly because of Covid-19.

In 2020, we began developing a new organisational protection and safeguarding strategy to guide our work.

We are committed to taking all reports of safeguarding incidents seriously and to responding appropriately to allegations of breaches of the Concern Code of Conduct. All incoming safeguarding reports are screened to ensure that everyone involved in the incident is appropriately protected. Established investigation guidelines are followed and where allegations are substantiated, disciplinary action is taken.

In the UK, regular safeguarding training is provided to staff and trustees, focal points are appointed and active and management of safeguarding is regularly reviewed.

During 2020, our investigations team received a total of 24 new safeguarding referrals. Six were carried forward from last year giving a total caseload for 2020 of 30. Four of these related to incidents that were external and unrelated to Concern i.e. where we were asked to assist in relation to incidents in the communities in which we work (and in each case the local Concern team sought to provide appropriate advice and support).

26 cases directly related to Concern staff or programmes and resulted in investigations – all of which were completed by year-end.

They comprised:

∨ Three cases related to child labour – specifically children aged 12-17 years old undertaking cash for work activities (intended for their adult relatives or guardians). In each case the time worked was limited (1-4 days), and the corrective action taken centred on tightening processes and monitoring activities to prevent recurrences.

∨ One related to the use of corporal punishment (slapping) in schools being part-funded by the organisation. This was investigated and dealt with in accordance with the procedures of the relevant ministries of education.

∨ The remaining 22 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 – 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.

Type of case	No. of complaints substantiated	No. of complaints unsubstantiated or unfounded	Other*	Total
Sexual exploitation	2	3	-	5
Sexual harassment	4	4	5	13
Sexual abuse	2	2	-	4
Total	8	9	5	22

* Not taken forward at the request of the person who experienced the incident in four cases and in the fifth case the complainant ceased communications.

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

As part of our engagement with the wider efforts being taken to address safeguarding by the international aid community, we are a signatory to:

- The Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief;
- The Statement of Commitment on Eliminating Sexual Exploitation and Abuse by UN and Non-UN Personnel;
- The InterAction CEO Pledge on Preventing Sexual Abuse, Exploitation, and Harassment by and of NGO Staff;
- The Dóchas Safeguarding Code;
- The Core Humanitarian Standard on Quality and Accountability (CHS);

Income and expenditure

Income

Total income: £34.5m

Income from fundraising activities: £9.7m (28.1%)

Grants from governments and co-funders: £24.7m (71.6%)

Other income: £0.1m (0.3%)

Expenditure

Total expenditure: £ 33.7m

Overseas programmes: £28.8m (85.5%)

Fundraising: £3.9m (11.5%)

Policy, advocacy and campaigning: £0.9m (2.7%)

Governance: £0.1m (0.3%)

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
Tony McCusker
Rob McGrigor (Chair of Audit and Finance Committee and Honorary Treasurer)
George Milne (Chair of Fundraising Committee)
Bernadette Sexton* (Vice-Chair) (elected as Vice-Chair on 21 May 2020)
Nicola Stones
Rosalyn Tamming*
Peggy Walters
Donald Workman* (Chair)

*Also members of the Board of Concern Worldwide

James Shaw-Hamilton resigned as Trustee of the organisation on 16 May 2020
Michael Kenny resigned as Trustee of the organisation on 17 June 2020

Sub-committees of the Board

Audit and Finance Committee

Dr Diane Chilangwa Farmer
Tony McCusker
Rob McGrigor (Chair and Honorary Treasurer)
Bernadette Sexton
Donald Workman

James Shaw-Hamilton served on the Audit and Finance Committee prior to his resignation as a Trustee of the organisation on 16 May 2020.

Fundraising Committee

Jemima Jewell
Tony McCusker
George Milne (Chair)
Nicola Stones
Peggy Walters

Donald Workman

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)

Wes Moody

Anne O'Dwyer

*Also a member of the Board of Concern (UK)

Company Secretary

Alison Bartholomew

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

Anushree Rao – 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 financial statements of the company for the year ended 31 December 2020.

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 2006 (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 NI019332) and pending registration as a registered Charity with the Charity Commission for Northern Ireland. Concern (UK) is the sole member of Concern (NI). 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 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 comprises at least four members who are generally knowledgeable in financial and auditing matters. The Audit and Finance Committee operates under specific terms of reference, which include responsibility for the monitoring of the organisation's finances, financial systems and policies, review of internal controls including the audit, risk and compliance management systems. The Fundraising Committee 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 and openness and accountability. The Chair of the Board is an ex-officio member of both committees.

There were five Board meetings during 2020.

Board attendance was as follows:

Name	Meetings
Zamila Bunglawala	3/5
Dr Diane Chilangwa Farmer	5/5
John Dunford	5/5
Jemima Jewell	5/5
Linda Horgan	5/5
Michael Kenny	3/3
Tony McCusker	5/5
Rob McGrigor	5/5
George Milne	5/5
Bernadette Sexton	5/5
Nicola Stones	4/5
James Shaw-Hamilton	1/2
Rosalyn Tamming	5/5
Peggy Walters	5/5
Donald Workman	5/5

1.4 Charity Governance Code

The Board of Trustees has adopted the Charity Governance Code for larger charities and is committed to embracing best practice in all areas of governance, including guidance from the Charity Commission and sector. Recommendations for improvements from a positive assessment against the code in 2018 are largely followed-up. A self-assessment of Board Effectiveness was conducted in 2020 and showed improvement overall. Following the assessment, there will be enhanced

engagement of the Trustees role in strategy development and the diversity commitments made by the Board in 2020 will be taken up to form an integral part of Board effectiveness. An external review of Board effectiveness will be conducted in 2021 against the revised Charity Governance 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 Chartered Institute of Fundraising. In 2020 we were careful to ensure that we complied with guidance released by the Fundraising Regulator and Chartered Institute of Fundraising on how to respond to the Coronavirus pandemic.

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 by the sale 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 these activities are carried out by our own internal team. However, in 2020, we also engaged six professional fundraising service providers to attract new donors on our behalf or to ask for further support. We have written contracts with each of these service providers, which set out the standards of behaviour that we expect of when they fundraise on our behalf. 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 2020, we received a total of 55 complaints about our fundraising and supporter care, an increase of 10 from 2019, 17 of these were as a result of a technical issue with our website. We responded to all complaints in line with our complaints policy.

We share our Vulnerable Donor's Policy on our website and provide training on how to recognise vulnerable donors to members of staff who are in regular contact with the public. We have also signed up to the Fundraising Preference Service to enable individuals to opt out of receiving fundraising communications from us, we actioned 10 requests from this service in 2020.

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 and has been independently certified as adhering to 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.

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 seeks 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 2020 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.

By the end of 2020 we met our 2-year targets for funds raised from UK institutional donors, enabling Concern to make a positive impact on the lives of people living in poverty and affected by crises. What follows are some specific examples of how we did this.

Responding to Covid-19

Covid-19 presented an exceptional challenge to every community we work with. Just as in the UK, our own staff and our local partner organisations' staff were confined to home for long periods of time. However, they found ways to continue delivering Concern's vital work, all the while ensuring every staff member stayed safe and put nobody at risk.

In our Foreign, Commonwealth and Development Office (FCDO) funded Girls Education programmes in Sierra Leone, Kenya and Ethiopia it was vital to prevent girls from dropping out of school, even though the facilities themselves were closed. Internet-based teaching was rarely possible, so we adapted learning materials, delivered lessons by radio, and stayed in contact with the girls to ensure their return when schools reopened.

We reorganised our Essential Health for the Disadvantaged programme in Bangladesh to respond directly to the crisis. In coordination with the government, Concern expanded into more parts of the country, carried out testing at scale, and pioneered remote patient consultations using video booths. Our goal throughout was to ensure that the most disadvantaged people, including those with disabilities, were included in the response.

We were disappointed in the unsuccessful outcome of applications to the UK government, which could have brought in £11m for countries from Syria to Kenya, Niger and elsewhere. However, the FCDO did select us for a six-month emergency response in Somalia, and the Start Fund enabled us to mount a very early response in Sierra Leone. We participated fully in the Disasters Emergency Committee (DEC) Coronavirus appeal and, as a result, are now putting in place water and hygiene measures in Afghanistan which give communities the tools they need to prevent the spread of the virus.

Humanitarian needs beyond the pandemic

Covid-19 was not the only crisis to hit communities in 2020. Using the Start Fund we responded to Cyclone Amphan in Bangladesh, floods in both Shabelle, Somalia and in Freetown, Sierra Leone. We also completed two emergency programmes in Bangladesh, supporting communities in the north to recover from the devastation of the previous year's monsoon; and working with Rohingya refugees to develop their livelihoods, recognising that a return to Myanmar is a long way off. In the DRC, the FCDO opted to fund Concern (as part of a consortium) for a second year, to respond with speed to the cyclical emergencies that flare up there, including when communities are displaced by conflict.

UK Aid restructured

DFID (historically Concern's biggest single donor in the UK) was merged with the Foreign and Commonwealth Office into the new Foreign Commonwealth and

Development Office (FCDO). With aid cuts in 2020, related to a drop in GNI and substantially more reductions expected in 2021 alongside a re-working of official priorities, we will inevitably be affected. Important programmes designed to support people living in extreme poverty, which Concern would have wanted to be part of, have failed to materialise. If the most vulnerable countries cease to be priorities for the UK, that will affect our reach and impact. Nevertheless, new FCDO programmes did launch during the year, and we were especially pleased in September to get a maternal and child health project off the ground in the Central African Republic.

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

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

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

The government's proposed aid cuts, the continued delay to the Integrated Review of security, defence, diplomacy and development and the creation of the FCDO all contributed to a turbulent political environment. Equally, the impact of coronavirus on our global influencing work was significant, with key summits postponed, notably Nutrition for Growth and the UN Climate Conference. Against this backdrop, we invested time to ensure our engagements were likely to leverage the most change and have made some significant progress.

Hunger

The Nutrition for Growth Summit, due to be held in December 2020, was delayed until December 2021. This required a recalibration of our nutrition work and extended deadlines into 2021.

We have worked closely and collaboratively with the International Coalition for Advocacy on Nutrition UK. This has included developing a policy briefing and advocacy asks in light of coronavirus and government aid cuts. Equally, we have been able to engage directly with the FCDO's Minister for Nutrition, Wendy Morton, and key FCDO officials working on nutrition. We have also built momentum with the All Party Parliamentary Group on Nutrition for Growth which culminated in a parliamentary debate during which our asks were debated and put to the Minister directly.

Our expertise on nutrition has been recognised across the sector, including being asked by Bond, the umbrella body for the international development sector, to lead the development of the nutrition and food security asks for the UK's presidency of the G7.

We have also been able to begin building a relationship with the government's new Special Envoy for Famine Prevention and Humanitarian Affairs, to further raise our concerns around the intersections between conflict and hunger, the importance of preventative action and an effective humanitarian response. We have worked with others, including across our offices in Ireland, the UK and the US towards effective implementation of UN Security Resolution 2417 on conflict-induced food insecurity.

Resilience

Our climate resilience influencing work was disrupted in 2020 as the UN climate negotiations, which the UK was hosting, were postponed until November 2021, lengthening and slowing processes. Therefore, we have sought to make strategic choices about how best to influence – for instance adopting a co-chair role on the Bond Resilience Learning Group which engages directly with FCDO officials.

We also published a new report, 'At What Cost?' as part of our work with the Zurich Flood Resilience Alliance, which examined how little climate adaptation finance was being generated, and where it was being directed. It concluded that there was not nearly enough to meet the need, nor was it reaching those countries and communities who needed it most. These findings enabled us to engage in several influential climate spaces, including the Race to Zero climate dialogues where a colleague from Concern in Bangladesh was able to share the platform with Anne Marie-Trevelyan MP – the UK's climate adaptation champion.

Campaigns and parliamentary presence

Our 'Can't Stomach Hunger' campaign has been a considerable focus of our work over the last year. It had to pivot around the coronavirus response and adapt to the Nutrition for Growth conference being delayed by a year.

Results are encouraging, with over 16,000 new campaign supporters recruited, over 30% completing a follow-up action and 1.4% also supporting us through a single cash donation. Planned activity over the course of the year, especially the petition calling on the government to prioritise nutrition in its funding decisions, has led to greater visibility and public support for our work to back up our traditional advocacy engagement.

In the parliamentary space, we have also raised key issues through targeted engagement with inquiries led by the International Development Select Committee, including on the secondary impacts of coronavirus. Equally, the All Party

Parliamentary Group on the Global Goals highlighted our analysis and advocacy calls, leading the chapter devoted to nutrition.

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.

During a year of unprecedented challenges, we were humbled by the generosity and loyalty of our supporters, who contributed donations of more than £9.4 million in 2020. This increase of 13% compared to the previous year was achieved despite the disruption caused by the pandemic to some of our fundraising activities, including the closure of our shops and the cancellation of many fundraising events. The need for support amongst the world's poorest communities has increased dramatically, as the pandemic has caused levels of extreme poverty and hunger to grow. Our donors' generosity will help us reach more of the world's poorest people and we thank every individual and organisation who supported this work.

Coronavirus Emergency Appeal

As the upheaval caused by the pandemic at home and abroad became evident, our supporters responded generously to the threat faced by the world's poorest communities. We launched our Coronavirus Emergency Appeal in March and renewed our call for support as a member of the Disaster Emergency Committee (DEC) in July. In total our supporters and funders contributed £508,000 to these emergency appeals and gave an additional £767,000 in response to other appeals during the year.

The Ration Challenge

Charity fundraising events were hugely impacted by the pandemic with many events cancelled. The Ration Challenge was postponed from June to September. The challenge involves participants committing to eat the equivalent of refugee rations for seven days and raising sponsorship from family and friends for taking part. The campaign raised awareness of the impact of coronavirus on refugee communities with a particular focus on refugees displaced by the conflict in Syria. The challenge was very successful in its second year in the UK. Almost 4,500 participants took part, raising over £1.8 million - an amazing increase of over 80% on the previous year.

Regular monthly gifts

We remain enormously grateful to more than 22,000 committed donors who support Concern (UK) with a regular monthly gift. This provides predictable income that allows us to plan our programmes into the future. Unfortunately the pandemic disrupted our new donor recruitment activities, for example by preventing our team of

street fundraisers from working for much of the year. We acted quickly to adapt our plans, increasing our digital fundraising programmes and launching a new television advert. The response was extremely positive and we continued our television advertising for the remainder of 2020 and into 2021.

Bequests

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 remembers Concern in this way. Once again in 2020, our supporters continued to remember Concern (UK) with generous bequests in their wills, contributing over £786,000 to our work.

Community fundraising

Our community fundraising was significantly curtailed in 2020 with our support groups, schools and event fundraising severely impacted by the pandemic. The London Marathon and many other charity fundraising events, including sponsored walks organised by our support groups, our street and door-to-door collections, and the Concern 24-hour FAST were all cancelled or significantly reduced in scale. However, many of our community supporters adapted their fundraising to the restrictions by completing 'at-home' fundraising events including running half-marathons in their gardens, trampoline challenges, head shaves, beard dyeing and stair climbs. We are extremely grateful for the creativity and dedication of all our support groups, community fundraisers and schools who helped raise a fantastic £124,000 despite all the challenges that 2020 brought their way.

Retail

Our shops were impacted by the closure of non-essential retail during two periods of lockdown and were closed for a total of 16 weeks in 2020. After the first lockdown, our shops re-opened with all the required measures in place to ensure the safety of our staff, volunteers, stock donors and customers and all donated stock was processed in line with the Charity Retail Association guidance. Prior to the pandemic we were planning to expand our charity shop network. We opened our sixth shop in Northern Ireland and despite the restrictions and challenges of retail in 2020, it is performing well. With the shop closures, our total income was £317,000. Government grant income, rent waivers and furlough have offset some loss to income. We are also thankful to a number of our landlords who waived and reduced rent during the year.

Thank you to all our supporters who donated stock, and to our volunteers without whom we would not be able to operate as successfully as we did in 2020.

Philanthropists

We are fortunate to benefit from the support of several highly committed and generous philanthropists. The pandemic inevitably disrupted the level of contact that we had with some supporters, but we were grateful that despite this, many of them were able to maintain or even increase their support.

Our Philanthropic Circle reached the third and final year of support for the Graduation Programme in Burundi. Over three years, members and associates contributed £230,000 to the project, more than 50% above the original target of £150,000. The second phase of the Concern Philanthropic Circle was launched in November 2020 and will support the Graduation Programme in the DRC. It has 10 members and 16 associate members, with ongoing recruitment planned in 2021. Overall, philanthropic giving contributed £478,000 to our work.

Charitable trusts and foundations

Concern (UK) is grateful for the support of our trust and foundation partners, many of whom have supported our programmes for many years and who contributed an amazing £984,000 in 2020. We were especially appreciative of the flexibility and commitment they showed when our programmes had to be adjusted in response to the pandemic. We were very pleased to continue our partnerships with highly valued supporters such as the Whole Planet Foundation, the Vitol Foundation, the Klaus and Gertrud Conrad Foundation and the Milton Damerel Trust. We are also extremely grateful to those partners who made additional emergency grants in support of our coronavirus response, including the innocent foundation.

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.

Raising awareness of key issues

We raised awareness of the risk and impact the pandemic posed for people living in extreme poverty through regular creation of content across our own channels, amplifying the collective work of the DEC and working with the media to provide insight from our countries of operation.

The Ration Challenge gave us the opportunity to highlight the issues facing refugees. Our approach involved working with fundraisers to reach out to their local media as well as working in partnership with social media influencers. We secured more media coverage and our influencers reached more people than in the previous year, ensuring that we are increasing public awareness of the challenge.

When the UK aid budget came under threat we worked with our peers and raised our concerns about the impact potential cuts will have for people living in extreme poverty. We used our social media channels and provided commentary to journalists covering the story to achieve this.

Digital development

In 2020 we continued to improve the user experience of our website.

In 2020 the total number of new users to concern.org.uk increased by 72% and the number of new users to our alternative gifts website increased by 81%. In addition, our social channels grew by 7%.

Public engagement events

The closure of schools in Northern Ireland because of Covid-19 led to the cancellation of our post-primary school debates programme in March. Schools that had made it through to the quarter finals were invited to take part in an online award ceremony later in the year to honour their achievements. We launched an adapted virtual league phase of the 2020-2021 programme in September with eight Northern Ireland schools taking part.

As Chair of the Public Engagement Group for the Coalition of Aid and Development Agencies in Northern Ireland, we launched the One World Festival in October with an online programme of diverse global events. We assisted with the Festival's flagship event on climate change, in partnership with Ulster University. As part of the Festival we organised an online event on gender equality, Women Change-makers, with keynote speaker Emeritus Professor in Transitional Justice, Monica McWilliams. We also hosted a series of online Global Storytime events with well-known personalities reading extracts from Concern's children's book, "Someone Like Me".

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.

As it was for many, 2020 was an exceptionally challenging year for our UK staff who moved to remote working from mid-March. In order to make the transition as easy and seamless as possible, our focus was to create a positive and flexible working environment and encourage a good work–life balance. We provided mental health training and offered wellbeing days so that staff were able to take a day off in addition to their normal annual leave. For those who needed access to our offices, we provided a safe workplace with protocols in place to ensure essential tasks and necessary maintenance could take place.

We are very grateful to our staff for their commitment, positive attitude and outstanding performance in such difficult times.

Our updated diversity and inclusion statement sets out the organisational culture that we want to nurture. In 2020 we also started a salary benchmarking exercise and continued to develop our employer brand across our digital channels to better demonstrate the benefits and value of working at Concern (UK).

Financial management continues to be sound with budgets and management accounts produced in a timely and accurate manner and therefore supporting well informed decision making. We also remain focused on maintaining strong internal procedures to protect the organisation and its resources against possible risks.

4.2 Financial Review

The financial outcome for 2020 is set out in the Statement of Financial Activities on page 61.

Our final position for the year shows a net surplus of just under £0.8 million, increasing total reserves to £3.4 million (in line with our reserves policy). Total income for 2020 was £34.5 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 2020 Annual Report is set out below.

Income

Concern (UK) raised a total of £34.5 million in 2020, which represents a 26% year-on-year increase from 2019 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 £9.4 million in donations and legacies in 2020, an increase of £0.9 million from the amount received in 2019.

In the year, income from individuals of £4.7 million increased by £0.1 million (2019: £4.6m) and income from corporates, major donors and trusts of £1.5 million increased by £0.2 million (2019: £1.3m). The generous response to Covid-19 emergency appeals in 2020 allowed us to deliver lifesaving support across our countries of operation. We are grateful to our dedicated supporters who respond swiftly and generously when an urgent 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 to enable us to deliver our charitable objectives in 2020 and beyond.

In 2020, we received £0.4 million from the Disasters Emergency Committee (DEC) in response to Covid-19 in Afghanistan. In comparison, in 2019 we received income of £0.8 million in response to Cyclone Idai to deliver lifesaving support in Malawi.

Our community fundraising income in 2020 has increased by 67% to £2.0 million (2019: £1.2m) due to a successful Ration Challenge in support of 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 £24.7 million (2019: £18.6 m) from governments and other institutional donors, an increase of 33% from the previous year.

The FCDO remained the single largest donor in 2020, contributing £24.5 million (2019: £17.9 m) which amounts to 99% of total co-funding income, with grants for projects in 10 (2019:11) 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 and campaigns work and to meet essential running costs.

Trading and other income:

We raised £0.3 million in income from our charity retail stores in 2020 (2019: £0.3m). Due to Covid-19 the year was very challenging for our shops and we are very grateful to our dedicated team of shop volunteers and employed staff for their continued commitment and support of our retail function. In 2020 we had six shops in Northern Ireland (2019:5).

Expenditure

Our total expenditure in 2020 of £33.7 million (2019: £28.0m) was made up as follows:

	£m	%
Charitable activities	29.8	88
Raising funds	<u>3.9</u>	<u>12</u>
	33.7	100

Total expenditure in 2020 increased by £5.7 million (20%) compared to 2019. This increase reflects the increases in income explained above which allowed us to invest more in our projects and fundraising function.

The cost of raising funds remained the same as in the prior year at £3.9m.

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

Indicator	Concern (UK)			
	2020	2019	2018	2017
Return on fundraising spend	2.5x	2.2x	2.3x	3.7x
Support costs as a percentage of total costs	2.2%	2.9%	3.2%	1.7%
Unrestricted reserves as a percentage of total income	10%	9%	11%	6%

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 £3.4 million at 31 December 2020 are detailed in note 16 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 2021.

Unrestricted reserves (£2.4 million): These funds fall into two categories:

Designated reserves (£1.8 million): represent unrestricted funds set aside by the Board of Trustees for specific purposes. At the end of 2020, funds had been designated for two specific purposes:

- 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 2020 in order to ensure that amounts held are adequate for both of these purposes (see note 16 (b)).

General unrestricted funds (£0.5 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

Despite the uncertainty of the Covid-19 pandemic in 2020, Concern developed a global strategic plan which will be finalised in early 2021. The plan, developed following extensive consultation, consolidates the work of the organisation around achieving tangible and sustainable improvements for people living in extreme poverty. We will deepen our focus on people living in fragile and conflict-affected contexts and on providing an effective humanitarian response. The organisation has committed to tackling the three interlinked issues of hunger, climate change and conflict and to engaging with others, from local organisations through civil society partners to policy makers, to do so.

The UK Strategic Plan is under development and will be finalised by the middle of 2021. Concern (UK) will contribute to the work of the global organisation and its efforts to reach the Sustainable Development Goals by 2030. We will increase public fundraising, support and engagement as well as improve institutional fundraising and deepen our influence on overseas aid and policy. We will increase our impact and effectiveness by seeking greater collaboration and by partnering with others, including the private sector. We will build on what we have learned from our enforced period of remote learning, continuing to enable staff to work flexibly and effectively. We will invest in organisational culture, wellbeing and will put into place concrete actions to improve diversity and inclusion at all levels of the organisation.

Plans for 2021, set out below, will be revised in light of the new plan and will take into account developments in the UK and beyond, in relation to the global pandemic, UK development aid and the economy.

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

Concern (UK) will support long-term development programmes by enabling the wider organisation to understand and respond to the emerging form and direction of UK Aid. We will work with our programme office colleagues, in countries where the FCDO relationship is important to Concern, to find entry points for engagement with aid staff in the UK mission.

The effects of the Covid-19 pandemic will be felt by people living in extreme poverty for years to come, and we will strive to maintain the UK contribution to Concern's programme funding at the 2020 level of £24.5m. Looking beyond our relationship with the FCDO, we will put fresh energy into developing new funding models including partnering with private sector organisations.

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

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

We will embed the new international advocacy strategy priorities into our work, focussing on the three themes of climate, hunger and conflict. We believe focussing on these will have the greatest impact on ending extreme poverty and make a significant contribution to achieving the Sustainable Development Goals.

This will enable us to support prioritised country offices on their own national advocacy and to work with the global team to amplify our impact for the communities we serve.

Despite the considerable external challenges facing the international development sector in the UK, we will seek to shape the policy, programmes and priorities of the FCDO on our key issues. This will include ensuring climate adaptation is a key part of the UK's hosting of the COP26 climate conference in November.

We will continue to campaign with supporters and partners to push the UK government to make an ambitious nutrition pledge, as part of the Nutrition for Growth process. We will also develop, alongside other teams across Concern (UK), a follow-up to our integrated campaign.

Equally, we will engage on the UK's G7 Presidency in the first half of 2021 and its work on famine prevention, given the scale of the anticipated needs this year as a result of the coronavirus pandemic.

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

We are constantly seeking to improve the quality of the feedback we provide for our donors and funders, and to explain how their support enables some of the world's most marginalised people to lift themselves out of extreme poverty. This commitment will not change in 2021, and our new Customer Relationship Management (CRM) system will be launched, allowing us to further improve and individualise the communications we send to our donors and supporters.

We will foster new ways for the UK public to engage with our work. For example, we will grow our digital activity promoting campaigns such as the Ration Challenge and our virtual gifts offering. We will maintain our TV presence and develop our new initiative built around our work enabling women to develop new livelihoods. Our retail network will expand as we add a new shop in Northern Ireland. We will further strengthen the relationships we have with our highly valued existing funders, seeking new long term collaborations with them, while also seeking to forge partnerships with new funders.

Goal 4: Raise awareness, build brand and increase visibility

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

In 2021 we will ensure our brand evolves through the development of a new messaging framework and a social media style guide.

We will make sure our website is compliant with new regulation to reduce fraud and make online payments more secure. In addition, we will develop the website further by creating an online fundraising platform for our community fundraisers. With the introduction of the new CRM, we will look at further personalising our email journeys and improving engagement.

2021 will see the organisation raise awareness of extreme poverty at key moments such as the upcoming G7 and COP26 and we will continue to highlight the Syrian refugee crisis.

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 clear learning and development opportunities.

A key priority in 2021 will be the creation and implementation of a Diversity and Inclusion action plan. We want to ensure that we support and create a culture of belonging based on shared values and trust.

Drawing on our experience of remote working in 2020 we want to develop a Staff Wellbeing Strategy and integrate it into day-to-day practice. We will adopt a Flexible Working Policy that reflects staff expectations and our organisational needs once return to the physical office is possible.

We will deliver strong financial management and remain up-to-date on compliance issues through a 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 and mitigate 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.

Funding, economic instability and political uncertainty:

The UK remains an extremely challenging environment in which to generate donations from the general public and external funders. The uncertainty of the depth and duration of the impact of the Covid pandemic on the economy and the potential effects of Brexit, coupled with recent cuts in government overseas development assistance, can all have a negative impact on our ability to raise funds.

Concern (UK) will continue to react to the external 2021 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.

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. Whilst staff have been

working remotely under Covid-19 restrictions, we will ensure that they can continue to work flexibly once they can to access our offices safely. We will develop and roll out an action plan to create a more inclusive and diverse culture that reflects our organisational values. We will continue to focus on supporting development and training and create opportunities for progression.

Staff safety and wellbeing:

Maintaining staff well-being in such unusual and challenging times is a potential risk. Ensuring staff maintain good mental health and can balance workload and operational demands while remote working is critical. The wellbeing of Concern's staff is of great 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 support in areas such as mental health. In 2021, we will develop and roll out a wellbeing strategy and appoint and train mental health first aiders to improve management of potential mental health issues.

Covid-19 pandemic:

This risk was identified as the biggest risk in 2020 but due to the longevity of the pandemic, most effects of the Covid-19 crisis are now incorporated within the relevant risks in our register. However, there are some pandemic specific risks such as interruptions to our operations and risk of losing our organisational cohesion due to remote working and changes to staffing levels, which continue to be noted and managed separately.

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, which in turn are operationalised through staff training. There are frequent reviews of action plans, adherence and feedback related to compliance.

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. We will continue to engage and train staff and volunteers to ensure our safeguarding policies are followed.

5. Staff and volunteers

The organisation acknowledges with gratitude the work of its staff and that of its volunteers in 2020. 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 (2019 – £nil).

7. Post balance sheet events

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

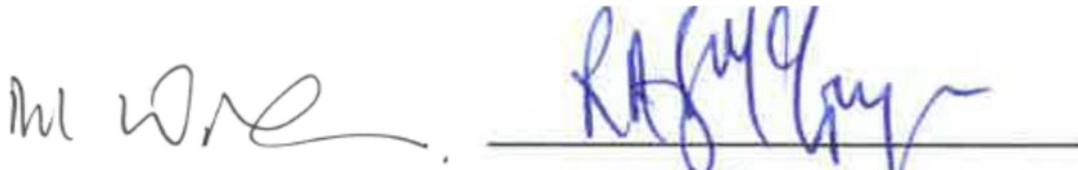
8. Auditor

In accordance with Section 485 of the Companies Act 2006 a resolution for the re-appointment of KPMG as the auditor of the company is to be proposed at the forthcoming Concern Worldwide Annual General Meeting.

9. Subsidiary undertaking

Details of the subsidiary undertaking are set out in note 13 to the financial statements.

By order of the Board

The image shows two handwritten signatures in blue ink. The signature on the left is 'Donald Workman' and the signature on the right is 'Rob McGrigor'. Both signatures are written over a horizontal line.

Donald Workman
Trustee

Rob McGrigor
Trustee

21 April 2021

Statement of trustees' responsibilities in respect of the trustees' report and the financial statements

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company 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 as applied in accordance with the provisions of Companies Act 2006.

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 incoming resources and application of resources including its income and expenditure of the Charitable Company for that year. 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.

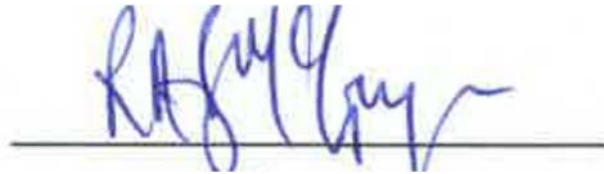
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 Charitable Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board



Donald Workman
Trustee



Rob McGrigor
Trustee

21 April 2021

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 2020.

Brian Mercer Charitable Trust

British government

Comic Relief

Disasters Emergency Committee

Evan Cornish Foundation

Grace Trust

Klaus and Gertrud Conrad Foundation

Milton Damerel Trust

Penny Appeal

Souter Charitable Trust

Start Fund

States of Guernsey Overseas Aid and

The Anna Rosa Forster Charitable Trust

The McClay Foundation

The innocent foundation

The Waterloo Foundation

Vitol Foundation

Whole Planet Foundation



KPMG
Audit
1 Stokes Place
St. Stephen's Green
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INDEPENDENT AUDITOR'S REPORT TO THE 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 2020 set out on pages 61 to 74, 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. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion:

- the 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 2020 and of its incoming resources and application of resources including its income and expenditure for the year then ended.
- the financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the charitable company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCERN WORLDWIDE
(UK) (continued)**

Report on the audit of the financial statements (continued)

Conclusions relating to going concern

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

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

In our evaluation of the trustee's conclusions, we considered the inherent risks to the group and the charitable company's business model and analysed how those risks might affect the group and the charitable company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and the charitable company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 and the charitable company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCERN WORLDWIDE
(UK) (continued)**

Report on the audit of the financial statements (continued)

Detecting irregularities including fraud (continued)

In addition, our risk assessment procedures included: inquiring with the directors as to the group and charitable company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the group and charitable company's regulatory and legal correspondence; and reading Board committee minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The group and charitable company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The group and charitable company are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. The company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors [and other management] and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCERN WORLDWIDE (UK) (continued)

Report on the audit of the financial statements (continued)

Detecting irregularities including fraud (continued)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information presented in the annual report together with the financial statements.

The other information comprises the information included in the trustees' report, which constitutes the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the trustees' report
- in our opinion, the information given in the trustees' report is consistent with the financial statements; and
- in our opinion, the trustees' report has been prepared in accordance with the Companies Act 2006



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCERN WORLDWIDE (UK) (continued)

Report on the audit of the financial statements (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 52, the trustees are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and 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 and charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud, other irregularities, or error, and to issue an opinion in an auditor's report. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCERN WORLDWIDE (UK) (continued)

Respective responsibilities and restrictions on use (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the

basis of these financial statements.

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

Respective responsibilities and restrictions on use (continued)

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

Our report is made solely to the group and 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 group and charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

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

22 April 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2020

	Notes	Restricted Funds Stg£	Unrestricted Funds Stg£	Group Total 2020 Stg£	Restricted Funds Stg£	Unrestricted Funds Stg£	Group Total 2019 Stg£
Income from:							
Donations and legacies	2a	2,767,523	6,622,648	9,390,171	2,867,437	5,666,470	8,533,907
Charitable activities - grants and contracts from governments and other co-funders	2b	24,702,968	-	24,702,968	18,579,859	-	18,579,859
Trading and other income	2c	-	375,494	375,494	-	284,885	284,885
Total income		27,470,491	6,998,142	34,468,633	21,447,296	5,951,355	27,398,651
Expenditure on:							
Charitable activities	3	27,274,657	2,509,569	29,784,226	21,226,664	2,884,696	24,111,360
Raising funds	4	230,260	3,670,756	3,901,016		3,889,296	3,889,296
Total expenditure		27,504,917	6,180,325	33,685,242	21,226,664	6,773,992	28,000,656
Net movement in funds		(34,426)	817,817	783,391	220,632	(822,637)	(602,005)
Reconciliation of funds:							
Total funds brought forward		1,041,024	1,558,751	2,599,775	820,392	2,381,388	3,201,780
Total funds carried forward	16	1,006,598	2,376,568	3,383,166	1,041,024	1,558,751	2,599,775

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 64-74 form 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 £34,098,592 (2019: £27,120,324) and the net result is a deficit of £783,266 (2019: £607,319).

CONSOLIDATED AND CONCERN (UK) BALANCE SHEETS
as at 31 December 2020

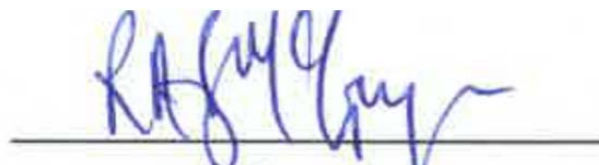
	Notes	Group 2020 Stg£	Group 2019 Stg£	Charity 2020 Stg£	Charity 2019 Stg£
Fixed assets					
Tangible assets	9	<u>295,958</u>	<u>288,832</u>	<u>268,047</u>	<u>284,194</u>
Total fixed assets		295,958	288,832	268,047	284,194
Current assets					
Debtors and prepayments	10	<u>4,832,296</u>	<u>5,256,355</u>	<u>5,059,563</u>	<u>5,299,730</u>
Cash at bank and in hand	11	<u>12,072,589</u>	<u>7,686,024</u>	<u>11,858,455</u>	<u>7,638,270</u>
Total current assets		16,904,885	12,942,379	16,918,018	12,938,000
Creditors: amounts falling due within one year	12	<u>(13,817,677)</u>	<u>(10,631,436)</u>	<u>(13,808,337)</u>	<u>(10,627,733)</u>
Net current assets		3,087,208	2,310,943	3,109,681	2,310,267
Total net assets		<u>3,383,166</u>	<u>2,599,775</u>	<u>3,377,728</u>	<u>2,594,461</u>
The funds of the charity:					
Restricted funds	16	<u>1,006,598</u>	<u>1,041,024</u>	<u>1,006,598</u>	<u>1,041,024</u>
Unrestricted funds	16	<u>2,376,568</u>	<u>1,558,751</u>	<u>2,371,130</u>	<u>1,553,437</u>
Total funds		<u>3,383,166</u>	<u>2,599,775</u>	<u>3,377,728</u>	<u>2,594,461</u>

The notes on pages 64-74 form part of these financial statements.

The financial statements on pages 61-74 were approved by the Board of Trustees on 21 April 2021



Donald Workman
Trustee
21 April 2021



Rob McGrigor
Trustee

**CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2020**

	Notes	Group 2020 Stg£	Group 2019 Stg£
Cash flows from operating activities			
Net surplus /(deficit) for the year		783,391	(602,005)
Adjustments for:			
Depreciation of tangible assets		47,658	37,916
Interest received		(3,333)	(5,410)
Decrease /(increase) in debtors		424,059	(2,079,374)
Increase in creditors		3,186,241	1,513,057
Net cash from operating activities		4,438,016	(1,135,816)
Cash flows from investing activities			
Purchases of tangible assets		(54,784)	(19,638)
Interest received		3,333	5,410
Net cash from investing activities		(51,451)	(14,228)
Net increase /(decrease) in cash and cash equivalents in the year		4,386,565	(1,150,044)
Cash and cash equivalents at the beginning of the year		7,686,024	8,836,068
Cash and cash equivalents at end of year	16	12,072,589	7,686,024

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 64-74 form part of these financial statements.

Notes to the consolidated financial statements (forming part of the financial statements) for the year ended 31 December 2020

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.

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 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.

Gift in kind

Concern (NI) recognises volunteers support in running the shops and valued their contributions by estimating the cost that Concern (NI) would have incurred through employing additional staff if volunteers were not available to provide the service. The estimate is based on current market rate salaries of staff that would need to be employed to replace volunteer support. Any other gifts in kind are measured at their actual costs that would have been incurred.

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.

Notes forming part of the Financial Statements (continued)

1) Accounting Policies (continued)

d) EXPENDITURE (continued)

Costs of raising funds

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

d) FUNDS

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

Restricted Funds

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

Unrestricted Funds

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

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

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

e) TANGIBLE FIXED ASSETS

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

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

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

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

f) STOCKS

Unsold donated items (donated to Concern (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 and in hand is comprised of cash on deposit at banks requiring less than 3 months notice of withdrawal. These are carried at amortised cost.

Creditors

Creditors and provisions are recognised where the 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 (note 8).

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.

Notes forming part of the Financial Statements (continued)

2 INCOMING RESOURCES

(a) Income from donations and legacies	Restricted	Unrestricted	Total
	2020	2020	2020
	Stg£	Stg£	Stg£
Individual giving	1,110,645	3,607,461	4,718,106
Corporate, major donor and trust	1,263,816	246,193	1,510,009
Disasters Emergency Committee (DEC)	390,000	-	390,000
Legacy income	-	785,963	785,963
Community fundraising	3,062	1,983,031	1,986,093
Total	2,767,523	6,622,648	9,390,171

	Restricted	Unrestricted	Group Total
	2019	2019	2019
	Stg£	Stg£	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

(b) Income from charitable activities - grants and contracts from governments and other co-funders	Group Total	Group Total
	2020	2019
	Stg£	Stg£
Foreign, Commonwealth and Development Office	24,465,326	17,973,547
Comic Relief	205,096	397,632
Guernsey Overseas Aid	31,776	64,627
Penny Appeal	770	144,053
Total	24,702,968	18,579,859

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

(c) Trading and other income	Group Total	Group Total
	2020	2019
	Stg£	Stg£
Retail income	316,662	278,822
Deposit interest	3,333	5,205
Other income	55,499	858
Total	375,494	284,885

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

Notes forming part of the Financial Statements (continued)

3 EXPENDITURE ON CHARITABLE ACTIVITIES

Expenditure on charitable activities can be analysed as shown below. Expenditure on overseas programmes represents contributions by Concern (UK), to the overseas programmes of Concern Worldwide.

	Direct costs Stg£	Support costs (see note 6) Stg£	2020 Total costs Stg£
Overseas programmes			
Health	4,058,920	54,556	4,113,476
Education	2,089,318	28,082	2,117,400
Livelihoods	5,762,263	77,450	5,839,713
Integrated programming	5,454,455	73,313	5,527,768
Emergency	11,099,376	149,186	11,248,562
Total overseas programmes	28,464,332	382,587	28,846,919
Policy, Advocacy and Campaigning	715,315	140,082	855,397
Governance (Note 5)	29,153	52,757	81,910
Total charitable expenditure	29,208,800	575,426	29,784,226

	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

4 COST OF RAISING FUNDS

	Campaign costs Stg£	Staff costs Stg£	Occupancy & other direct costs Stg£	Total direct costs Stg£	Support costs (see note 6) Stg£	2020 Stg£
Individual giving	1,232,939	949,523	246,665	2,429,127	44,486	2,473,613
Corporates, major donors and trusts	28,495	381,007	99,851	509,353	11,119	520,472
Legacy	11,888	-	-	11,888	-	11,888
Community fundraising	-	164,887	354,227	519,114	113,610	632,724
Retail costs	7,295	156,824	95,330	259,449	2,870	262,319
Total	1,280,617	1,652,241	796,073	3,728,931	172,085	3,901,016

*see note 6

	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

Notes forming part of the Financial Statements (continued)

5 GOVERNANCE COSTS

	Direct Stg£	Support costs Stg£	2020 Group Total Stg£	Direct Stg£	Support costs Stg£	2019 Group Total Stg£
Staff costs	-	40,497	40,497	-	37,041	37,041
Legal and professional fees	24,644	485	25,129	18,245	41	18,286
Office and other costs	4,509	11,775	16,284	12,283	19,508	31,791
Total	29,153	52,757	81,910	30,528	56,590	87,118

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£	2020 Group Total Stg£
Administration and finance	219,203	76,426	52,757	140,115	488,501
Other support costs	163,384	63,656	-	31,970	259,010
Total support costs	382,587	140,082	52,757	172,085	747,511

	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

7 OTHER INFORMATION

	2020 Stg£	2019 Stg£
The surplus for the year is after charging the following items:		
Depreciation of tangible fixed assets	47,658	38,123
Auditor's remuneration (including expenses)	24,644	18,000
Direct reimbursement of expenses to Trustees	57	1,819
Payments under operating leases for premises	169,308	141,891

Notes forming part of the Financial Statements (continued)

8 STAFF

(a) Numbers and costs

The aggregate payroll costs of these employees were as follows:

	2020 Group Stg£	2019 Group Stg£
Wages and salaries	2,099,257	2,132,573
Social welfare costs	216,174	209,760
Other pension costs	151,847	148,002
	<u>2,467,278</u>	<u>2,490,335</u>

Other pension costs include employer contributions to individual staff member pension schemes of £115,492 (2019: £109,171) as well as the cost of insurance policies that provide benefits in the event of the death or ongoing incapacity of staff members totalling £36,355 in 2020 (2019: £38,831).

The staff numbers provided below and costs reflected above include 13 staff (2019: 20), who have contracts of employment with another group company (Concern Charity Trading CLG) but who work exclusively on fundraising for Concern (UK). Their salary costs which amounted to £239,527 (2018: £362,881), 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 pages 28 of the annual report) amounted to £470,836 in 2020 (2019: £451,427).

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

	2020 No.	2019 No.
Management	6	6
Development	7	7
Marketing	47	54
Administration	9	8
	<u>69</u>	<u>75</u>

(b) Salary range

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

	2020 No. employees	2019 No. employees
£60,001 to £70,000	1	-
£70,001 to £80,000	2	2
£80,001 to £90,000	-	-

Remuneration includes salaries 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 £414 (2019: £8,255) were incurred by Trustees in travelling to and attending meetings of the Board in 2020 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 2020 amounted to £3,917 (2019: £4,742) for 1 member (2019: 5).

Notes forming part of the Financial Statements (continued)

9 TANGIBLE ASSETS

<i>Group tangible assets</i>	Leasehold premises Stg£	Furniture & equipment Stg£	Computer equipment Stg£	Total Stg£
Cost				
At beginning of year	318,393	425,834	338,106	1,082,333
Additions in year	-	38,912	15,872	54,784
At end of year	<u>318,393</u>	<u>464,746</u>	<u>353,978</u>	<u>1,137,117</u>
Depreciation				
At beginning of year	167,650	295,216	330,635	793,501
Charge for year	9,552	28,186	9,920	47,658
At end of year	<u>177,202</u>	<u>323,402</u>	<u>340,555</u>	<u>841,159</u>
Net book value				
At 31 December 2020	<u>141,191</u>	<u>141,344</u>	<u>13,423</u>	<u>295,958</u>
At 31 December 2019	<u>150,743</u>	<u>130,618</u>	<u>7,471</u>	<u>288,832</u>

Charity tangible assets

Cost				
At beginning of year	318,393	420,338	338,106	1,076,837
Additions in year	-	12,100	15,872	27,972
At end of year	<u>318,393</u>	<u>432,438</u>	<u>353,978</u>	<u>1,104,809</u>
Depreciation				
At beginning of year	167,650	294,358	330,635	792,643
Charge for year	9,552	24,647	9,920	44,119
At end of year	<u>177,202</u>	<u>319,005</u>	<u>340,555</u>	<u>836,762</u>
Net book value				
At 31 December 2020	<u>141,191</u>	<u>113,433</u>	<u>13,423</u>	<u>268,047</u>
At 31 December 2019	<u>150,743</u>	<u>125,980</u>	<u>7,471</u>	<u>284,194</u>

10 DEBTORS AND PREPAYMENTS

	Group 2020 Stg£	Group 2019 Stg£	Charity 2020 Stg£	Charity 2019 Stg£
Amounts due from governments and other co-funders	3,657,512	4,236,879	3,657,512	4,236,879
Gift Aid receivable	792,002	690,883	792,002	690,883
Accrued income	295,180	183,385	295,180	183,385
Sundry debtors	5,064	41,609	1,235	40,816
Prepayments	82,538	103,599	81,155	103,599
Amount owed from subsidiary undertaking	-	-	232,479	44,168
	<u>4,832,296</u>	<u>5,256,355</u>	<u>5,059,563</u>	<u>5,299,730</u>

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

11 CASH AT BANK AND IN HAND

	Group 2020 Stg£	Group 2019 Stg£	Charity 2020 Stg£	Charity 2019 Stg£
Funds held in UK banks	<u>12,072,589</u>	<u>7,686,024</u>	<u>11,858,455</u>	<u>7,638,270</u>

Notes forming part of the Financial Statements (continued)

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 Stg£	Group 2019 Stg£	Charity 2020 Stg£	Charity 2019 Stg£
Trade creditors	394,202	886,231	393,654	886,253
Amounts advanced by governments and other co-funders (i)	648,551	1,097,646	648,551	1,097,646
Accruals	950,579	293,721	947,267	291,195
Amount owed to parent company (ii)	11,756,368	8,329,360	11,756,368	8,329,360
Sundry creditors	67,977	24,478	62,497	23,279
	<u>13,817,677</u>	<u>10,631,436</u>	<u>13,808,337</u>	<u>10,627,733</u>

(i) Balances with co-funders comprises amounts received from donors that do not yet meet the criteria for recognition of income.

(ii) 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 ACTIVITIES OF CONSOLIDATED SUBSIDIARY - CONCERN (NI)

Activities of consolidated Concern NI	2020 Stg£	2019 Stg£
Income	370,041	278,328
Expenditure	369,916	273,014
Total	<u>125</u>	<u>5,314</u>
Assets	247,257	53,208
Liabilities	241,818	47,894
Net assets	<u>5,439</u>	<u>5,314</u>

14 MOVEMENT IN RECEIVABLES AND ADVANCES FROM GOVERNMENTS AND OTHER CO-FUNDERS

	Opening Balance 2020 Stg£	Movement during the year	Closing Balance 2020 Stg£
Amounts due from governments and other co-funders (note 10)	4,236,873	(579,361)	3,657,512
Amounts advanced by governments and other co-funders (note 12)	(1,097,640)	449,089	(648,551)
	<u>3,139,233</u>	<u>(130,272)</u>	<u>3,008,961</u>
Analysis of movement:			
Cash received during the year			(26,442,606)
Income earned during the year			26,319,190
Exchange Rate Movements			(6,856)
			<u>(130,272)</u>

15 ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2020	Cash flows	At 31 Dec 2020
Cash and cash equivalents			
Cash	7,686,024	4,386,584	12,072,608
Overdrafts	-	(19)	(19)
Cash equivalents	-	-	-
Total	<u>7,686,024</u>	<u>4,386,565</u>	<u>12,072,589</u>

Notes forming part of the Financial Statements (continued)

16 GROUP AND CHARITY FUNDS

(a) Reconciliation of funds

Group	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2020 Stg£	Total 2019 Stg£
Total funds at beginning of year	1,041,024	1,558,751	2,599,775	3,201,780
Net movement in funds for the year	(34,426)	817,817	783,391	(602,005)
Total funds at end of year	1,006,598	2,376,568	3,383,166	2,599,775
Charity				
Total funds at beginning of year	1,041,024	1,553,437	2,594,461	3,201,780
Net movement in funds for the year	(34,426)	817,693	783,267	(431,184)
Total funds at end of year	1,006,598	2,371,130	3,377,728	2,594,461

(b) Movements in funds

	Opening balance 1 January 2020 Stg£	Income Stg£	Expenditure Stg£	Transfers Stg£	Closing balance 31 December 2020 Stg£
Restricted funds					
Afghanistan	35,203	379,849	(115,803)	-	299,249
Bangladesh	-	3,105,372	(3,105,372)	-	-
Burkina Faso	-	919	(919)	-	-
Burundi	20,013	965,002	(945,002)	-	40,013
DR Congo	145,926	2,931,927	(2,823,237)	-	254,616
Central African Republic	12,251	161,140	(116,859)	-	56,532
Ethiopia	-	297,273	(297,273)	-	-
Haiti	-	20,176	(20,176)	-	-
Syria- Iraq	-	119,783	(119,783)	-	-
Kenya	(1,585)	840,303	(838,718)	-	-
DPR Korea	-	19,093	(19,093)	-	-
Lebanon	75,563	112,184	(63,735)	-	124,012
Liberia	286,340	52,823	(196,180)	-	142,983
Malawi	321,379	3,181,565	(3,443,340)	-	59,604
Niger	83,767	59,648	(145,509)	-	(2,094)
Nepal	8	0	(9)	-	(1)
Pakistan	-	2,634,779	(2,634,779)	-	-
Republic of Sudan	1,056	73,252	(73,272)	-	1,036
Sierra Leone	-	2,701,732	(2,701,732)	-	-
Somalia	(2)	7,138,929	(7,115,560)	-	23,367
South Sudan	-	102,564	(102,564)	-	-
Chad	-	10,016	(10,016)	-	-
Turkey	-	11,675	(11,675)	-	-
Yemen	61,105	10	(53,834)	-	7,281
HQ Projects	-	2,550,477	(2,550,477)	-	-
Total restricted funds	(i) 1,041,024	27,470,491	(27,504,917)	-	1,006,598
Unrestricted funds					
General funds	(ii) 312,853	6,998,142	(6,180,325)	(602,555)	528,115
Designated funds:					
Tangible asset fund	(iii) 283,140	-	-	17,959	301,099
Programme continuity fund	(iv) 962,758	-	-	584,596	1,547,354
Total unrestricted funds	1,558,751	6,998,142	(6,180,325)	-	2,376,568
Total funds	2,599,775	34,468,633	(33,685,242)	-	3,383,166

Notes forming part of the Financial Statements (continued)

16 GROUP AND CHARITY FUNDS (continued)

(b) Movements in funds (continued)

The above funds carried forward at 31 December 2020 represent:

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

- (v) Analysis of net assets between funds

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total Funds Stg£
Group			
Funds balances at 31 December 2020 are represented by:			
Tangible fixed assets	-	295,958	295,958
Current assets	1,316,598	15,588,287	16,904,885
Current liabilities	(310,000)	(13,507,677)	(13,817,677)
	<u>1,006,598</u>	<u>2,376,568</u>	<u>3,383,166</u>
Charity			
Funds balances at 31 December 2020 are represented by:			
Tangible fixed assets	-	268,047	268,047
Current assets	1,316,598	15,601,420	16,918,018
Current liabilities	(310,000)	(13,498,337)	(13,808,337)
	<u>1,006,598</u>	<u>2,371,130</u>	<u>3,377,728</u>

17 PENSIONS

The Charity contributes to individual pension schemes for eligible staff. The total pension contributions charged to the statement of financial activities amounted to £115,492 (2019: £109,171). An accrual of £19,229.98 (2019: £17,941), in respect of pension costs is included in creditors at 31 December 2020.

18 RELATED PARTY DISCLOSURE

In order to achieve its mission, Concern (UK) supports the overseas programmes of Concern Worldwide. During 2020 Concern (UK) provided total funds of £28,464,332 (2019: £22,794,508) 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 (2019: £30,000). Concern (UK)'s Executive Director is a trustee of the DEC. Concern (UK)'s income in the year included £206,820 (2019:0) receivable from DEC appeals.

Notes forming part of the Financial Statements (continued)

19 COMMITMENTS AND CONTINGENCIES

(a) The 2020 Annual Plan, as approved by the Trustees, allows for overseas expenditure in 2020 of £23,118,913. 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:

	2020 Stg£	2019 Stg£
Total payments due within:		
- one year	165,967	150,402
- two to five years	287,726	409,261
- more than five years	676	94,716
	<u>454,369</u>	<u>654,379</u>

(c) During 2020 Concern (UK) was the lead agency in 3 consortia of non governmental organisations (2019: 4), that were awarded grants and contracts from institutional co-funders to fund programme activities. The total value of these grants and contracts is £64,006,647 (2019: £93,806,647). Of this amount £37,041,253 is expected to be spent by Concern (UK) (2019: £41,789,969) and the balance will be utilised by the other consortia members.

In 2020, expenditure of these grants and contracts totalled £18,003,900 (2019: £12,847,309) Of this amount £8,438,937 (2019: £6,164,019) was utilised by Concern (UK) and the remainder was utilised by the other consortia members.

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

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

	Opening balance	Funds received during the year	Funds transferred to consortia members	Closing balance
	£'000	£'000	£'000	£'000
Funds relating to consortia members	752	9,070	(9,431)	391

20 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.

21 POST BALANCE SHEET EVENT

There have been no post balance sheet events.

22 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board on 21 April 2021

Appendix (not forming part of the financial statements)

Expenditure on charitable activities by country

In order to achieve its mission, Concern Worldwide (UK) supports the overseas programmes of Concern Worldwide. During 2020 Concern Worldwide (UK) funded Concern Worldwide operations in the following countries:

	2020	2019
	Stg £	Stg £
Afghanistan	203,743	426,607
Bangladesh	3,199,547	1,406,311
Burkina Faso	47,701	1,363,969
Burundi	1,055,979	113,352
DR Congo	3,120,536	180,003
Central African Republic	179,251	-
Ethiopia	691,975	533,462
Haiti	303,032	849,027
India	-	66,638
Syria- Iraq	343,689	80
Kenya	901,983	1,254,499
DPR Korea	19,093	114,427
Lebanon	97,340	195,272
Liberia	417,701	3,499,672
Malawi	3,436,675	162,298
Niger	248,635	498,088
Nepal	9	2,321,740
Pakistan	2,751,320	-
Philippines	-	94,146
Republic of Sudan	839,430	2,023,610
Sierra Leone	2,718,676	
Somalia	7,109,035	4,651,049
South Sudan	484,482	285,772
Chad	231,328	2,739,660
Turkey	9,340	
Yemen	53,832	14,808
HQ Projects		18
Total direct overseas programme costs	28,464,332	22,794,508
Support costs	382,587	374,294
Total overseas programme costs	28,846,919	23,168,802
Policy, Advocacy and Campaigning (UK)	855,397	855,440
Governance	81,910	87,118
Total charitable expenditure	29,784,226	24,111,360