

# Concern Worldwide

Annual Report & Financial Statements 2017

**CONCERN**  
worldwide

**50** YEARS  
TACKLING  
EXTREME  
POVERTY

# Highlights 2017

Syria

Iraq

Lebanon

Turkey

Page 10

Somalia

Ethiopia

Kenya

Rep of Sudan

South Sudan

Page 16

DR Congo

Zambia

Uganda

Malawi

Mozambique

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**Cover image:** Safia Bariyole with her one-month-old son Abdifataye.

He is the only one of her seven children delivered at a health facility, the rest were all born at home. "The difference is that it is better to give birth in hospital. I received the help I needed because a nurse was present. I felt safe and was attended to immediately." Photographer: Peter Caton, Kenya.

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DPR Korea  
Bangladesh  
Nepal  
Pakistan  
Afghanistan  
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# Concern Worldwide Who we are and what we do

## **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 resilience, respond to emergency situations, and seek to address the root causes of poverty through our development education and advocacy work.

Fatuma Mohamed and her husband Abdulahi Osman with their two boys - Yusuf, who is only three-and-a-half weeks old, and two-year-old Mohamed who recovered from moderate acute malnutrition following treatment at an outreach clinic. Photographer: Peter Caton, Kenya.



## Our Core Values

Built on our history and the voluntary, compassionate commitment of Concern's founders:

**We focus on extreme poverty:** We are driven by a clear focus on eliminating poverty in the most vulnerable places and responding to humanitarian crises.

**We believe in equality:** People are equal in rights and must be treated with respect and dignity.

**We listen:** Listening and partnership are key to empowering the poorest and most vulnerable to transform their own lives.

**We respond rapidly:** People affected by disasters are entitled to have their most basic needs met through rapid, effective, and principled responses.

**We are courageous:** Taking necessary risks, balanced with sound judgement, allows us to work in the most challenging contexts.

**We are committed:** Going the extra mile to support communities in times of need and in the face of very difficult operating environments.

**We are innovative:** Finding effective solutions requires innovative thinking combined with a pragmatic approach.

**We are accountable:** Accountability and transparency are central to all of our actions and use of resources.



# Where We Work 2017

In 2017 Concern worked in 27 of the world's poorest and most vulnerable countries to alleviate poverty and hunger.



## Expenditure by Programme €'000



20,163  
Health



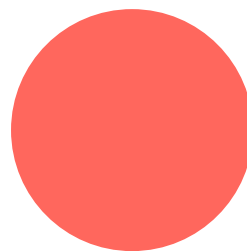
3,721  
Education



15,498  
Livelihoods



21,423  
Integrated

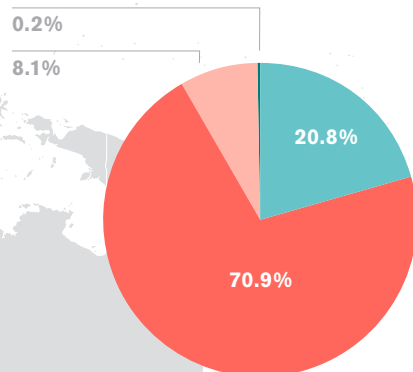


105,284  
Emergencies

Afghanistan  
Bangladesh  
Burundi  
Central African Republic  
Chad  
Democratic People's Republic of Korea  
Democratic Republic of Congo  
Ethiopia  
Haiti  
Kenya  
Lebanon  
Liberia  
Malawi  
Mozambique

Nepal  
Niger  
Pakistan  
Republic of Sudan  
Rwanda  
Sierra Leone  
Somalia  
South Sudan  
Syria/Iraq  
Turkey  
Uganda  
Yemen  
Zambia

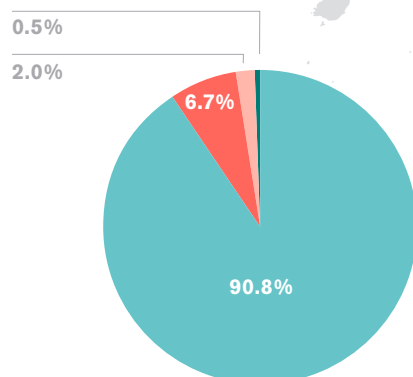
Democratic People's  
Republic of Korea



## Income

€'000

Donations and Legacies	39,802
Grants from Governments and Other Co-funders	135,958
Donated Commodities	15,478
Other Income	376
<b>Total</b>	<b>191,614</b>



## Expenditure

€'000

Relief and Development	166,089
Fundraising	12,343
Development Education and Advocacy	3,694
Governance	941
<b>Total</b>	<b>183,067</b>

# Legal and Administrative Information

## Board members

The following were members of the Board of Concern Worldwide at the date on which the financial statements were approved:

Ms Zamila Bunglawala  
Ms Ciunas Bunworth  
Mr Donal D'Arcy  
Ms Jacinta Flanagan  
Ms Joanna Geraghty  
Mr Colin Gordon  
Professor Paul Jeffcutt  
Mr Michael Kenny  
Mr Cyril Maybury  
Ms Teresa McColgan  
Mr Tom Moran  
Mr Cormac Murphy  
Ms Barbara O'Reilly  
Ms Nora Owen  
Mr Gary Rice  
Mr David Ritchie  
Ms Rachel Rodgers  
Mr Jan Rotte  
Mr Tom Shipsey – Chair  
Ms Rosalyn Tamming  
Mr John Treacy  
Mr Donald Workman

Ms Ciunas Bunworth, Mr Donal D'Arcy, Mr Michael Kenny, Ms Teresa McColgan, Mr David Ritchie, Mr Jan Rotte and Ms Rosalyn Tamming stood for election at the Annual General Meeting in May 2017 and were appointed to the Board. Ms Joanna Geraghty and Mr Donald Workman were co-opted to the Board in March 2017; Ms Zamila Bunglawala and Mr Cormac Murphy were co-opted in June 2017.

Ms Siobhan Toale retired from the Board in May 2017.

## Sub-committees of the Board and other information

### Finance sub-committee

Mr Dermot Browne\*  
Mr Cyril Maybury  
Ms Teresa McColgan – Chair  
Mr Vincent Murphy\*  
Mr David Ritchie

### Programme Monitoring and Evaluation sub-committee

Ms Ciunas Bunworth  
Ms Catherine Corcoran\*  
Mr Howard Dalzell\*  
Mr Fintan Farrelly\*  
Ms Jacinta Flanagan  
Mr Michael Kenny – Chair  
Mr Cormac Murphy  
Mr David Regan\*  
Ms Rosalyn Tamming

### Audit and Risk sub-committee

Mr Donal D'Arcy  
Ms Una Henry\*  
Professor Paul Jeffcutt  
Mr Cyril Maybury – Chair  
Mr Jan Rotte  
Ms Rachel Rodgers  
Mr James Shaw-Hamilton\*

### Remuneration sub-committee

Mr Colin Gordon  
Mr Michael Kenny  
Ms Nora Owen  
Mr Tom Shipsey – Chair  
Mr John Treacy

\*indicates that the committee member is not a member of the Board but has offered their time and expertise to assist the committee in its work.

## Principal Banker

Bank of Ireland  
2 College Green  
Dublin 2

## Solicitors

McKeever Rowan  
5 Harbourmaster Place  
IFSC  
Dublin 1

## Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St Stephen's Green  
Dublin 2

## Registered Office

52-55 Lower Camden Street  
Dublin 2

## Company Registration Number

39647

## Charity Registration Number

20009090



**Executive Management Team  
during 2017**

**Mr Dominic MacSorley**  
Chief Executive Officer

**Ms Rose Caldwell**  
Executive Director,  
Concern Worldwide (UK)

**Mr Dominic Crowley**  
Emergency Director

**Mr Richard Dixon**  
Public Affairs Director


**Mr Connell Foley**  
Strategy, Advocacy and  
Learning Director

**Mr Jim Hynes**  
Deputy Chief Executive and  
Chief Operations Officer

**Ms Sarah Martin**  
Communications Director

**Ms Anne O'Mahony**  
International Programmes Director

**Ms Louise Supple**  
Human Resources Director



Banze Therese and her family  
are participating in Concern's  
graduation programme in  
Manono, Democratic Republic  
of Congo, which targets people  
living in extreme poverty.  
Photographer: Kieran McConville /  
Concern Worldwide.



# A Message from the Chair

## Tom Shipsey

As Chair of Concern, I have had the extraordinary privilege of seeing first-hand the dedication and professionalism of all Concern staff at home and overseas.

This year's annual report charts a year in an organisation that, after 50 years, is still expanding and improving, responding to face the challenges of a world beset by conflict, poverty and the effects of climate change.

However, the truth is that annual reports cannot capture some of the most demanding and inspirational everyday realities of NGO work.

They cannot communicate the long daily journeys taken by Concern's outreach workers through some of the most remote regions of the world. They can document numbers and figures but they cannot quantify the dedication and determination of staff working day-in day-out in volatile areas plagued by conflict and chaos.

They can describe the impact of programmes but they cannot actually show you the transformative change that Concern's work has had in the lives of those most in need. This is change that I have seen first-hand on the faces of some of the world's poorest people in countries such as South Sudan, Ethiopia and the Central African Republic.

What the annual reports do show is an organisation that is growing and operating accountably, efficiently and sustainably at a time when that is needed most in the NGO sector.

These are challenging times. The world is changing and the sector is changing but Concern continues to be agile and adaptive, proactive rather than just reactive, particularly when it comes

to the fundamental areas of accountability and transparency.

Concern is an early adopter of standards promoting transparency and accountability. Our management and governance arrangements are consistent with both the Governance Code for Community, Voluntary and Charitable Organisations and the Dóchas Governance Code. Our annual accounts aim for high levels of transparency and are published in accordance with the Statement of Recommended Practice (SORP). Our fundraising activities are designed to be open, honest and respectful, in accordance with best practice. These three attributes – governance, reporting and fundraising practices – combine to provide a triple lock designed to guarantee the charity's integrity to the public.

The record amount of expenditure this year reflects an organisation that is expanding. It is also a testament to the quality of work done through support functions at the head offices, the consistently professional programmes in Concern's field operations across 27

countries, and the reputation that Concern has built over the last 50 years as an organisation that is trusted and effective.

Maintaining the trust and confidence of the public is of paramount importance to everyone across Concern and I want to take this opportunity to thank the Board, the executive management team and all of the staff for their diligent and thorough work in ensuring that we continue to deliver effectively for the world's poorest and most vulnerable people.

This year, in accordance with good governance, I step down from the Board of Concern. It has been a huge privilege to serve with such a wonderful organisation. My memories of my visits overseas and of the friendships made at home and abroad will remain with me forever. I will miss it greatly.

**Tom Shipsey**

Chair, Concern Worldwide



Dominic MacSorley (standing) with Tom Shipsey and members of the Concern Central African Republic team in a dugout canoe, which is often used to access remote river communities on the banks of the Oubangui river. Photographer: Kieran McConville / Concern Worldwide.

# A Message from the Chief Executive Officer Dominic MacSorley

Last year was an exceptionally challenging one from a humanitarian perspective, one in which we saw the full capacity and limitations of the global system of emergency response.

2017 began with a stark and unprecedented warning – the imminent prospect of four famines across South Sudan, Somalia, Nigeria and Yemen. It was, according to the then head of the United Nations Office for the Co ordination of Humanitarian Affairs, Stephen O'Brien, 'the largest humanitarian crisis since the creation of the United Nations 70 years ago'. The funding response was slow to begin with and famine was ultimately declared in two regions of South Sudan but the subsequent reaction from the international humanitarian community was comprehensive and powerful. It was critically effective in helping to stave off large-scale famine in all of the affected regions, against very formidable odds.

In South Sudan, Somalia, Ethiopia, Sudan and Kenya, Concern scaled up significantly and today continues to play a large role in holding back the tide of starvation. The successful prevention of widespread famine in 2017 was a rare good news story. Crucially, it also showed the world that collective and timely assistance in supporting domestic-led responses in countries such as Ethiopia and Somalia can bring countries back from the brink of catastrophe.

2017 was also an extremely difficult and violent year around the world. If the global response to the threat of famine shows the positive extent of modern humanitarian action, the shameful spiralling of conflict in Syria, Yemen and elsewhere has very clearly illustrated its limitations.

The scale, duration and ferocity of the Syrian conflict is unprecedented in the modern era and as the war enters its eighth year, there is

no end in sight. As the year came to a close, new waves of conflict and displacement in countries including Myanmar, Democratic Republic of Congo, Yemen and Central African Republic, compounded by continuing drought in East Africa, meant that more people than ever were in need of humanitarian assistance around the world.

Concern is there on the ground, responding to these multiple crises and this year's annual report shows that the organisation responded to 65 separate emergencies, more than doubling the amount of people reached in emergencies over the past two years. With the generous support of our donors and supporters, throughout 2017, with a spend over €166 million, our emergency and longer term development programmes reached approximately 27 million people in 27 of the world's poorest and most vulnerable countries.

As we continue to work in more insecure contexts we strive to deliver long term, transformative solutions – targeting the areas where people are most likely to be left behind.

Through expanding our nutrition, education, health and resilience-building programming in these areas, we are demonstrating that people in fragile contexts should not have to settle for a lesser level of assistance. This was the vision of people like Jack Finucane, who sadly passed away in June 2017. Jack's intelligence, energy and ambition combined with his brother Aengus's vision for an Irish based organisation that could deliver a compassionate but professional form of global humanitarian response was a central driver in making us into the organisation we are today.

Jack was on the ground in Biafra when the first appeal was launched for 'Africa Concern' in 1968 and as we enter our

50th year, there are a number of events planned to mark this half century of work. We will take the opportunity to thank the public, the donors and the volunteers who have supported our work over the decades. An international conference will be held in Dublin to look at what can and must be done to end the cycle of conflict, hunger and displacement and the year will end with a reunion of all staff who have worked with Concern over the years.

Looking forward, as we expand our programmes in fragile states and continue to strive for even more effective ways to deliver solutions for those in greatest need, it is clear that the legacy of our founders and those that built the organisation from the ground up continues to drive the organisation. In all that we do, we are conscious of those who make our work possible: the 3,000 Concern staff who work every day to make a difference in some of the toughest parts of the world and the thousands of volunteers, donors, and supporters, all of whom play an integral part in enabling us to reach millions of people caught up in conflict, crisis and hunger every year.

This annual report shows the impact of professional humanitarian assistance in saving and protecting lives today and the transformative power that comes from building the resilience of vulnerable communities.

Fifty years after the Biafran famine, it is a sobering reality that the work of Concern is needed now more than ever and we remain committed to tackling extreme poverty in the world's most forgotten and volatile regions.



**Dominic MacSorley**

Chief Executive Officer, Concern Worldwide

# 2017 Highlights

Syria  
Iraq  
Lebanon  
Turkey



21,950

In Lebanon, where the majority of Syrian refugees live in residential buildings that are overcrowded and in poor condition, we have negotiated rent-free, rent-freeze and rent reduction agreements for tenants for periods of one year and longer, coupled with support to landlords to rehabilitate the property. Our work in emergency shelter support has reached 21,950 people.

1,100

We worked with over 1,100 Syrian refugee children (aged 3-5) living in Informal Tented Settlements to prepare them for enrolment into the Lebanese school system.

4,000

In Syria, our rapid emergency response to 4,000 families fleeing conflict saved lives during an intensification of conflict that led to thousands of casualties during 2017.





# 50%

In Syria, we hired almost 3,000 people — over 50 per cent of whom were women — through cash-for-work projects to help maintain living and hygiene standards within two camps for Internally Displaced People, and gave women who had fled conflict without their husbands a source of family income.

# 90

In Lebanon, we worked to build 90 keyhole gardens in the Informal Tented Settlements (ITS) conducting trainings for 900 low-skilled refugees to grow food and providing them with gardening kits and training to also serve as farm labourers in the host community.

# 256,839

Our emergency humanitarian response in Syria reached 256,839 people through the rehabilitation of 22 water supply systems and 13 sewage systems, and through the distribution of food baskets, hygiene kits, kerosene stoves and kits with essential household items.



Syria  
Iraq  
Lebanon  
Turkey

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#### Syria/Iraq

People reached: Over 1.1 million

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#### Lebanon

People reached: Over 158,000

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#### Turkey

People reached: Over 200,000

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**Photo:** Iman lost 19 members of her family, including her husband, all of her children except one daughter, and all of her grandchildren except one grandson in a bombing attack on their home in Syria. She lives in a garage in Lebanon which has been weather-proofed and plumbed by Concern Worldwide. Photographer: Kieran McConville / Concern Worldwide.

# Report of the Board

**The Board of Concern Worldwide presents its report and consolidated financial statements for the year ended December 31, 2017.**

## **Strategic Report** **Our Five-Year Goals and Objectives**

Our strategic plan runs from 2016 to 2020 and commits the organisation to progress under six key goals.

Some of our main achievements in 2017 in relation to each goal are detailed on the following pages.

Overall, we believe that we made satisfactory progress during this second year of the strategic plan and that delivery of most objectives is broadly on track. The targets are ambitious and continue to stretch the organisation.



Halimo Hassan and her mother Khayro Ali Hassan, in a remote health centre in Filtu, Somali Region. Halimo is being treated for severe acute malnutrition. Photographer: Jennifer Nolan / Concern Worldwide.







## Strategic Goal 1

### Greater impact on long-term poverty

- › Increase the number of people reached to 20 million
- › Strengthen specific areas of programming related to climate-smart agriculture and urban programming in developing contexts
- › Continue to strengthen health systems in maternal and child health
- › Ensure that children access schooling during emergencies



## Strategic Goal 2

### Larger, faster and better humanitarian response

- › Increase the number of people whose needs we address in emergency response to five million
- › Build our conflict management competency at programme and policy level
- › Achieve greater humanitarian leadership at country level



## Strategic Goal 3

### More influence, greater visibility and increased public engagement

- › More focused advocacy on hunger and humanitarian issues
- › More active campaigning, especially in Ireland

### Goal 1 progress in 2017

- › Helped over 14 million people through development programmes, reaching approximately four million people directly and almost 10 million people indirectly.
- › Implemented climate smart agriculture interventions in 20 countries in 2017. Held a global urban workshop in Dhaka in 2017 to plan increased and focused urban programming and started significant new urban programmes.
- › Reached over 1.7 million people in our five main health programmes in Kenya, Bangladesh, Republic of Sudan, Pakistan and Ethiopia. Overall, we reached over four million people in our development health programmes.
- › Continued education interventions in emergency contexts, especially in Turkey, Lebanon and Nepal, reaching very substantial populations.

### Goal 2 progress in 2017

- › Responded to 65 emergencies in 24 countries, directly reaching approximately six million people.
- › Developed a new conflict strategy and began two detailed case studies on 1) conflict and hunger; and 2) conflict and displacement, to inform our work.
- › Continued active engagement and leadership in humanitarian fora at country level across most countries.

### Goal 3 progress in 2017

- › Enhanced our reputation as leaders in nutrition, resilience and humanitarian work by producing numerous reports including the Global Hunger Index, messaging for the Global Platform for Disaster Risk Reduction, messaging on the major food crises in Somalia and South Sudan and three case studies on 'Scaling Up Nutrition' (SUN) for the SUN Global Gathering.
- › Launched a 'Project Us' initiative bringing conversations on the Sustainable Development Goals (SDGs) to every corner of Ireland.
- › Began a series of blogs aimed at 'insiders' designed to provoke thinking about development issues.
- › Initiated a number of new active citizenship projects.
- › Increased social media engagement across Facebook (up 9 per cent), Twitter (up 3.5 per cent) and LinkedIn (up 15 per cent). Concern's website had 886,341 page views in the course of 2017.



## Strategic Goal 4

### Growing a new generation of Concern people

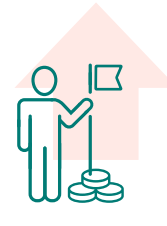
- › Support and develop the leaders of the future
- › Acquire skilled and diverse people by utilising more agile and responsive recruitment processes
- › Revitalise the role of volunteering in Concern
- › Ensure security policy, plans and procedures are commensurate with the threat level in our countries of operation



## Strategic Goal 5

### Building a global Concern to meet multiple challenges

- › Develop a revised governance system that meets the needs of all parts of Concern
- › Strengthen our core systems



## Strategic Goal 6

### Securing the financial resources to implement the plan

- › Achieve sustained growth in fundraising income
- › Achieve substantial growth in co-funding income
- › Enter new fundraising markets

### Goal 4 progress in 2017

- › Introduced a new leadership development programme called 'Ignite' which was attended by members of the senior management team and a number of Country Directors.
- › Continued to roll out our management development programme which more than 300 managers have now completed. Of these, 39 per cent were women, 65 per cent have been retained in the organisation and 13 per cent were promoted.
- › Employed 19 international volunteers working for us overseas in a number of technical areas.
- › Reviewed security management plans.
- › Held hostile environment courses in Ireland, the UK and Uganda for 104 staff and EU Volunteers.
- › Held a security management workshop in Dubai, attended by 16 staff from Afghanistan, Bangladesh, Pakistan, Syria and Turkey.

### Goal 5 progress in 2017

- › Drew up a terms of reference for review of our governance arrangements and hired an external consultant to conduct this work in 2018.
- › Identified a number of the key systems for development, commenced a project to take these forward and allocated resources.

### Goal 6 progress in 2017

- › Had a successful second full year of fundraising in the Republic of Korea (South Korea), surpassing targets and maintained strong presence in Ireland and the UK.
- › Reached record levels of co-funding and continued to attract large new contracts and grants.
- › Developed entry strategies for potential new markets, including a digital strategy.



# 2017 Highlights

## Somalia Kenya Ethiopia Republic of Sudan South Sudan

319,000

In Somalia, in response to the drought, our emergency projects in cash transfers, education, nutrition and water and sanitation reached over 319,000 people, and helped to avert major loss of life.

15

In Kenya, during the emergency drought period in Marsabit, Concern ensured that major breakdowns in water infrastructure were promptly addressed. Boreholes were rehabilitated, and hand-pumps and solar pumping systems installed ensuring that over 21,000 people received 15 litres per person per day of safe drinking water – the recommended international standard.

80%

In Ethiopia, where over 80 per cent of those in rural areas are dependent on rain-fed agriculture and particularly vulnerable to weather-related shocks, we are working to build the resilience of communities through multi-sectoral programmes that focus on livelihoods, food security, natural resource management and health and nutrition. In the Amhara and Southern Nations Nationalities and Peoples' (SNNP) regions we reached more than 23,000 extremely poor families.



# 40

In South Sudan in July and August, where torrential rains damaged crops, Concern supported vulnerable farmers on climate-smart techniques through 40 Farmer Field Schools. We provided training on improved farming practices, such as seed preservation, pest management and general agronomic skills. In total, over 70,000 people were reached through the programme which also included the construction of dykes and ponds, and the distribution of fishery and farming kits.

# 500

In Somalia, our resilience programme supported over 2,100 vulnerable families in Gedo and Mogadishu with cash transfers and a further 500 families with cash and materials to construct or rehabilitate their shelters.

# 16,800

In Republic of Sudan, in parts of Darfur, and in eastern Chad, over 16,800 mothers were reached with maternal and child health education services including skilled delivery, antenatal care, post-natal care, nutrition and health counselling and immunisation. Approximately 48,270 children were also reached with health services.

Somalia  
Ethiopia  
Kenya  
South Sudan  
Rep of Sudan

#### **Somalia**

People reached: Over 639,000

#### **Ethiopia**

People reached: Over 3 million

#### **Kenya**

People reached: Over 3.7 million

#### **Republic of Sudan**

People reached: Over 1.4 million

#### **South Sudan**

People reached: Over 839,000


**Photo:** Mother of three, Scholastica Mbinya was assisted by Eunice, a Concern-supported Community Health Volunteer before, during and after her recent pregnancy. Photographer: Peter Caton, Kenya.



# Our Activities Overseas Programmes

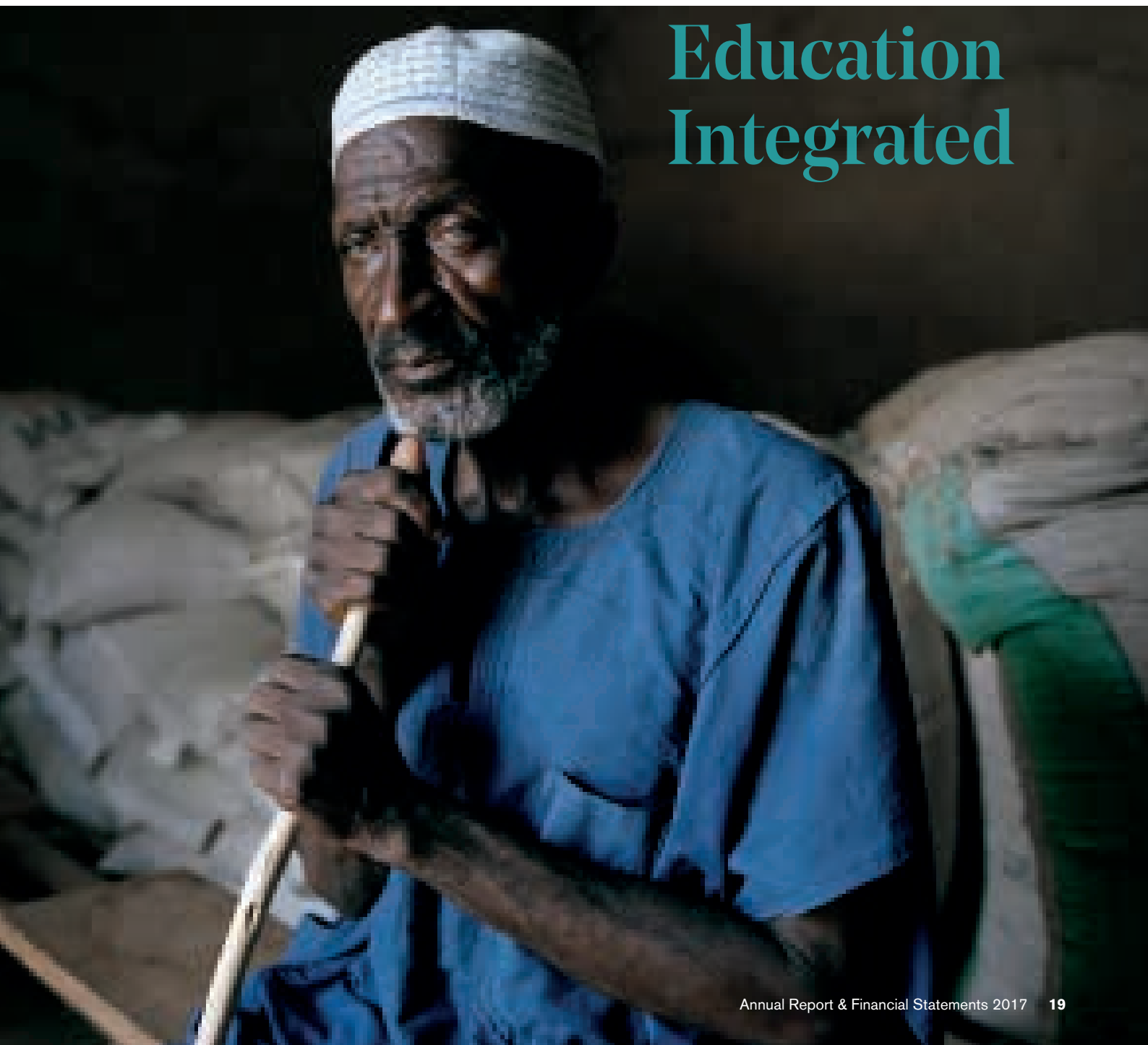
**In 2017 Concern reached approximately 27 million people in 27 of the world's poorest and most vulnerable countries. We spent over €166 million on our overseas programmes.**

**During the year we had five main categories of overseas programmes: emergencies; livelihoods; health; education and integrated. The broad goals of each programme, the objectives that we have set ourselves and some illustrative examples of our work in each area are described on the following pages.**



Salifou Ahment, a 70 year old farmer, in Kossoma, Niger used to struggle to feed his livestock during the dry season. Now, instead of having to travel miles to buy food there is an animal feed 'bank', established by Concern, a short walk from his home. The bank, run by the community keeps animal feed in stock all year round and sells to local farmers at a fair and affordable price. Photographer: Chris de Bode / Panos Pictures for Concern Worldwide.

Emergencies  
Livelihoods  
Health  
Education  
Integrated





# Emergencies

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

The places where we work are often at greater risk from disasters, both natural and manmade. In an emergency, Concern acts quickly to save lives. Once the immediate crisis has passed, we remain on the ground helping to rebuild livelihoods and infrastructure so that communities are better prepared for future crises. In addition we advocate for changes to the way the world responds to emergencies.

## Objectives and activities

The goal of our emergency programme is to fulfil our humanitarian mandate and effectively respond to, and mitigate against, natural and human-influenced disasters.

## Our main objectives are to:

- › Respond rapidly in order to save lives and reduce suffering
- › Improve access to food, water and healthcare
- › Prevent and reduce the impact of emergencies

**Examples of achievements in 2017 are set out below.**

## Respond rapidly in order to save lives and reduce suffering

By March 2017 drought and conflict had left nearly 23 million people in **South Sudan, Somalia, Kenya and Ethiopia** in urgent need of humanitarian assistance. Concern expanded its emergency response to directly assist 1.5 million people in the most vulnerable communities.

In **Bangladesh**, our rapid scale-up during the influx of an estimated 671,000 Rohingya refugees fleeing conflict in Myanmar demonstrated the flexibility and agility of the organisation's systems in coping with the sudden arrival of an unprecedented number of refugees. In Cox's Bazar district, we screened over 61,000 children under five for malnutrition and provided therapeutic feeding for around 2,700 severely malnourished children. We also provided health, nutrition and counselling services to over 13,000 women.

As a result of heavy rains in **Sierra Leone**, a massive mudslide swept through the capital of Freetown. Within a few days of the emergency, we reached over 30,000 people with hygiene kits and clean water.



### Improve access to food, water and healthcare

In **South Sudan**, we worked in 17 emergency nutrition sites across the country treating in excess of 59,000 children and mothers for acute malnutrition. After famine was declared in Leer, we scaled up our emergency response and deployed mobile teams to reach people seeking refuge in inaccessible areas such as nearby islands in the swamps and Temporary Protection Areas (TPAs) of Unity State.

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

In **Somalia**, and **Somaliland**, our emergency response programme implemented cash programming for some 28,000 families, enabling them to buy food, pay medical bills and education fees and repay debts.

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

In **Haiti**, on the island of La Gonave, we responded to the urgent needs of over 1,500 families by distributing cash vouchers so that people could buy food and meet their basic needs.

In the **Democratic Republic of Congo**, our work to provide safe water to more than 40,500 people in 103 villages has reduced deaths from water-related diseases and improved the health of extremely vulnerable communities. With reduced medical bills, families are able to save money for investment in their livelihoods and gradually lift themselves out of poverty.

### Prevent and reduce the impact of emergencies

In **Afghanistan**, we worked with more than 85,000 people living in 124 communities vulnerable to natural disasters such as avalanches, drought, earthquakes, flash floods and landslides, to build flood defences and better irrigation systems in order to protect farms and homes from future disasters.

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

**Left:** Nyirakamana Bakenga Jeanne is living with her family in temporary accommodation at a school since they fled their village in the Democratic Republic of Congo when it was attacked. Photographer: Kieran McConville / Concern Worldwide.

**Above:** Aneesa watches a Concern cash distribution from the window of her house in Pakistan. Photographer: Sharjeel Arif / Concern Worldwide.





# Livelihoods

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

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

## Objectives and activities

The goal of our livelihoods programme is to be a leader in delivering programmes that enable extremely poor people to have secure livelihoods.

## Our main objectives are to:

- › Reduce hunger
- › Strengthen our social protection programming, work skills and support systems
- › Strengthen our climate smart agriculture programming
- › Promote graduation to economic productivity

## Examples of our achievements in 2017 are listed below:

### Reduce hunger

In the **Central African Republic**, farmers that we helped in 2016 through seed fairs and trainings in improved cultivation methods produced surplus crops in 2017, enabling them to serve as seed suppliers and to take greater charge of their own livelihoods without external support.

In Mangochi, one of the districts of **Malawi** that was worst affected by the El-Niño induced drought, we worked with approximately 15,600 families to build community capacity for sustained food production through cash for work projects. These included: the establishment of backyard vegetable gardens; the planting of over 438,000 trees in woodlands, around homes, and on bare hills and riverbanks; the construction of roads, and the planting of vetiver grass to reduce erosion in flatlands and gullies.

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

## Strengthen our social protection programming, work skills and support systems

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

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

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





### Strengthen our climate smart agriculture programming

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

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

In **Ethiopia**, in response to the effects of climate change, we promoted natural resource conservation, climate-smart agriculture and land rehabilitation to help communities withstand the effects of weather shocks.

### Promote graduation to economic productivity

In **Rwanda**, the success of our work has been recognised by the Ministry of Local Government which has provided land to the extreme poor in the communities in which we work and has nominated us to co-chair on learning and capacity development within the Social Protection Sector. From this position, we are advocating for lessons from our graduation programme — in which extremely poor communities are mentored and supported with asset transfers — to be integrated into the national social protection programme.

In **Bangladesh**, Concern provided skills training, business development assistance and employment generation to over 66,400 extremely poor people in urban areas and the coastal region to enable them to build their productive assets and improve income levels.

**Left:** Jackson (11) is in grade three at primary school. He sometimes looks after the family's five goats after school. His family have benefitted from Concern's Graduation Programme in Burundi. Photographer: Chris de Bode / Panos Pictures for Concern Worldwide.

**Above:** Kadiatu Conteh is a member of the Tawponeh Women's Group who benefit from the Linking Agriculture, Natural Resource Management and Nutrition programme in Sierra Leone. Photographer: Jennifer Nolan / Concern Worldwide.



# Health

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

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

## Objectives and activities

The goal of our health programme is to contribute to the achievement of health and nutrition security for poor people.

## Our main objectives are to:

- › Prevent under-nutrition and extreme hunger
- › Strengthen maternal and child health
- › Strengthen health facilities
- › Improve access to clean water and sanitation

## Examples of our achievements in 2017 are set out below:

### Prevent under-nutrition and extreme hunger

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

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

### Strengthen maternal and child health

In **Kenya**, in Marsabit, over 600 Community Health Volunteers joined Concern in partnering with the Ministry of Health to screen and refer cases of malnutrition and provide health education through the Community Conversations model. With this approach, extremely poor communities come together to devise grassroots solutions to their own very specific problems. In North Horr, the rate of pregnant women receiving Iron-Folic Acid Supplementation between January and July of 2017 more than doubled to 84 per cent coverage in the 13 communities that were mobilised.

In drought affected communities in Sindh, **Pakistan**, over 190,000 people benefitted from our nutrition programme. We provided malnourished pregnant mothers with food supplements and children under five with therapeutic food and nutrition services.

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

### Strengthen health facilities

In **Chad**, in the Lac region, which has seen an influx of refugees from neighbouring countries, and is also home to around 118,000 internally displaced people as well as vulnerable host communities, Concern constructed a health centre that provided maternity medical equipment and delivered a nutrition programme to over 19,800 children and mothers. Using a community-based approach, we helped prevent malnutrition through a network of 104 Community Health Volunteers working in 39 villages and four sites for internally displaced people.



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

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

#### **Improve access to clean water and sanitation**

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

In **Bangladesh**, we installed 12 tube wells and 480 rainwater harvesting systems to ensure safe water for over 10,700 people.

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

In **Republic of Sudan**, in West and South Kordofan states where South Sudanese refugees fleeing conflict have settled, our emergency water projects reached over 21,000 people with a safe water supply - including over 3,000 who were provided with new latrines in their homes and at least 2,600 children who were provided with adequate sanitation facilities in schools.

In rural **Ethiopia**, we rehabilitated two boreholes and a spring, giving approximately 10,500 people access to clean water for domestic consumption which has increased water supply on average from 20 litres to 80 litres per household. As a result, there have been very few reports of diseases associated with water after the intervention.

**Left:** Marie Chantal Kwizera works as a Concern supported Light Mother – giving tips to other mothers in her community in Burundi on the best ways to care for their children. Marie educates community members on hygiene improvement, preparing nutritious meals and kitchen gardens. Photographer: Darren Vaughan / Concern Worldwide.

**Above:** Mama Joelle Inamulongo at the Congo River in Tanganyika, Democratic Republic of Congo. She says that the installation by Concern of a new water source in her village has had a positive impact on her life. She used to spend at least one hour fetching water from the river. Photographer: Kieran McConville / Concern Worldwide.





# Education

**In 2017, Concern's education programming supported over 170,000 people directly and 330,000 people indirectly, over 280,000 of the total were female.**

Concern places education at the heart of development, using it as a key to breaking the poverty cycle, and improving health, nutrition, income and opportunities for all children.

## Objectives and activities

The goal of our education programme is to improve the lives of extremely poor children in a sustainable way by increasing access to quality primary education.

## Our main objectives are to:

- › Increase school access and attendance
- › Improve learning outcomes
- › Improve school facilities
- › Provide access to education for children in emergencies

## Examples of our achievements in 2017 are listed below:

### Increase school access and attendance

In Grand Bassa County, **Liberia**, over 6,800 primary students and 386 teachers benefited from improved classroom instruction and psycho-social services, as well as parent-teacher associations, which reduced dropout rates.

### Improve Learning Outcomes

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

In 43 schools with which we work in Mukuru slum in Nairobi, **Kenya**, head teachers reported in 2017 that all children in classes 1, 2 and 3 can now read Kiswahili and English at their level, and that attendance rates have significantly improved.

### Improve school facilities

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

Two years after the 2015 earthquake in **Nepal**, we continued our work in 44 schools to develop strong disaster management systems and improve water and sanitation infrastructure. We also retrofitted 11 schools to withstand future earthquakes, including renovating toilets and water facilities.

## Provide access to education for children in emergencies

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

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

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

**Above:** Mariam participates in Concern's non-formal education programme that focuses on early childhood education in Lebanon. Photographer: Chantale Fahmi / Concern Worldwide.





# Integrated Programmes

**In 2017, we reached over one million people directly through our integrated programmes and over 2.6 million people indirectly. Over two million were female.**

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

## Objectives and Activities

The goal of our integrated programmes is 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.

The objective of the programme is to deliver sustained improvements in the overall living conditions of targeted communities.

**Above:** Ismael Ali and his son Halimo Hassan. Halimo is being treated for severe acute malnutrition with the support of Concern Worldwide in Somali Region, Ethiopia. Photographer: Jennifer Nolan / Concern Worldwide.

## Below are some examples of such programmes:

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

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

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

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

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

# 2017 Highlights



## DPR Korea Bangladesh Nepal Afghanistan Pakistan

### 50

In Afghanistan, we built a 50-metre suspension bridge to connect three districts allowing 2,000 families access to medical facilities and allowing children to get to school safely without fear of drowning. Farmers in the area can now take their livestock and products to market.

### 133,000

In DPR Korea, we reached over 133,000 people. As part of our water projects, we installed a 4.6-kilometre solar-powered water pipeline, connecting taps to 83 homes and two schools for 335 people living in remote areas.

### 12

In Bangladesh, we have been running 12 Pavement Dweller Centres (PDC) providing facilities and services to around 4,000 regular users supporting them to lift themselves out of poverty. We provide night shelter, facilitate birth registrations and national ID cards – for the uptake of basic health and education services and provide education – and job placements.



# 60

In Nepal, after the heaviest rainfall in 60 years, our Emergency Floods Response met the urgent humanitarian needs of thousands of displaced people. With lands and homes destroyed and amidst a drinking water crisis, in which all wells and pumps were flooded, we worked with our Alliance2015 partners, Welthungerhilfe and People in Need, to distribute food and other essential items to over 76,000 people.

# 85,000

In Afghanistan, we worked to build the resilience of more than 85,000 people living in 124 communities vulnerable to natural disasters such as avalanches, drought, earthquakes, flash floods and landslides by building resilience walls, check dams and irrigation systems to protect farms and homes.

# 52

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



DPR Korea  
Bangladesh  
Nepal  
Pakistan  
Afghanistan

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**DPR Korea**  
People reached: Over 133,000

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**Bangladesh**  
People reached: Over 800,000

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**Nepal**  
People reached: Over 99,500

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**Pakistan**  
People reached: Over 3.7 million

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**Afghanistan**  
People reached: Over 680,000

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**Photo:** Women carrying clean water in mud pots from the communal well. Sindh province Pakistan. April 2017. Photographer: Sharjeel Arif / Concern Worldwide.

# How we Measure Success and Learn from our Programmes

Concern takes a “results-based management” approach to development work. We are working for change so we need to be able to measure it. This requires that we monitor all programmes to ensure that required changes are happening that will eventually lead to lasting impact on the lives of the people we work with.

In order to ensure that this happens, every programme is designed with a strong monitoring and evaluation framework starting with clarity in relation to the changes we want to see and how we expect those changes to come about. This ‘Theory of Change’ exercise is a critically important step as it defines what success looks like, and what the necessary intermediate changes are along the way.

Following on from the Theory of Change, logical frameworks (log frames) are developed for all programmes which not only show the logic of the intervention, but also define how results at every level will be measured. Concern has compiled an extensive library of standard indicators of common development results across our programmes. These indicators are used by programme teams in completing their log frames. Each standard indicator has a corresponding set of questions built on Concern’s digital data gathering system. Data is collected in digital surveys before the project (baseline) and after the project (end line), as well as throughout the programme cycle. The answers provided to the survey questions are analysed and tracked over time to show progress towards defined results.

At the end of every programme, a final evaluation is conducted to assess the relevance, effectiveness, efficiency, sustainability and impact of the programme, which are the criteria set out by the OECD’s Development Assistance Committee for measuring success and are seen as best practice in the sector. The evaluations use not only baseline to end line data comparison, but also complementary information from programme participants, local government and other stakeholders to get their perspectives on the success of the programme.

For some innovative pilot interventions, Concern works with research institutions and universities to provide an even more rigorous evaluation framework for the project. This gives more robust evidence in relation to the success of a project as well as providing stronger evidence to policy makers.

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



# Working with Partners

Concern cannot achieve its mission alone. We believe we can achieve greater impact working in collaboration with other organisations and institutions.

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

Partnerships are evident to different degrees in all our programmes with Livelihoods representing 30 per cent of partners; Health 18 per cent; Education three per cent; Integrated 32 per cent and Emergencies 17 per cent. The country with the largest number of partners in 2017 was Pakistan with 26 partners.

We continue to work in strategic partnerships: for example, we are an active member of the Scaling Up Nutrition movement. In the academic arena, we collaborate closely with Sonke Gender Justice; International Food Policy Research Institute; (IFPRI), Feinstein International Center, Tufts University; Institute of Development Studies, University of Sussex; Development Studies Association of Ireland; Harvard Humanitarian Initiative; Trinity College Dublin; Irish Forum for Global Health; University College Dublin; and the University of Ulster.

In the private sector, Concern works in partnership with Nethope and Google, supporting our ICT for development initiatives; with Zurich Insurance Group, who support our flood resilience programming and learning; with EY and Accenture, who support our organisational development activities; and with Web Summit, who provide technical and design support.

As a founding member of Alliance2015, a partnership of seven European organisations, with a presence in 89 countries, we continue to work in collaboration with our fellow members at programme and policy levels.

In 2017 we provided €14.6 million to 129 partners.

# Safeguarding

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

Concern places particular emphasis on standards of behaviour that we expect from our staff, visitors to our programmes and our local partner staff. To this end we developed a Programme Participant Protection Policy (P4) and Concern Code of Conduct (COC), to which all Concern employees must adhere. The policy sets out the standards of behaviour expected from all employees in relation to each other, our programme participants, and other relevant parties.

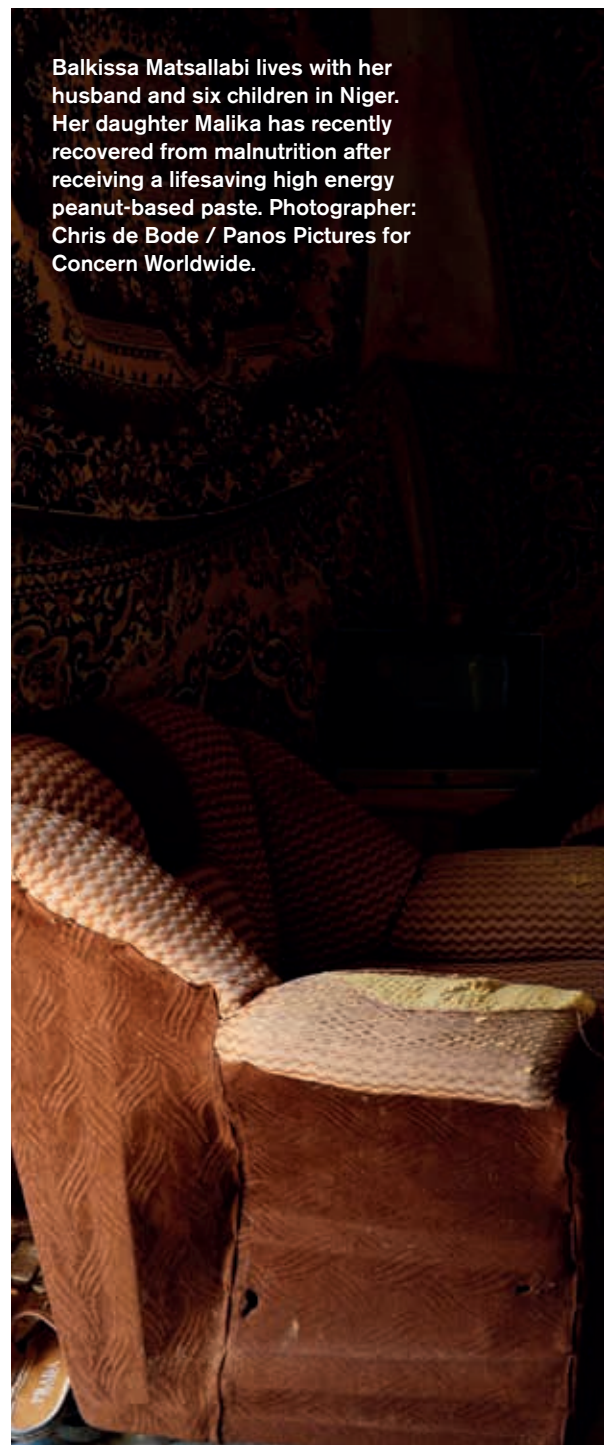
We have a Complaints Response Mechanism and are committed to investigating allegations of behaviour in breach of the Programme Participant Protection Policy (P4) and Concern Code of Conduct. All complaints are investigated, following established investigation guidelines, and where substantiated, disciplinary action is taken, up to and including dismissal.

We employ a Protection Adviser at our head office and in a number of our programme countries. The advisers have supported and strengthened the integration of humanitarian protection into programming through the development of good humanitarian protection practice and the dissemination and application of the P4 and Code of Conduct throughout the organisation.

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

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

**Balkissa Matsallabi lives with her husband and six children in Niger. Her daughter Malika has recently recovered from malnutrition after receiving a lifesaving high energy peanut-based paste. Photographer: Chris de Bode / Panos Pictures for Concern Worldwide.**



# Challenges in 2017



Although Concern's expenditure and programme reach increased significantly in 2017, this was as much a reflection of the growing needs and deepening poverty in many of the contexts in which we work as it was a reflection of our own organisational growth.

Across many of the countries in which we work, Concern and our partners continue to experience extremely significant challenges as a result of conflict and displacement, including: restricted access to affected populations; disruption of programme activity and surges of pressure on our programmes' capacity.

The deepening challenge of climate change continues to affect the vulnerable populations that we work with, particularly across the Sahel and East Africa. In countries such as Somalia, Chad, Ethiopia and Democratic People's Republic of Korea, our integrated programming is increasingly tailored to help the very poorest cope with the challenges brought about by climate change.

From an organisational perspective, we anticipate a number of challenges as a result of the changing geo-political environment, including the effect of Britain's upcoming withdrawal from the European Union and the increasingly unpredictable context of international donor funding.

Despite challenges with regard to public fundraising in some markets, we are increasingly diversifying our funding streams, and have achieved considerable success, most notably in South Korea, where Concern has now recruited over 16,000 donors.

# Advocacy

## Objective and activities:

**The goal of Concern's international advocacy work in 2017 was to draw on the evidence and learning from our programmes in order to influence the policies and practices of the Irish, UK and US Governments alongside those of the European Union and the UN.**

**The core objective of our advocacy work was to promote awareness of and support for policy change in favour of the developing world.**

## Achievements and performance

We began the year with the launch of 'Breaking the Cycle: tackling the root causes of food crises' which mapped out the likely hunger hotspots, highlighted the risk of famine in South Sudan, Somalia, Yemen and Nigeria, and was followed by a range of country specific advocacy throughout the year – from Somalia, Chad and Burundi to South Sudan and the Syria region.

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

We strengthened our engagement in the Scaling Up Nutrition movement at national and international levels, developing a three part case study documenting 'What it takes to Scale Up Nutrition' in Zambia. This reflected on both the successes and challenges that we experienced, and was then shared at the international SUN Global Gathering in Cote d'Ivoire with actors from across the globe who share our commitment to addressing the worldwide problem of malnutrition. Concern is planning a follow-up study in 2018 which will concentrate the actions needed to scale up nutrition in fragile states.

Concern South Korea Country Manager, Jun Mo Lee, speaking at the launch of The Global Hunger Index, in Seoul, South Korea. Photographer: AFO Communications.

Our flagship Global Hunger Index report focused on 'The Inequalities of Hunger' and garnered significant attention once more, not least in the Irish media. The report's international launch was held on the fringes of the G7 in Italy with the participation of EU Commissioner Phil Hogan, Italy's Minister for Agriculture and our Alliance2015 partners, and focused on the role of the G7 and the EU in particular in addressing those issues of inequality which perpetuate hunger across the globe. Once again, the report was launched in a number of locations around the world.

Finally with our Alliance2015 colleagues, we hosted a Learning Roundtable on Resilience, Hunger and Poverty which convened over 100 international policy experts, programme specialists, academics and donors to assess the impact of resilience-focused programmes and to improve the design of future interventions. This was an important opportunity to share the evidence and impact of our programming over the previous years with a wide audience.





# Development Education

**Concern strongly believes that an educated, engaged and active public is vital to ensure a long lasting and sustained commitment to the world's poorest people. The goal of our Development Education programme is to help secure that commitment.**

## **Our main objectives are to:**

- › Ensure that teachers and students engaged in formal education have a deeper understanding of the root causes of development issues as a result of inputs at both curricular and extra-curricular levels
- › Deepen public understanding of and support for global development issues

## **Achievements and performance on the objectives**

### **Engaging teachers and students**

In 2017 Active Citizenship directly engaged with over 9,300 students from 239 primary schools, 189 post primary schools and 15 third level colleges.

The Concern Debates continue to be the organisation's flagship development education programme. In 2017, 363 schools participated in the competition

including 16 schools from Northern Ireland. We partnered with Teacher Education Centres across the country to host the Primary Debates for fourth, fifth and sixth class pupils.

We worked with the African Students Association of Ireland to bring the Nelson Mandela Debates to 15 third level colleges.

We continue to partner with Comhlámh in organising the 'Wednesday Debates', which provides a forum for members of the public to engage in global development issues.

Concern's engagement with the youth sector in Ireland is delivered entirely in partnership with established youth-focused organisations, including the National Youth Council of Ireland, ECO-UNESCO and the Irish Girl Guides.

2017 Winners of the Concern Debates 2016 - 2017, Natasha Sutton, Caoimhe Ní Shuilleabhain, Maebh McCarthy, Laura Walsh, and their mentor Eileen Harte from Sacred Heart Secondary School, Clonakilty at the final in The Helix, Dublin. Photographer: Ruth Medjber.



### Deepen public understanding

Project Us, a five-year Irish Aid funded initiative aimed at raising awareness of and engagement with the United Nations Global Goals, was launched in Galway in October. The project, delivered in partnership with the University of Limerick, will take conversations on the Global Goals to every corner of Ireland.

With support from Irish Aid, Concern's digital team produced a 360 degree video following a day in the life of a South Sudanese refugee and her daughter in a refugee camp in Gambella, Ethiopia. This innovative form of story-telling is a new way of engaging the public with overseas development and has been viewed over 36,000 times to date.

For the first time in history, more than half the world's people live in cities. To highlight this, we brought 'Build Hope in the City', an exhibition of photographs from Kenya, Haiti and Bangladesh, to St Stephen's Green Park, Dublin for three weeks in the autumn. Taken by renowned photographer Abbie Trayler-Smith, the photographs document the reality of urban life for some of the world's poorest communities.

To mark the sixth anniversary of the outbreak of the Syrian war, we published a report: Shattered Lives, focusing on the impact of the crisis on civilians in northern Syria. The report included illustrations by artist Marc Corrigan, which depicted the terror and devastation in that country.



Members of the public stop to view the Build Hope in the City exhibition that was held in St Stephen's Green Park, Dublin during September 2017. The thought-provoking exhibition was produced by Concern in conjunction with London-based photography agency Panos Pictures. Photographer: Jason Clarke Photography.

# Fundraising



Author and BBC Foreign Correspondent Fergal Keane with CEO of Concern Worldwide Dominic MacSorley at the fundraising lunch in September 2017. Photography: Iain White / Fennell Photography.

**The goal for fundraising is to ensure we continue to raise sufficient funds for Concern to deliver its work.**

**The main objectives in 2017 were to:**

- › Raise €40 million from the public
- › Raise €150 million from governments and other co-funders
- › Maintain a diversified income base that is not overly reliant on any one income source

## **Achievements and performance**

### **Raising funds from the public**

In 2017 we raised €39.8 million from the public in Ireland, the United Kingdom and South Korea. We are indebted to the generosity of the thousands of people who support our work.

The funds were contributed through a variety of fundraising efforts:

### **Individual giving**

Committed giving (by direct debit) is an important source of income for the organisation as it represents a significant portion of our total income and it provides a reliable base from which to plan on-going activities. During the year we focused on recruitment to maintain the number of regular givers and to maximise donor loyalty. These efforts were broadly successful; we were particularly pleased with results in South Korea which has now recruited over 16,000 regular giving donors.



During 2017 we also conducted a number of appeals; these were aimed at the general public as well as our existing fundraising base. The most successful was for East Africa where 20 million people faced one of the worst droughts the region has ever experienced.

The prompt response from the public helped provide food, water and cash transfers to vulnerable families. The funds from our Christmas appeal helped provide food parcels to some of the two million people who fled the violence in South Sudan and are living in refugee camps in Ethiopia.

We launched a new parent-focused fundraising campaign last year - Guardians of Goodness. The Guardians, who come to life through a newsletter and other child friendly material, are part of a campaign to target parents and grandparents who subscribe on behalf of their children or grandchildren.

Tax efficient giving, where supporters' donations are augmented by an Exchequer refund of the related income tax, are increasingly important for Concern's work.

#### **Corporates, major donors and trusts**

2017 witnessed a significant increase in support received from corporates, major donors and trusts. In Ireland, these included members of both the Bank of Ireland Staff fund and ElectricAid; supporters of the Limerick County Council Staff Humanitarian & Benevolent Fund, and employees from organisations as diverse as Teagasc and Janssen Pharmaceuticals. Further afield, we also received critical support from the Swedish Postcode Foundation, the Big Heart Foundation and the Turing Foundation and a number of private individuals. Collectively, income from this sector exceeded €4.4 million.

In September, we hosted our inaugural corporate lunch. The keynote speaker, BBC Africa correspondent Fergal Keane, gave the 150 guests food for thought with his stories of reporting in war-torn countries and the impact of conflict on the people he met along the way.

#### **Community fundraising**

Support for community and other events remains high. Over 4,600 people across the country, took part in the Summer Raffle while over 300 people did the Concern Fast. Over 10,000 gifts, such as pigs, chickens, hygiene kits and school supplies, were bought at Christmas, giving poor and vulnerable families around the world tools to support themselves.

We also really appreciate the donations generated by our 1,200 volunteer collectors who gave up their time to fundraise in all weathers to help families in desperate need around the globe.

#### **Disasters Emergency Committee (DEC)**

Concern continues to be a member of the DEC in the UK. This is an umbrella organisation for international charities working in the UK. It engages with media organisations and conducts advertising and public appeals to secure funds for major emergencies on behalf of its members. Income received from DEC increased substantially in 2017, mainly due to appeals that it conducted for East Africa and the Rohingya refugee crisis.

### Raising funds from governments and co-funders

Concern recognised a total of €151.4 million from co-funders (including €15.5 million of donated commodities). This was regarded as a very satisfactory performance and represents the highest income ever achieved by the organisation.

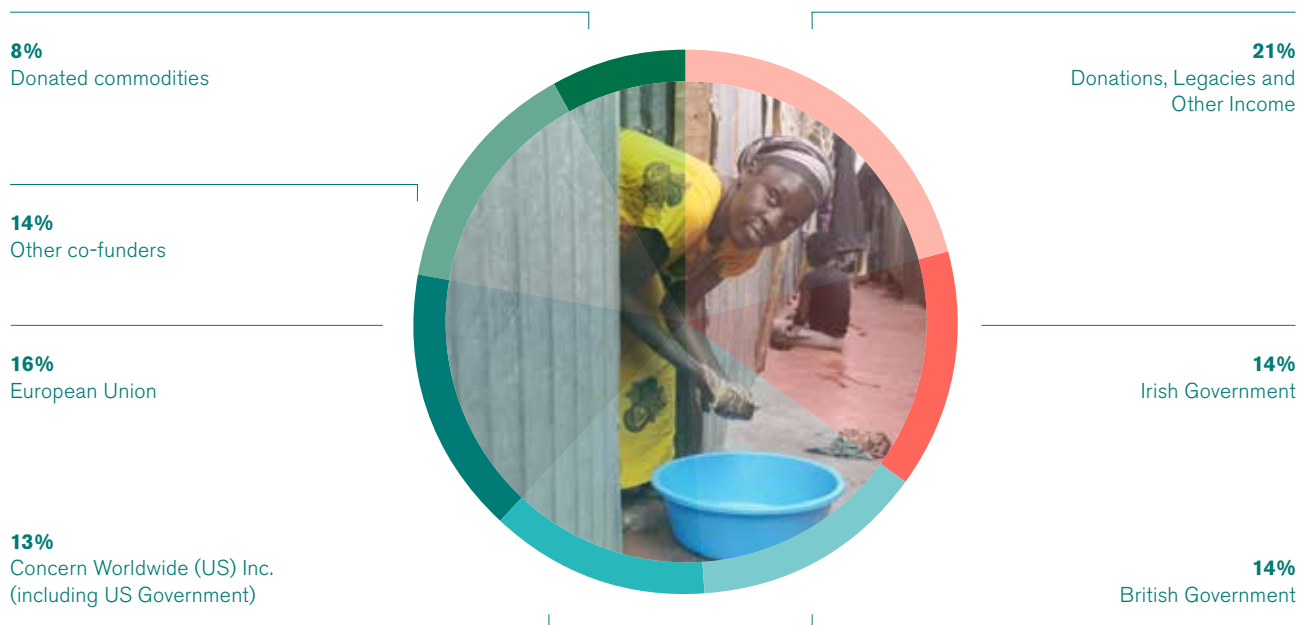
Significant donors included the Irish Government (€26.9 million through Irish Aid), the British Government (€27.6 million), Concern Worldwide (US) Inc. (including US Government) (€24.5 million) and the European Union (€30.5 million). All of this funding is awarded through competitive processes whereby we have to compete with peer organisations and (frequently) the private sector.

The income level reached in 2017 is testament to the high levels of trust that Concern has earned over the years and the importance it places on delivering results while maintaining high standards of accountability and transparency.

### Maintaining a diversified income base

We have agreed parameters in order to ensure that we do not become overly reliant on any single donor. We remained comfortably within these during 2017.

The chart below indicates the range and spread of our income:



Diana Auma in Nairobi, Kenya  
Photographer: Peter Caton.

# 2017 Highlights

Mozambique  
Malawi  
Uganda  
Zambia  
DR Congo

83%

In Mozambique, our livelihoods work helped farmers in climate vulnerable areas to increase their agricultural yields by 83 per cent and increase earnings by 242 per cent.

326,800

In Uganda, in response to the large influx of South Sudanese refugees, we partnered with UNICEF to scale-up lifesaving nutrition across 18 refugee settlements in 162 health facilities reaching over 326,800 people including mothers and children.

61,000

In Democratic Republic of the Congo, in territories across the two provinces of Haut-Lomami and Tanganyika, over 61,000 people – around half of which were displaced as a result of conflict – were supported in an emergency response through the provision of water and shelter.





# 30

In Malawi, we worked with teachers, parents, boys and girls in 30 schools in Phalombe district to improve learning conditions for female students who are often exposed to gender bias, violence, and abuse and who suffer from poor class performance and a high dropout rate. In 2017, over 1,000 girls attended girls clubs which are held bi-monthly and target both in and out of school girls. As a result some girls re-enrolled in school.

# 363,000

In Mozambique, during the El Niño emergency drought response, we supported over 10,300 families with food vouchers so that they could buy supplies at local markets. We also distributed seeds and tools through a separate voucher system for approximately 363,000 vulnerable farmers, along with agricultural training, to support their livelihoods.

# 97%

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



Mozambique  
Malawi  
Uganda  
Zambia  
DR Congo

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#### **Mozambique**

**People reached:** Over 151,000

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#### **Malawi**

**People reached:** Over 2.1 million

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#### **Uganda**

**People reached:** Over 1 million

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#### **Zambia**

**People reached:** Over 170,000

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#### **DR Congo**

**People reached:** Over 367,000

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**Photo:** Muragije Nyiramigisha at Bushani camp in Masisi, Democratic Republic of Congo. Her family received essential supplies from Concern. The family were forced to flee their home when fighting broke out between armed groups. They only managed to bring one cooking pot and the clothes they were wearing. Photographer: Kieran McConville / Concern Worldwide.

# Review of Financial Outcome 2017

The financial outcome for 2017 is set out in the 'Consolidated Statement of Financial Activities' on page 58.

During 2017, Concern's income and expenditure grew to the highest levels ever achieved. This was mainly due to the increased emergency response programme activities related to the Syrian Refugee crisis and the continuing effects of severe drought in East Africa.

A detailed commentary on the financial results reflected in the 2017 Annual Report is set out below. The key risks facing the organisation are dealt with in the next section.

## Income

The organisation's total income in 2017 amounted to €191.6 million. This represents an increase of four per cent from the income level achieved in 2016. While there was a decrease in the commodities donated to Concern during 2017, there was a significant increase in both income from donations and legacies and grants from governments and other co-funders.

Our diversified income base, which includes income from public donations and government grants, continues to provide stability for the organisation in a challenging economic environment.

The main movements in Concern's income streams, during 2017, are outlined below:

### *Incoming resources from donations and legacies:*

Income from donations and legacies comprises donations from individual and corporate donors, trusts and foundations. In 2017, we received €39.8 million from this income stream – see note 2(a) to the

financial statements. This represents an increase of 10 per cent when compared to 2016 and is mainly due to increases in income received from emergency appeals through the Disaster Emergency Committee in the UK and from legacies in both Ireland and the UK.

During 2017, we continued to fundraise in three markets (Ireland, UK and South Korea) and results were broadly satisfactory across all three. Our individual giving income continued to be the largest income stream included in donations and legacies. Significant thanks are due to all of the donors who have continued to support the work of Concern during 2017.

### *Grants from governments and other co-funders:*

Concern recognised a total of €136 million in grants from governments and other co-funders in 2017 – see note 2(b) to the financial statements for an analysis by donor. This represents a five per cent increase from our 2016 levels.

The European Union was the single largest donor in 2017 – providing €30.5 million or 22.5 per cent of total co-funding income. The British Government was the next largest donor providing €27.6 million. Other significant donors included the Irish Government who contributed €26.9 million and Concern Worldwide (US) Inc. (including US Government) with €24.5 million.

Our 2017 income from co-funders was the highest yet achieved. This reflected the number of emergencies that we sought to address during the year but also the strong relationships built with the donors over a prolonged period. We hope to further develop these relationships through the current year.

### *Donated commodities:*

Commodities donated to the organisation and distributed as part of its emergency response programmes were valued at €15.5 million in 2017, a decrease of 13 per cent from 2016 – see note 2(c) to the financial statements for details. The bulk of the donations in kind relate to emergency food distributions in South Sudan with smaller but significant amounts in Ethiopia, Somalia, and Pakistan.

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

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

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

## Expenditure

Our total expenditure for the year was €183 million, made up as follows:

	€'m	%
Charitable activities	€170.7	93%
Raising funds	€12.3	7%
	€183.0	100%

Total expenditure, at €183 million, represents a two per cent increase from the 2016 level of €179.4 million. This increase is primarily due to the increased emergency programme activities in Somalia and Syria as offset by a reduction in the emergency response activities in Ethiopia.

### Charitable activities

Expenditure on charitable activities in 2017 totalled €170.7 million, a two per cent increase from 2016 levels. As can be seen in note 3 (a), most of this expenditure was devoted to emergency response activities.

### Raising funds

The cost of raising funds totalled €12.3 million in 2017 which is two per cent higher than 2016. The increase in expenditure is primarily due to the increased expenses relating to the fundraising office in the Republic of Korea (South Korea), which has continued to grow in 2017, partly offset by savings in spend in the Republic of Ireland.

### Support Costs

The total costs set out above in relation to charitable activities and raising funds include attributable support costs.

These support costs include the key services of programme management, technical support, finance and compliance, human resources and information technology. These services play a crucial role in providing support to the delivery of our programmes globally.

Our total support costs for the year (including net foreign exchange loss) amounted to €10.5 million (see note 3 (d) to the financial statements), compared to €9.3 million in 2016, a 12.7 per cent increase. The main reasons for this increase is a loss on foreign exchange transactions during the year and the impairment credit in the previous year. Excluding these, the support costs increased only slightly (1.9 per cent), during the year.

## Key financial performance indicators

There are a number of key financial performance indicators which, taken together, are used by management and the Board as a measure of performance and financial strength. These are set out below:

Indicator	2017	2016
Return on fundraising spend	3.2	3.0
Government & institutional income as a percentage of total expenditure	83%	82%
Support costs (excluding foreign exchange loss/gain) as a percentage of total costs	4.7%	4.7%
Unrestricted reserves as a percentage of total income	30%	26%

- › *Return on fundraising spend* essentially measures how much we get back for each euro spent on fundraising. This figure has increased in 2017 primarily as a result of the increase in income received from Disaster Emergency Committee and from legacies.
- › *Government and institutional income as a percentage of total expenditure* indicates the proportion of our work which we can get funded without reliance on public appeals. The 83 per cent recorded in 2017 is one per cent higher than the levels achieved in 2016, demonstrating the organisation's continued success in securing high levels of funding during the year.
- › *Support costs (excluding foreign exchange loss/gain) as a percentage of total costs* illustrates how much of total expenditure is absorbed by essential but non-core activities and functions. The 4.7 per cent achieved in 2017 is the same as the 2016 position.
- › *Unrestricted reserves as a percentage of total income* indicates the resources on which the group can draw in order to continue its work in the event of a downturn in income. The percentage in 2017 is higher than 2016 reflecting the fact that the group is planning a number of investments in fundraising, systems etc. during 2018 and is holding the funds pending utilisation.

Overall we are satisfied with the financial performance for the year.



## Financial Results of Subsidiary Companies

In addition to the parent company, during 2017 there were three active subsidiary companies within the group:

- › Concern Worldwide (UK) engages in fundraising, development education and advocacy work in the United Kingdom. The company had another successful year in 2017 in securing income for group activities. The year-end position of the company was satisfactory and it is expected to continue trading for the foreseeable future.
- › Concern Charity Trading CLG continued to provide support to the group's fundraising activities. Any costs associated with this activity have been borne by the parent company.
- › Concern Worldwide Korea Foundation was incorporated in South Korea in 2015 and its main activities are to fundraise for, and otherwise support, the programmes of Concern Worldwide. The foundation commenced trading in September 2015 and has continued to grow its supporter base throughout 2016 and 2017.

As explained in note 20(a) to the financial statements, apart from the parent company and the above subsidiaries, there is one other company within the group. This company has been dormant since 2004 and did not have material assets or liabilities at the balance sheet date.

## Pensions

Concern Worldwide operates a defined benefit pension scheme, providing benefits based on final pensionable salary as at March 31, 2009. This scheme was closed to new members in 1993 and any existing employees, who were still members, moved to the defined contribution scheme in 2009. As a result of these changes, no current or future benefits are being accrued under the defined benefit scheme. The scheme continues, however, to provide life assurance benefits to staff based on their annual salaries during their period of scheme membership. An actuarial valuation at the balance sheet date indicated that the scheme had a surplus of €2 million (see note 15 to the financial statements).

Concern generally aims to provide retirement benefits to its staff by means of defined contribution pension schemes. However, for historic and practical reasons, it also has three defined benefit type arrangements.

Concern also pays ongoing benefits to two ex-staff members who became incapacitated while working overseas. We believe that we have a constructive obligation to continue to make these payments for as long as they are needed and as a result, we have recognised a liability for them in the balance sheet. Concern made external investments to cover the liability to the incapacitated staff and these were transferred into a discretionary trust for the benefit of the relevant individuals in 2007. An actuarial valuation at the balance sheet date indicated that the scheme had a deficit of €0.1 million (see note 15 to the financial statements).

In some of its overseas operations, Concern has legal or constructive obligations to pay lump sum service benefits to national staff on cessation of their employment. While the precise obligation varies from country to country, it typically requires that the amount payable be based on terminal salary and length of service. The schemes are not externally funded i.e. assets have not been placed in separately administered trusts to meet liabilities as they arise, instead the gross value of service benefits earned is recognised as a liability at each balance sheet date. At the end of the year the total liability recognised for these service benefits amounted to €3.6 million (see note 15 to the financial statements).

## Reserves Position

It is Concern's policy to retain only sufficient reserves to safeguard the continuity of its overseas operations, thereby committing the maximum possible resources to its programmes. The total reserves of €63.3 million at December 31, 2017 are detailed in note 16 to the financial statements and fall into two categories:

- › Restricted funds (€6.3 million): these funds are tied to particular purposes, which arise because of restrictions on their use imposed by the donor at time of receipt or because the funds were collected in a public appeal to raise money for a particular purpose. It is the organisation's policy to fully apply such funds for the purposes for which they were donated as quickly as possible.
- › Unrestricted funds (€57 million): these are of two types:

- Designated funds (€56.8 million); these are unrestricted funds that have been allocated by the Board for specific purposes and that are (as a result) not available for general usage. In line with the reserves policy of Concern, at the end of 2017 funds had been designated for specific purposes as follows:

- To cover the planned 2017 budget deficit.
- To recognise that a portion of reserves is invested in the charity's fixed assets (tangible and financial) and is not therefore available for other purposes.
- To ensure the continuity of operations in the event of a temporary downturn in income.
- To cover the risk of holding assets in our overseas programmes.
- To finance investment in new fundraising opportunities.

- General unrestricted funds (€0.2 million); these represent funds which are available for the general purposes of the charity.

The Board reviews the level of reserves held periodically. The last review was done in conjunction with the approval of the 2018 budget. At that time it was agreed that the restricted reserves should be utilised as soon as reasonably possible, and that the 2018 expenditure plans would include investments in fundraising activities and systems that would reduce unrestricted reserves from the 2017 levels.

## Going concern

Based on the results for the year, the year-end financial position and the approved 2018 budget, the Board believes that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Board believes that there are no material uncertainties that call into doubt Concern's ability to continue in operation. Accordingly, Concern continues to adopt the 'going concern' basis in preparing the financial statements.

Mamie Morray from Tikonko, Sierra Leone. Concern Worldwide has introduced the Maternal, Newborn and Child Health initiative to her community. Over 200 former traditional birth attendants in Bo District have re-trained to become Maternal and Newborn Health Promoters. Photographer: Kieran McConville / Concern Worldwide.







Rufo Galgallo with Rahma (three) and 18-month-old Nura. Rufo attends Concern's bi-monthly community health outreach in Kenya – screening her and her three children for malnutrition. Photographer: Peter Caton / Concern Worldwide.



# Structure, Governance and Management

The Constitution of Concern Worldwide is the organisation's founding document. It provides for a membership-based organisation, registered in Ireland, limited by guarantee with a governing Board of Directors elected from the membership base.

The following are the active subsidiaries of Concern Worldwide:

Body	Description	Activities	Charitable Status
<b>Concern Worldwide (UK)</b>	Company limited by guarantee which is regarded as a subsidiary because Concern Worldwide is the sole member.	Concern Worldwide UK supports the overseas programmes of Concern Worldwide by providing material and human resources. It also engages in advocacy on issues related to the developing world.	Recognised as a charity by the Charity Commission of England and Wales and also registered with the Scottish and Northern Ireland charity regulators.
<b>Concern Worldwide Korea Foundation</b>	Foundation set-up by Concern in South Korea in 2015, which is regarded as a subsidiary because Concern Worldwide can determine the composition of the Board of Directors.	It is envisaged that Concern Korea will support the overseas programmes of Concern Worldwide by fundraising and by promoting and communicating the work of the organisation.	Registered as a charity with the Korean Ministry of Foreign Affairs and the Seoul Metropolitan City Government.
<b>Concern Charity Trading CLG</b>	Company limited by guarantee, regarded as a subsidiary because Concern Worldwide appoints the Board of Directors.	Provides fundraising and other support services to Concern Worldwide.	Services company (not a registered charity)

Concern Worldwide (US) Inc. is an affiliated but organisationally independent organisation based in the United States of America.

The work of the organisation in the developing world is carried out through branches located in the countries of operation. The branches do not have a separate legal personality.

In addition to these formal corporate arrangements, we work very closely with a wide variety of like-minded organisations in order to deliver on our programme objectives. We engage in two main types of arrangement:

- › Programme partnerships – these arise where Concern comes together with other organisations in order to complete our programme of work – these are frequently national bodies based in our countries of operation and the relationships typically involve grant arrangements and/or capacity building.
- › Programme joint ventures – institutional donors increasingly require organisations to combine their efforts in order to secure large-scale funding opportunities – by so doing, transaction costs are reduced, outreach is improved and there are opportunities for mutual learning. Where Concern engages in these joint venture/consortium arrangements it is generally on an opportunity by

opportunity basis and care is taken that there is a strong alignment of values and approaches between the consortium members.

The Concern Worldwide Board of Directors is committed to maintaining high standards of corporate governance and has taken action to ensure that the organisation is fully compliant with the principles outlined in the "Irish Development NGO's Code of Corporate Governance" (as produced by the Corporate Governance Association of Ireland; partnered with Dóchas), and with the requirements of The Governance Code for the Community, Voluntary and Charitable Sector in Ireland. Concern also adheres to the Dóchas Code of Conduct on Images and Messages.

A review of the organisation's compliance with the principles of each Code is conducted annually.

Members of the Board of Directors, all of whom are non-executive, are drawn from diverse backgrounds and bring a broad range of experience and skills to Board's deliberations. As provided for by the Constitution, Board members are elected from amongst the Concern membership base. In addition, the Board itself is empowered to co-opt new members to meet specific requirements, as well as to fill any ad hoc vacancies. All new Board members attend an induction course shortly after appointment in order to familiarise themselves with their statutory responsibilities, their role as Board members, the Concern governance framework, Concern's humanitarian work and Concern's risk environment. The members of the Board cannot, under the governing documents, receive remuneration for services to Concern and may only be reimbursed for incidental expenses claimed.

During 2017 the Board reviewed the efficiency and effectiveness of its own operations. A broader governance review is scheduled for 2018.

There are clear distinctions between the roles of Board of Directors and the Executive Management Team to which day-to-day management is delegated. Matters such as policy, strategic planning, and budgets are drafted by the Executive Management Team for consideration and approval by the Board, who then monitor the implementation of these plans.

In addition to the Board of Directors, there are four Board sub-committees; Finance, which monitors the organisation's financial results and policies; Audit and Risk, which monitors the control and risk management systems; Programme, Monitoring and Evaluation, which monitors the quality of Concern's programme work; and Remuneration which oversees pay and rewards policies and proposals across the organisation. The membership of these sub-committees includes at least two Directors as well as specialists who are not members of the Board, but who volunteer their expertise to assist the sub-committees on an ongoing basis.

The Board met six times during 2017 and attendance of current members was as follows:

Board Member	Meetings Attended
Ms Zamila Bunglawala*	3
Ms Ciunas Bunworth	4
Mr Donal D'Arcy	5
Ms Jacinta Flanagan	3
Ms Joanna Geraghty*	1
Mr Colin Gordon	6
Professor Paul Jeffcutt	3
Mr Michael Kenny	6
Mr Cyril Maybury	6
Ms Teresa McColgan	6
Mr Tom Moran	3
Mr Cormac Murphy*	2
Ms Barbara O'Reilly	5
Ms Nora Owen	6
Mr Gary Rice	4
Mr David Ritchie	4
Ms Rachel Rodgers	5
Mr Jan Rotte	3
Mr Tom Shipsey	6
Ms Rosalyn Tamming*	4
Mr John Treacy	6
Mr Donald Workman*	4

\* Appointed during the course of the year.

The majority of Board members had additional responsibilities in relation to sub-committees. These met frequently during the year as follows: the Finance Committee met five times; the Audit and Risk Committee met six times; the Programme Monitoring and Evaluation Committee met four times; the Remuneration Committee met twice.

### Internal Control and Organisational Risk Management

Concern Worldwide operates in a wide variety of environments. As an organisation we are committed to having appropriate systems and controls in place in all locations in order to ensure that assets are safeguarded and applied only for the purposes intended. We seek to achieve this by recruiting qualified and experienced staff, providing them with suitable training and by giving them effective support in carrying out their work. Clear policies and procedures are in place and compliance is regularly reviewed.

These systems are felt to generally be adequate and to provide a high degree of assurance that resources are properly applied. That said, no system provides absolute guarantees. For this reason we have strong complaint and whistle blowing systems and a well-established internal audit function that both monitors compliance and investigates problematic transactions. During 2017 we uncovered a total of seven actual or attempted frauds. This was down from 2016 (10). As an organisation we have a zero-tolerance attitude towards fraud. We try to ensure that any possible frauds are investigated promptly, that restitution is secured and that where possible the case is referred to the local policing authorities.

Concern Worldwide has a dedicated risk management function that is responsible for ensuring that a comprehensive process exists to identify and rank significant organisational risks. It also considers how these are managed and how they are reported and monitored.

As part of the risk management process, an annual risk review is undertaken. The process changed slightly for 2017 with more involvement by the Board in the review process. The purpose of the risk review is to ensure that the organisation is not on an ongoing basis exposed to an unacceptable level of preventable risk. Appropriate systems and procedures are in place to manage these risks and provide reasonable but not absolute assurance against occurrence. Management undertakes ongoing monitoring of the level of risk and reports on this to the Board. The major risks identified by the 2017 review are listed below in order of significance:

2017 Ranking*	Risk
1 (1)	Funding & Economic Instability
2 (2)	Staff Safety, Well-being & Security
3 (4)	Staff Recruitment & Retention
4 (3)	Compliance
5 (6)	Fraud, Corruption and Inappropriate Behaviour
6 (5)	Achievement and Demonstration of Programme Impact

\* The 2016 rankings are shown in brackets

**Funding & Economic instability:** While there has been continued recovery in the Irish, UK and Eurozone economies, funding and economic instability still represents the main risk to the organisation. Concern continues to react by carefully adjusting its budgets and expenditure to reflect likely levels of available income. It has also sought to grow and diversify income, to achieve balance in its revenue sources and to reduce exposure to any single economy or donor.

**Staff safety, well-being and security:** Concern operates in regions where the political and social circumstances make the personal health and security of staff a significant concern. The well-being of Concern's staff is of paramount importance and in order to ensure that this risk is appropriately managed, the organisation has comprehensive health and security management policies in place, including the provision of training in areas such as security management, hostile environment and crisis management.

**Staff recruitment and retention:** Concern achieves its results through its staff. If the organisation is to succeed in its objectives, Concern staff must build effective and lasting relationships with local communities. Being able to attract and retain appropriate staff is a key ongoing challenge for the organisation, particularly in the more volatile countries in which we work. The organisation has developed and frequently reviews its human resources policies and procedures to address this risk.

**Compliance:** This risk is broken down into the different areas of compliance relevant to the organisation, including donor, internal policies, procedures and regulatory compliance. The organisation receives a significant amount of funding from institutional donors and the general regulatory landscape is more onerous than ever before. The management of both donor and regulatory requirements, which are increasingly complex and prescriptive in nature, is challenging at both head office and field level. The organisation addresses this issue through staff training, publication of relevant guidance and frequent reviews of activities.

**Fraud, corruption and inappropriate behaviour:** Significant fraud or incidences 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.

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

Overall, the Board of Directors is satisfied that systems are in place to monitor, manage and mitigate Concern's exposure to its major risks.



# Other Matters

## Staff and Volunteers

Concern 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, age, disability, nationality, marital/family status and sexual orientation.

Volunteers also lent their expertise to a host of activities in 2017. We benefited greatly from the commitment and dedication of the thousands of activists and volunteers who assisted us by adjudicating debates, helping in the office and 'shaking collection buckets'. Others offered specialist advice on subjects like branding and digital strategy, acted as ambassadors and lent their voice to campaigns.

The organisation acknowledges with gratitude the work of its staff and volunteers both at home and overseas in 2017. The achievements during the year are due to the dedication and belief of all these people.

## Our objectives as stated in our governing documents

The Constitution of Concern Worldwide states that the main object for which the organisation exists is: "... the relief of poverty and the advancement of peoples in need". It is further stipulated that in pursuing the main object the organisation will focus on:

- › The ultimate elimination of extreme poverty in the world's poorest countries and regions through development programmes.
- › The provision of relief and assistance to peoples in need in situations of emergency.

Concern is a public benefit entity, the benefit it provides arises from its development and relief work.

## Lobbying and Political Contributions

There were no political contributions in 2017, and as a result no disclosures are required under the Electoral Act, 1997.

As required under the Regulation of Lobbying Act 2015, Concern now records all lobbying activity and communications engaged in with Designated Public Officials (DPOs). It has made the returns and submissions required by the Act.

## Post Balance Sheet Events

There have been no events subsequent to the year-end that require any adjustment to, or additional disclosure in, the 2017 financial statements.

## Accounting Records

The Board of Directors believe that they have complied with the requirements of Chapter 2 of Part 6 of the Companies Act, 2014 with regard to books of account, by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account are maintained at the group's registered office in 52-55 Lower Camden Street, Dublin 2.

## Auditor

The Auditor, KPMG, has agreed to continue in office under Section 383(2) of the Companies Act, 2014.

## Directors Compliance Statement

As required by S225 Companies Act 2014, the directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations as required by that Act and they confirm that:

- › a compliance policy document has been drawn up that sets out policies that in their opinion are appropriate to the company respecting compliance by the company with its relevant obligations.
- › appropriate arrangements or structures are in place that are, in their opinion, designed to secure material compliance with the company's relevant obligations, and,
- › during the financial year, the arrangements or structures referred to above have been reviewed.

# Looking Ahead

## Plans for the future

Our vision for the five years to 2020 is contained in the strategic plan for 2016-20 'Leaving no-one behind'. This plan is centred on our core values and builds on the solid foundations of our current mission and work.

It sets the following broad ambitions for the organisation:

- › Benefit 25 million people annually by 2020
- › Reach a core budget of €200 million by 2020
- › Continue to develop high quality programmes which influence policy and wider practice

There is also a recognition that we need to build the capacity of the organisation so that it is equal to the challenges posed by the plan. Overall six key goals have been identified and detailed plans made to progress each area. Our 2017 achievements are detailed on page 14. We believe that the plan sets out a sensible path for the organisation and we will continue with its implementation over the coming years. Progress will be monitored on an ongoing basis by the Board of Directors.

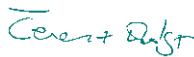
The extraordinary level of public support for, and loyalty to, Concern has differentiated us from other organisations and we will continue to nurture these essential relationships in 2018.

While the organisation continues to be proud of its achievements, it recognises that much remains to be done. With the help of our supporters, we will continue to work with the most vulnerable people in the world to create real and lasting changes in their lives.

On behalf of the Board




**Tom Shipsey**  
Director



**Teresa McColgan**  
Director

April 23, 2018

A high-angle photograph of a woman, Florence Mutungi, bathing a six-month-old baby in a red plastic tub. The woman is wearing a green long-sleeved shirt and a blue and white patterned wrap around her waist. She is looking down at the baby with a gentle expression. The baby is lying in the tub, which is filled with soapy water. The setting appears to be outdoors or in a semi-enclosed space with a concrete floor. To the left of the woman, there are several colorful plastic tubs (blue, pink, green) and a white plastic jug. A blue rope hangs vertically on the left side of the frame. The lighting is bright, casting shadows on the floor. The overall scene depicts a daily life activity in a slum area.

Florence Mutungi (32) bathing six-month-old Precious - one of her twin daughters. Florence and her husband are bringing up their five children in their one room house in one of Nairobi's largest slums, Mukuru where chronic malnutrition and stunting is a major problem. Photographer: Peter Caton / Concern Worldwide.



# Statement of directors' responsibilities in respect of the Report of the Board and the consolidated financial statements

The directors are responsible for preparing the Report of the Board and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and Company 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 2014 and with the Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 (issued in November 2014) (the "Charities SORP").

Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year. In preparing the Group and Company financial statements, the directors 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 consolidated financial statements;
- › assess the Group and 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 Group or Company or to cease operations, or have no realistic alternative but to do so.


The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Company comply with the Companies Act 2014. 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 Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board



**Tom Shipsey**  
Director



**Teresa McColgan**  
Director

# Independent Auditor's Report to the Members of Concern Worldwide

## 1 Report on the audit of the consolidated financial statements

### Opinion

We have audited the Group and Company consolidated financial statements of Concern Worldwide ("the Group" or the "Company") for the year ended 31 December 2017 set out on pages 58 to 88, which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, the Consolidated Cashflow Statement and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 (issued in November 2014) (the "Charities SORP").

In our opinion, the Group and Company financial statements:

- › give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 December 2017 and of the Group's surplus for the year then ended;
- › have been properly prepared in accordance with FRS 102 as applied with regard to the Charities SORP; and
- › have been properly prepared in accordance with the requirements of the Companies Act 2014.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

### We have nothing to report on going concern

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

### Other information

The directors are responsible for the other information presented in the Annual Report together with the consolidated financial statements. The other information comprises the information included in the Report of the Board, the Message from the Chair, Tom Shipsey, and the

Message from the Chief Executive Officer, Dominic MacSorley. Our opinion on the consolidated financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

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

Based solely on our work on the other information;

- › we have not identified material misstatements in the Report of the Board, the Message from the Chair, Tom Shipsey and the Message from the Chief Executive Officer, Dominic MacSorley;
- › in our opinion, the information given in the Report of the Board, the Message from the Chair, Tom Shipsey and the Message from the Chief Executive Officer, Dominic MacSorley is consistent with the consolidated financial statements;
- › in our opinion, the Report of the Board, the Message from the Chair, Tom Shipsey and the Message from the Chief Executive Officer, Dominic MacSorley have been prepared in accordance with the Companies Act 2014.

### **Opinions on other matters prescribed by the Companies Act 2014**

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Group were sufficient to permit the consolidated financial statements to be readily and properly audited and the consolidated financial statements are in agreement with the accounting records.

### **Matters on which we are required to report by exception**

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

## **2 Respective responsibilities and restrictions on use**

### **Responsibilities of directors for the consolidated financial statements**

As explained more fully in the directors' responsibilities statement set out on page 53, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group'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 the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

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

A fuller description of our responsibilities is provided on IAASA's website at [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)

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

Our report is made solely to the Company's members, as a body, in accordance with the Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

24 April 2018



**Caroline Flynn**  
for and on behalf of

KPMG  
Chartered Accountants  
Statutory Audit Firm  
1 Stokes Place  
St. Stephen's Green  
Dublin 2



# Financial Statements 2017

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As head of the household, Denise Nyamwiza (20) is responsible for caring for her five siblings since her parents died of malaria two years ago. Denise is "very proud and very happy" to be one of 35 people chosen from her area, Marembo, to take part in Concern's Graduation programme in Burundi. Photographer: Chris de Bode / Panos Pictures for Concern Worldwide.





## Consolidated Statement of Financial Activities for the year ended December 31, 2017

	Notes	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
		€'000	€'000	€'000	€'000
<b>Income from:</b>					
Donations and legacies	2(a)	27,638	12,164	39,802	36,179
Charitable activities:					
- grants from governments and other co-funders	2(b)	-	135,958	135,958	129,123
- donated commodities	2(c)	-	15,478	15,478	17,821
Other trading activities	2(d)	125	-	125	131
Investments and other income	2(e)	234	17	251	278
<b>Total income</b>		<b>27,997</b>	<b>163,617</b>	<b>191,614</b>	183,532
<b>Expenditure on:</b>					
Charitable activities	3(a)	9,722	161,002	170,724	167,338
Raising funds	3(c)	11,331	1,012	12,343	12,075
<b>Total expenditure</b>		<b>21,053</b>	<b>162,014</b>	<b>183,067</b>	179,413
<b>Net income for the year</b>		<b>6,944</b>	<b>1,603</b>	<b>8,547</b>	4,119
<b>Other recognised gains and losses:</b>					
Exchange loss on consolidation of subsidiaries	16(a)	(53)	(116)	(169)	(888)
Actuarial gain/(loss) on staff retirement arrangements	15(2)	644	-	644	(1,284)
<b>Net movement in funds</b>	16(a)	<b>7,535</b>	<b>1,487</b>	<b>9,022</b>	1,947
<b>Reconciliation of funds:</b>					
Total funds brought forward	16(a)	49,462	4,855	54,317	52,370
<b>Total funds carried forward</b>		<b>56,997</b>	<b>6,342</b>	<b>63,339</b>	54,317

On behalf of the Board



**Tom Shipsey**  
Board Member



**Teresa McColgan**  
Board Member



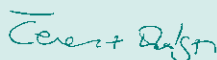
## Consolidated Balance Sheet at December 31, 2017

	Notes	2017		2016	
		€'000	€'000	€'000	€'000
<b>Fixed assets</b>					
Tangible assets	7		15,612		15,742
Surplus on defined benefit pension scheme	15(2)		2,000		1,021
Total fixed assets			17,612		16,763
<b>Current assets</b>					
Stock	9		136		178
Debtors and prepayments	10		21,208		28,969
Cash at bank and in hand	11		54,781		51,183
Total current assets			76,125		80,330
<b>Creditors:</b> amounts falling due within one year	12		(24,546)		(34,328)
Net current assets			51,579		46,002
Total assets less current liabilities			69,191		62,765
<b>Creditors:</b> amounts falling due after more than one year	13		(2,152)		(2,857)
<b>Net assets excluding staff retirement liabilities</b>			67,039		59,908
Staff retirement liabilities	15(2)		(3,700)		(5,591)
<b>Net assets</b>			63,339		54,317
<b>The funds of the charity:</b>					
Unrestricted funds	16(a)		56,997		49,462
Restricted funds	16(a)		6,342		4,855
<b>Charity funds</b>			63,339		54,317

On behalf of the Board



**Tom Shipsey**  
Board Member



**Teresa McColgan**  
Board Member

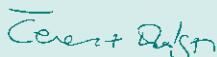
## Company Balance Sheet at December 31, 2017

	Notes	2017		2016	
		€'000	€'000	€'000	€'000
<b>Fixed assets</b>					
Tangible assets	7		15,220		15,446
Investments	8		391		391
Surplus on defined benefit pension scheme	15(2)		2,000		1,021
<b>Total fixed assets</b>			<b>17,611</b>		16,858
<b>Current assets</b>					
Stock	9		136		178
Debtors and prepayments	10		18,866		22,328
Cash at bank and in hand	11		50,427		49,765
<b>Total current assets</b>			<b>69,429</b>		72,271
<b>Creditors:</b> amounts falling due within one year	12		<b>(21,994)</b>		(32,031)
<b>Net current assets</b>			<b>47,435</b>		40,240
<b>Total assets less current liabilities</b>			<b>65,046</b>		57,098
<b>Creditors:</b> amounts falling due after more than one year	13		<b>(2,152)</b>		(2,857)
<b>Net assets excluding staff retirement liabilities</b>			<b>62,894</b>		54,241
Staff retirement liabilities	15(2)		<b>(3,700)</b>		(5,591)
<b>Net assets</b>			<b>59,194</b>		48,650
<b>The funds of the charity:</b>					
Unrestricted funds	16(b)		54,599		45,198
Restricted funds	16(b)		4,595		3,452
<b>Charity funds</b>			<b>59,194</b>		48,650

On behalf of the Board



**Tom Shipsey**  
Board Member



**Teresa McColgan**  
Board Member

## Consolidated Cash Flow Statement for the year ended December 31, 2017

	Notes	2017 €'000	2016 €'000
<b>Net cash provided by operating activities</b>	17	<b>4,579</b>	7,379
<b>Cash flows from investing activities</b>			
Deposit interest received		107	82
Payments to acquire tangible fixed assets		(364)	(232)
<b>Net cash used in investing activities</b>		<b>(257)</b>	(150)
<b>Cash flows from financing activities</b>			
Repayments on bank loan		(642)	(598)
<b>Net cash used in financing activities</b>		<b>(642)</b>	(598)
<b>Change in cash and cash equivalents in the year</b>		<b>3,680</b>	6,631
Cash and cash equivalents at the beginning of the year		51,180	44,700
Exchange rate movements	18	(82)	(151)
<b>Cash and cash equivalents at the end of the year</b>	18	<b>54,778</b>	51,180



# Notes to the Financial Statements

## 1) ACCOUNTING POLICIES

The principal accounting policies adopted, which are considered material to Concern Worldwide's (also referred to as the "Group" or the "Company") financial statements, are stated below. The key judgements and assumptions in applying these policies relate to:

- (i) The criteria applied to the recognition of grant income from co-funders and the related accrued and deferred income balances (see Note 1(C)).
- (ii) The basis for the classification of expenditure in the *Consolidated Statement of Financial Activities* (see Note 1(D)).
- (iii) The accuracy of the assumptions applied to the valuation of staff retirement assets and liabilities (see Note 1(K)).

## A) BASIS OF PREPARATION

The financial statements are prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the financial reporting standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared under the historical cost convention, except for pension scheme assets and financial instruments which are classified at fair value. The financial statements have been prepared on a going concern basis (as outlined in the Report of the Board on page 44).

The Group and Company financial statements have applied "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" ("Charities SORP"). The Group have applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland.

As permitted by section 291(3)(4) of the Companies Act 2014, the Group has varied the standard formats specified in that Act for the Statement of Financial Activities, the Balance Sheets and Cash Flow Statement. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with sections 4.7, 10.6 and 15.2 of that SORP. The Company has taken advantage of the exemption available to it under section 304 of the Companies Act 2014, which permits

a company that publishes its company and group financial statements together not to present its own statement of financial activities and related notes.

Concern Worldwide is a Company Limited by Guarantee (registered number 39647), and is a registered charity (charity number CHY5745). The Company meets the definition of a Public Benefit Entity under FRS102. As a registered charity, the Company is exempt from the reporting and disclosure requirements to prepare a directors' report under section 325 (1) (c), Companies Act 2014 but does so in compliance with the Charities SORP. There is nothing to disclose in respect of directors' interests in shares or debentures of the Company under section 329, Companies Act 2014.

The presentation currency of these financial statements is Euro (€). All amounts in the financial statements have been rounded to the nearest €1,000.

## B) BASIS OF CONSOLIDATION

### Group companies

The consolidated financial statements include the financial statements of the Company and its subsidiaries, drawn up to December 31 each year.

### Branches in the developing world

The work of the Group in the developing world is carried out through branches located in the countries of operation. The branches are the local representatives of the Group. They do not have a separate legal personality and have been set up specifically to carry out the work of the Group.

### Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

### Joint arrangements

Income received and expenditure incurred by the Group and Company, as a member of a consortium arrangement, are recognised in the *Consolidated Statement of Financial Activities* only to the extent

that the organisation is responsible for the day-to-day management and utilisation of the funds.

### Affiliates

Concern Worldwide (US) Inc. is a related, though independently governed, company based in New York, USA which supports the mission of the Group by providing financial and human resources for programmes, recruiting staff and raising awareness of the Group and its mission. Concern Worldwide (US) Inc. is governed by an independent board of directors which retains full control over the financial and operating policies of the company. Concern Worldwide (US) Inc. is not controlled by the Group and therefore is not consolidated in the results of the Group.

Grants received from Concern Worldwide (US) Inc. to fund overseas projects are recognised as grants from governments and other co-funders.

## C) INCOME

Income is recognised by inclusion in the *Consolidated Statement of Financial Activities* 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

Income derived from donations and legacies is recognised when the Group becomes entitled to the resource, when receipt of funds is probable and when the amount can be measured with sufficient reliability.

Monetary donations (including donations from the public, corporations and major donors) are recognised when the donations are received.

Income arising from legacies is recognised when it becomes probable that funds 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 Group).

Income arising from tax refunds is recognised upon filing necessary returns, when relevant legislative requirements have been met and when receipt of funds is probable.

Donations from corporates, trusts and major donors are recognised on the same basis as grants from governments and other co-funders.

# Notes to the Financial Statements (continued)

## 1) ACCOUNTING POLICIES (continued)

### Charitable activities

#### Grants from governments and other co-funders

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

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

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

#### Donated commodities

Donated commodities and services provided for use by the Group as part of programmes that it designs, implements and manages, are valued and included in Income only when the Group is legally entitled to the commodities and the amounts involved can be measured with sufficient reliability.

Locally sourced donations are valued at the estimated market value in their country of origin at the time of receipt.

Donations that are sourced outside of the area in which they are distributed are valued at the estimate of open market value provided by the donor.

The full valuations of donated commodities are recognised as income from charitable activities and are expensed as charitable expenditure in the year of receipt.

### Other trading activities

Income from other trading activities includes retail income from the sale of donated goods through shops.

Donated commodities for resale (in the Group's charity shops), are recognised within retail income when they are sold.

## D) EXPENDITURE

Expenditure is analysed between charitable activities and raising funds. The costs of each activity are separately accumulated, separately 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 benefits is required in settlement and the amount of the obligation can be reliably measured.

Support costs, which cannot be attributed directly to one activity, are allocated to activities in proportion to estimated benefits received.

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 considered appropriate for each type of campaign.

### Charitable activities

Costs of charitable activities comprise costs of overseas programmes, development education, advocacy work and governance costs together with related support costs. All costs of charitable activities are recognised on an accruals basis.

Donated commodities and services for use by the Group as part of programmes it designs, implements and manages, are included as costs of charitable activities in the year in which they are received.

Expenditure in the form of grants to local partners is recognised as part of the costs of charitable activities. Expenditure on these grants is recognised when the activities the grant has funded have been undertaken, the related expenditure has been incurred and the performance conditions have been satisfied. Funds advanced which are not yet recognised as expenditure by year end are included in debtors in the Consolidated and Company balance sheets.

Governance costs represent the salaries, direct expenditure and overhead costs incurred on the strategic, as opposed to day-to-day management of the charity and on compliance with constitutional and statutory requirements. Costs related to internal audit and organisational risk management are also included in this category.

### Raising funds

Costs of raising funds comprise expenditure incurred on fundraising, including the costs of advertising, producing publications, printing and mailing fundraising material, staff costs and an appropriate allocation of support costs. All costs of raising funds are recognised on an accruals basis.

## E) FUND ACCOUNTING

The Group maintains various types of funds as follows:

### Restricted funds

Restricted funds represent income received that can only be used for particular purposes, as specified by the relevant donor. Such purposes are within the overall aims of the Group.

### Unrestricted funds

Unrestricted funds consist of General funds and Designated funds.

- (i) General funds represent amounts which are expendable at the discretion of the Group in furtherance of the objectives of the charity.
- (ii) Designated funds represent amounts that the Group has, at its discretion, set aside for specific purposes. These funds would otherwise form part of the general funds of the charity. Specifically, the Group sets aside funds to protect its ongoing programmes and activities from unexpected variations in income, to allow it to invest in new funding opportunities, to finance tangible assets for on-going use by the charity and to cover planned future deficits.

# Notes to the Financial Statements (continued)

## 1) ACCOUNTING POLICIES (continued)

### F) TANGIBLE ASSETS

Tangible assets are recognised when a resource is controlled by the Group as a result of a past event or transaction, it is probable that the expected future economic benefits associated with the asset will flow to the Group and the historical or fair value can be reliably measured.

Tangible assets (except for assets of branches in the developing world), are stated at cost less accumulated depreciation. Depreciation is calculated to write off the original cost of the tangible assets, less estimated residual value, over their expected useful lives, at the following annual rates:

Freehold premises: 3%  
Office furniture: 10%  
Office equipment: 20%  
Computer equipment: 33%  
Motor vehicles: 20%

Depreciation is charged on a straight-line basis in the year in which assets are put into use by the Group. Land is not depreciated and no depreciation is charged on assets under construction until the construction process has been completed and the assets are ready for use.

Expenditure incurred by branches in the developing world on tangible assets is included in expenditure in the year of acquisition and is not reflected in the Company or Consolidated balance sheets because they do not satisfy the criteria for recognition as an asset from which the Group derives economic benefit.

Provision is made for any impairment of tangible assets below their carrying amounts.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

### G) FOREIGN CURRENCIES

The financial statements are prepared in Euro (€), which is the Group's and Company's functional currency because the majority of funds raised by the Group are in Euro.

Transactions in foreign currencies are recorded in Euro at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the year end rate of exchange. The resulting gains and losses are dealt with as expenditure in the *Consolidated Statement of Financial Activities*.

The Group's net investment in its overseas subsidiary undertakings is translated at the rates ruling at the balance sheet date. The income and expenditure of overseas subsidiary undertakings are translated at the average exchange rates for the year. Exchange differences resulting from the retranslation of the opening balance sheets of the overseas subsidiary undertakings, together with the differences on translation of the net income/expenditure at average rates are included in other recognised gains and losses in the *Consolidated Statement of Financial Activities*.

### H) TAXATION

No current or deferred taxation arises as the Group, with the exception of Concern Charity Trading CLG, has been granted charitable exemption by the revenue authorities. Irrecoverable value added tax is expensed as incurred.

Any taxes arising in, or as a result of overseas operations are included in the cost of direct charitable activities in the *Consolidated Statement of Financial Activities*.

### I) STOCKS

Stocks comprise relief supplies held centrally for transfer to overseas operations. Stocks are stated at cost, less provisions for obsolescence and any other diminution in value. Cost is the purchase price, net of any trade discount, plus any additional costs associated with bringing the items to their current location and condition.

Unsold donated items (which have been given to the Group's charity shops) are not included in closing stock since their cost is nil and their value is uncertain until sold.

### J) BASIC FINANCIAL INSTRUMENTS

#### Investments

Investments in subsidiaries are carried in the parent company balance sheet at cost less any provision for impairment.

#### Debtors

Debtors are recognised at the settlement amount due after any discount offered. Debtors in countries of operation comprise balances arising from programme activities. Income recognised by the Group from governments and other co-funders, but not yet received at year end, is included in debtors.

#### Cash at bank and in hand

Cash at bank and in hand is comprised of cash on deposit at banks requiring less than 3 months notice of withdrawal. These are carried at amortised cost.

#### Creditors and provisions

Creditors and provisions are recognised where the Group 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. Creditors in countries of operation comprise balances arising from programme activities. Funds already received from donors, that do not meet the criteria for recognition as income, are shown in creditors.

#### Interest bearing borrowings

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost using the effective interest method.



# Notes to the Financial Statements (continued)

## 1) ACCOUNTING POLICIES (continued)

### K) PENSIONS AND OTHER RETIREMENT PROVISIONS

#### (i) Defined contribution pension scheme

A defined contribution pension scheme is a post-employment benefit scheme under which the Company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are recognised as an expense in the *Consolidated Statement of Financial Activities* in the period during which services are rendered by the employees.

#### (ii) Defined benefit pension scheme

The Company's net obligation in respect of the defined benefit pension scheme, is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. The difference between the fair value of the assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit method, is disclosed as a liability/asset in the balance sheet.

The Company determines the net interest expense/income on the net defined liability/asset for the period by applying the discount rate, as determined at the beginning of the annual period, to the net defined benefit liability/asset taking account of changes arising as a result of contributions and benefit payments.

A valuation of the scheme is performed annually by a qualified actuary using the projected unit credit method. The Group recognises net defined benefit scheme liabilities, in full, at each balance sheet date and net defined benefit scheme assets are recognised to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in the *Consolidated Statement of Financial Activities*.

Re-measurement of the net defined benefit liability/asset is recognised in *Other recognised gains and losses* in the period in which it occurs.

#### (iii) Liability in relation to incapacitated staff

For the liability in relation to incapacitated staff, the amount charged to the *Consolidated Statement of Financial Activities* is the actuarially determined cost of benefits to two ex-staff members for the year. The expected return on the investments made to cover the liabilities and the increase in these liabilities, due to the unwinding of the discount during the year, are included under the appropriate expenditure headings in the *Consolidated Statement of Financial Activities*.

The difference between the fair value of the assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit method, is disclosed as a liability/asset in the balance sheet.

#### (iv) Overseas local staff service provision

The Company recognises a liability in respect of termination benefits accruing to overseas local staff when the individual employee becomes entitled to such benefits through service. The liability is increased annually for the cost of service benefits earned during the year and that cost is charged to the *Consolidated Statement of Financial Activities*. Payments of service benefits are charged to the provision as they arise.

### L) LEASES

Income and expenditure from operating lease rentals are credited/charged to the Group and Company statement of financial activities on a straight-line basis over the life of the lease terms.

## Notes to the Financial Statements (continued)

### 2 INCOME

#### (a) Donations and legacies

	2017	2016
	€'000	€'000
Individual giving	28,426	27,728
Legacies	4,204	2,830
Corporates, major donors and trusts	4,427	4,185
Community fundraising	1,129	1,109
Disaster Emergency Committee (DEC) (Note 23)	1,616	327
<b>Total</b>	<b>39,802</b>	<b>36,179</b>

Concern Worldwide (UK) is a member of the Disaster Emergency Committee (DEC), which is an umbrella organisation for UK international charities. It conducts advertising and public appeals for funds on behalf of its members. See Note 23 Related Party Disclosures.

In 2017 €12.1 million (2016: €8.2 million) of incoming resources from donations and legacies was restricted.

#### (b) Charitable activities: grants from governments and other co-funders

	2017	2016
	€'000	€'000
Irish Government		
- Irish Aid Programme Funding (IAPF)	19,893	19,188
- Other grants	6,987	5,016
European Union	30,538	28,639
British Government	27,560	22,587
Concern Worldwide (US) Inc. (including US Government) (Note 23)	24,478	29,167
UN Agencies	14,587	14,527
Canadian Government	3,161	1,778
German Government	2,544	1,742
World Bank	1,166	1,516
Other Governments	931	353
Swiss Government	686	735
Swedish Government	153	889
Jersey Overseas Aid	115	468
Other co-funders	3,159	2,518
<b>Total</b>	<b>135,958</b>	<b>129,123</b>

In 2017 €136 million (2016: €128.4 million) of incoming resources from governments and other co-funders was restricted.

## Notes to the Financial Statements (continued)

### 2 INCOME (continued)

#### (c) Charitable activities: donated commodities

Donor	Commodity received	Country or Organisation	2017 €'000	2016 €'000
World Food Programme	Foodstuffs	United Nations	8,012	9,438
United Nations Children's Fund	Foodstuffs	United Nations	2,520	2,734
International Organisation for Migration	Cooking utensils and accommodation materials	United Nations	2,249	1,087
Department for International Development (DFID)	Foodstuffs and medical supplies	United Kingdom	995	-
Food and Agriculture Organisation	Seeds, tools and cash vouchers	United Nations	823	488
United Nations High Commissioner for Refugees	Shelter kits, foodstuffs and fuel	United Nations	488	539
Irish Aid	Tents, blankets, cooking utensils and hygiene kits	Ireland	356	52
ECHO (European Commission)	Flights	European Union	22	64
Action Contre la Faim International	Accommodation materials	France	10	3
Global Alliance for Improved Nutrition	Foodstuffs	Switzerland	-	219
Save the Children International	Seeds and mobile phones	USA	-	34
Office of U.S. Foreign Disaster Assistance	Foodstuffs	USA	-	3,089
Other donors	Various	Various	3	74
<b>Total</b>			<b>15,478</b>	<b>17,821</b>

In 2017 and 2016 all donated commodities received were restricted.

#### (d) Other trading activities

	2017 €'000	2016 €'000
Trading income	78	37
Income from letting premises	47	94
<b>Total</b>	<b>125</b>	<b>131</b>

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

#### (e) Investments and other income

	2017 €'000	2016 €'000
Deposit interest	107	87
Other income	144	191
<b>Total</b>	<b>251</b>	<b>278</b>

In 2017 €0.02 million (2016: €0.02 million) of deposit interest was restricted. All other income was unrestricted in the current and prior year.



## Notes to the Financial Statements (continued)

### 3 EXPENDITURE

#### (a) Charitable activities

Expenditure on charitable activities can be analysed by programme type as shown below. Integrated programming reflects activities that achieve results in more than one programme type.

Programme	Own work	Grants to partners	Distribution of donated commodities	Total direct	Support (Note 3(d))	Total 2017	Total 2016
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Health and nutrition	16,390	2,595	-	18,985	1,178	20,163	28,449
Education	3,085	382	-	3,467	254	3,721	9,418
Livelihoods	10,237	4,271	-	14,508	990	15,498	28,355
Integrated programming	15,384	4,678	-	20,062	1,361	21,423	26,913
Emergency	82,875	2,510	15,478	100,863	4,421	105,284	69,519
<b>Total overseas programmes</b>	<b>127,971</b>	<b>14,436</b>	<b>15,478</b>	<b>157,885</b>	<b>8,204</b>	<b>166,089</b>	162,654
Development education and advocacy	3,118	148	-	3,266	428	3,694	3,782
Governance costs (Note 3 (b))	263	-	-	263	678	941	902
<b>Total</b>	<b>131,352</b>	<b>14,584</b>	<b>15,478</b>	<b>161,414</b>	<b>9,310</b>	<b>170,724</b>	167,338
<b>Total 2016</b>	122,216	19,163	17,821	159,200	8,138		167,338

Further details of grants to partners are set out in Appendix 3.

#### (b) Governance costs

	Direct	Support (Note 3(d))	Total 2017	Total 2016
	€'000	€'000	€'000	€'000
Staff costs	143	307	450	410
Legal and professional fees	99	83	182	179
Office and other costs	21	288	309	313
<b>Total</b>	<b>263</b>	<b>678</b>	<b>941</b>	902
<b>Total 2016</b>	274	628		902

#### (c) Raising funds

	Campaigns	Staff	Occupancy & other direct	Total direct	Support (Note 3(d))	Total 2017	Total 2016
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Individual giving	3,518	3,898	2,213	9,629	1,002	10,631	9,876
Legacies	35	-	43	78	9	87	106
Corporates, major donors and trusts	83	562	202	847	82	929	1,250
Community fundraising	190	260	84	534	63	597	749
Retail	4	46	47	97	2	99	94
<b>Total</b>	<b>3,830</b>	<b>4,766</b>	<b>2,589</b>	<b>11,185</b>	<b>1,158</b>	<b>12,343</b>	12,075
<b>Total 2016</b>	3,018	5,054	2,851	10,923	1,152		12,075

## Notes to the Financial Statements (continued)

### 3 EXPENDITURE (continued)

#### (d) Support costs

Where support costs are attributable to a particular activity the costs are allocated directly to that activity. 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 which each activity absorbs. The allocation of the main types of support costs is detailed below.

	Charitable activities			Cost of raising funds	Total 2017	Total 2016
	Overseas programmes	Development education and advocacy	Governance			
	€'000	€'000	€'000	€'000	€'000	€'000
Overseas programme management	2,599	-	-	-	2,599	2,567
Overseas programme technical support	1,010	164	11	-	1,185	1,274
Finance	797	79	204	298	1,378	988
Information & communication technology and other services	926	8	241	249	1,424	1,358
Human resources	989	-	12	242	1,243	1,433
Other support costs	393	177	81	78	729	781
<b>Subtotal</b>	<b>6,714</b>	<b>428</b>	<b>549</b>	<b>867</b>	<b>8,558</b>	<b>8,401</b>
Net exchange loss	1,490	-	129	291	1,910	1,704
Impairment reversal on tangible assets	-	-	-	-	-	(815)
<b>Total support costs</b>	<b>8,204</b>	<b>428</b>	<b>678</b>	<b>1,158</b>	<b>10,468</b>	<b>9,290</b>
<b>Total 2016</b>	<b>7,042</b>	<b>468</b>	<b>628</b>	<b>1,152</b>		<b>9,290</b>

Net exchange loss comprises the revaluations of the Group's foreign currency bank accounts and other monetary assets and liabilities during the year and as at the balance sheet date.

### 4 OTHER INFORMATION

	2017	2016
	€'000	€'000
The net income for the year is stated after charging/(crediting) the following items:		
<b>(a) Group</b>		
Depreciation of tangible assets	483	495
Impairment reversal on tangible assets	-	(815)
Auditors' remuneration, including expenses - Group:		
Audit of the Group and subsidiary financial statements	83	83
Other assurance and advisory services	21	26
Income from letting premises	(47)	(94)
Reimbursement of expenses claimed by members of the Board	5	4
Payments under operating leases for premises used by the Group	144	117
Interest payable on bank loan	46	90
<b>(b) Company</b>		
Depreciation of tangible assets	441	453
Impairment reversal on tangible assets	-	(815)
Auditors' remuneration - Company:		
Audit of Company only financial statements	65	65
Other assurance and advisory services	21	26
Interest payable on bank loan	46	90

## Notes to the Financial Statements (continued)

### 5 TAXATION

There is no charge to taxation in respect of the parent company and its subsidiaries. Other than Concern Charity Trading CLG, companies within the Group have been granted charitable exemption by the revenue authorities.

Concern Charity Trading CLG does not enjoy charitable exemption and is liable to corporation tax. A tax charge did not arise in respect of the year ended December 31, 2017 (2016: Nil).

### 6 STAFF COSTS

#### (a) Costs and numbers

The aggregate staff costs of the persons employed by the Group during the year were as follows:

	2017	2016
	€'000	€'000
<b>Management and support staff (Ireland, Republic of Korea and UK)</b>		
Wages and salaries	12,518	13,082
Social protection costs	1,257	1,259
Pension costs (i)	1,086	1,051
<b>Subtotal</b>	<b>14,861</b>	<b>15,392</b>
<b>Project staff in countries of operation</b>		
Wages and salaries	28,554	28,747
Social protection costs	2,110	2,875
Local staff cessation benefits	835	1,916
<b>Subtotal</b>	<b>31,499</b>	<b>33,538</b>
<b>Total</b>	<b>46,360</b>	<b>48,930</b>

- (i) Pension costs include employer contributions to the defined contribution pension scheme amounting to €0.6 million (2016: €0.8 million) (see Note 15(1)), and the cost of insurance policies that provide benefits in the event of the death or ongoing incapacity of staff members amounting to €0.4 million (2016: €0.3 million).

The average number of employees is as follows:

	2017	2016
	No. employees	No. employees
Management and support staff (Ireland, Republic of Korea and UK)	341	344
Project staff in countries of operation	3,019	3,631
<b>Total</b>	<b>3,360</b>	<b>3,975</b>

#### (b) Salary range

A total of 34 employees (2016: 34) earned remuneration in excess of €60,000 in 2017 as follows:

	2017	2016
	No. employees	No. employees
€60,001 to €70,000	14	18
€70,001 to €80,000	11	5
€80,001 to €90,000	6	7
€90,001 to €100,000	3	4

## Notes to the Financial Statements (continued)

### 6 STAFF COSTS (continued)

Remuneration includes salaries and any benefits in kind but excludes employer pension scheme contributions.

There were no employees whose remuneration was greater than €60,000 to whom retirement benefits were accruing under defined benefit pension schemes in 2017 (2016: Nil).

Contributions of between 7.5% and 12% of salary were made by the Company to the defined contribution pension scheme for 34 (2016: 34) members of staff who earned in excess of €60,000.

The Group has a remuneration policy that has been agreed by its remuneration committee as delegated by the Board. This policy states that the Group seeks to be competitive with its peers in each of the markets in which it operates. As a general principle, this means the Group pitches 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.

Remuneration, including pension contributions, paid to the key management team of the Group (the Executive Management Team as detailed on page 7) in 2017 amounted to €856,917 (2016: €949,437).

The Group's CEO, Dominic MacSorley, was paid a salary of €99,990 (2016: €99,740) and received a 9% contribution to a defined contribution pension scheme. He received no additional benefits in the current or prior year.

#### (c) Remuneration of Board members

None of the members of the Board received remuneration for their services. Expenses, incurred in travelling to meetings of the parent and subsidiary boards, that were reimbursed to 9 members (2016: 7) amounted to €5,089 (2016: €4,187).

The Group has a programme in place whereby Board members periodically visit a country of operation to ensure that they are familiar with the Group's work on the ground. The costs of these visits (which comprise medicals, visas, economy flights and basic accommodation), are generally borne by the Group and in 2017 amounted to €16,865 (2016: €11,143) for 9 members (2016: 8).



## Notes to the Financial Statements (continued)

### 7 TANGIBLE ASSETS

<b>TANGIBLE ASSETS - GROUP</b>	<b>Land &amp; Office furniture freehold premises &amp; equipment</b>	<b>Computer equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
<b>Cost</b>				
At beginning of year	19,200	1,140	1,508	21,898
Additions in year	72	139	-	364
Exchange difference	(11)	(14)	-	(39)
<b>At end of year</b>	<b>19,261</b>	<b>1,265</b>	<b>1,647</b>	<b>22,223</b>
<b>Depreciation</b>				
At beginning of year	3,802	906	1,429	6,156
Depreciation charge for year	308	64	103	483
Exchange difference	(6)	(10)	-	(28)
<b>At end of year</b>	<b>4,104</b>	<b>960</b>	<b>1,520</b>	<b>6,611</b>
<b>Net book value</b>				
<b>At December 31, 2017</b>	<b>15,157</b>	<b>305</b>	<b>127</b>	<b>15,612</b>
<b>At December 31, 2016</b>	15,398	234	79	15,742

The offices at 23-25 Grantham Street, Dublin 8 are part financed by a loan that is secured by the property - see Note 13.

The Board is satisfied that the service potential of all tangible assets held by the Group at December 31, 2017 has not diminished below their carrying value.

<b>TANGIBLE ASSETS - COMPANY</b>	<b>Land &amp; Office furniture freehold premises &amp; equipment</b>	<b>Computer equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
<b>Cost</b>				
At beginning of year	18,906	718	1,124	20,798
Additions in year	-	66	-	215
<b>At end of year</b>	<b>18,906</b>	<b>784</b>	<b>1,273</b>	<b>21,013</b>
<b>Depreciation</b>				
At beginning of year	3,642	637	1,054	5,352
Depreciation charge for year	297	37	99	441
<b>At end of year</b>	<b>3,939</b>	<b>674</b>	<b>1,153</b>	<b>5,793</b>
<b>Net book value</b>				
<b>At December 31, 2017</b>	<b>14,967</b>	<b>110</b>	<b>120</b>	<b>15,220</b>
<b>At December 31, 2016</b>	15,264	81	70	15,446

The offices at 23-25 Grantham Street, Dublin 8 are part financed by a loan that is secured by the property - see Note 13.

The Board is satisfied that the service potential of all tangible assets held by the Company at December 31, 2017 has not diminished below their carrying value.

## Notes to the Financial Statements (continued)

### 8 INVESTMENTS

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Investment in subsidiary	-	-	391	391
<b>Total</b>	-	-	391	391

Refer to note 20(c) for details of subsidiary investment.

### 9 STOCK

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Stock	136	178	136	178
<b>Total</b>	136	178	136	178

In the opinion of the Board, the replacement cost of stock on hand at the year end did not differ materially from the carrying value.

### 10 DEBTORS AND PREPAYMENTS

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Amounts due from governments and other co-funders	16,961	23,812	12,993	17,996
Debtors and prepayments in countries of operation	3,121	3,287	3,121	3,287
Other debtors and prepayments	1,116	1,860	224	1,035
Amounts due from subsidiaries (i)	-	-	2,518	-
Deposit interest receivable	10	10	10	10
<b>Total</b>	21,208	28,969	18,866	22,328

(i) The amounts due from the subsidiaries is comprised of operational expenses paid on behalf of the subsidiaries by the parent company.

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

## Notes to the Financial Statements (continued)

### 11 CASH AT BANK AND IN HAND

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Funds held in parent and subsidiary companies	17,641	8,004	13,287	6,586
Funds held in countries of operation	5,282	4,937	5,282	4,937
Short term deposits of parent company	31,858	38,242	31,858	38,242
<b>Total</b>	<b>54,781</b>	<b>51,183</b>	<b>50,427</b>	<b>49,765</b>

All funds held in parent and subsidiary companies are held with banks that have a satisfactory credit rating as approved by the Board. Cash holdings which are not immediately required for operations are invested in short term interest bearing deposits. All of these deposits are held at variable interest rates and are repayable within 90 days. There are no material differences between the fair value of these deposits and their carrying value owing to their short term duration. At December 31, 2017 the deposits were held in the following currencies: Euro €20.5 million (2016: €10.8 million), US Dollar \$9.5 million (2016: \$15.2 million) and Sterling £3 million (2016: £11.1 million). The average interest rates applicable to these deposits at December 31, 2017 were in Euro deposits 0.07% (2016: 0.04%), in US Dollar deposits 1.03% (2016: 0.5%) and in Sterling deposits 0.48% (2016: 0.32%).

Funds held overseas are maintained in the most secure financial institutions available in countries of operation. All of the above funds are available for immediate use by the Group.

The risk arising from concentration of investments is reduced by limits on amounts held with individual banks or institutions at any one time.

Restricted funds of €6.3 million (2016: €4.9 million) (see Note 16(a)) are included in the deposits set out above. Restricted funds of the Company of €4.6 million (2016: €3.4 million) (see Note 16(b)) are included in the deposits set out above. Included in the funds held in parent and subsidiary companies is €0.1 million (2016: €3.3 million) in respect of joint arrangements - see Note 21.

### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Amounts advanced from governments and other co-funders	12,853	20,671	10,879	18,878
Trade creditors and accruals in countries of operation	8,304	7,432	8,304	7,432
Other trade creditors and accruals	2,723	5,621	2,148	2,862
Bank overdraft (i)	3	3	-	-
Bank loan (see Note 13)	663	601	663	601
Amount due to subsidiaries	-	-	-	2,258
<b>Total</b>	<b>24,546</b>	<b>34,328</b>	<b>21,994</b>	<b>32,031</b>

(i) The bank overdraft is repayable on demand.

## Notes to the Financial Statements (continued)

### 13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Bank loan	2,152	2,857	2,152	2,857
<b>Total</b>	<b>2,152</b>	<b>2,857</b>	<b>2,152</b>	<b>2,857</b>

In 2008, the Group obtained a loan from its bankers for an original sum of €8.0 million in order to finance the purchase and renovation of a building adjacent to its existing head office. €3.0 million of the bank loan was fixed at an interest rate of 3.03% for a five year period which ended during the year. The remainder of the loan attracts an interest charge, based on the Bank of Ireland cost of funds rate plus a fixed margin of 0.59% per annum. The average interest rate paid on the loan for 2017 was 1.45% (2016: 2.38%). The loan is repayable over 240 months by way of monthly instalments, which commenced on August 11, 2008. This loan is secured by a fixed charge over the property at 23-25 Grantham Street, Dublin 8. The portion of the loan repayable within 1 year is disclosed under Note 12 - *Creditors: Amounts falling due within one year*.

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

	Group			Company		
	Opening balance	Movement during the year	Closing balance	Opening balance	Movement during the year	Closing balance
	2017	2017	2017	2017	2017	2017
	€'000	€'000	€'000	€'000	€'000	€'000
Amounts due from governments and other co-funders	23,812	(6,851)	16,961	17,996	(5,003)	12,993
Amounts advanced from governments and other co-funders	(20,671)	7,818	(12,853)	(18,878)	7,999	(10,879)
<b>Total</b>	<b>3,141</b>	<b>967</b>	<b>4,108</b>	<b>(882)</b>	<b>2,996</b>	<b>2,114</b>

	Group	Company
	2017	2017
	€'000	€'000
<b>Analysis of movement</b>		
Cash received during the year (i)	(138,537)	(105,341)
Income earned during the year (ii)	139,624	108,337
Exchange rate movement	(120)	-
<b>Total</b>	<b>967</b>	<b>2,996</b>

Amounts receivable from donors, that meet the criteria for recognition as income, are included in amounts due from governments and other co-funders (see Note 10). Amounts received from donors, that do not yet qualify for recognition as income, are included in amounts advanced from governments and other co-funders until the recognition criteria are met (see Note 12).

- (i) Cash received during the year includes €10.7 million (2016: €16.6 million) which did not meet the criteria for recognition as income, has been deferred to future years and is included in Amounts advanced from governments and other co-funders in the balance sheet at year end.
- (ii) Income earned during the year includes €18.5 million (2016: €18.3 million) which was deferred in previous years and met the criteria for recognition as income in the current year.



## Notes to the Financial Statements (continued)

### 15 STAFF RETIREMENT ARRANGEMENTS

The Group and Company operate staff retirement arrangements for staff based in Ireland and the UK, ex-staff who receive benefits due to incapacitation related to their work with the Group and local staff based in overseas countries of operation.

The current arrangements are as follows:

#### (1) Defined contribution pension scheme

The Company operates defined contribution pension schemes for all qualifying members of current staff in Ireland and the UK. The contributions are paid into separate funds, the assets of which are invested by independent trustees.

The defined contribution pension scheme charge for 2017 was €0.6 million (2016: €0.8 million) all of which related to employees in Ireland and the UK. In line with the Group's allocation basis, pension costs which are attributable to a particular activity are allocated directly to that activity. Where pension costs are incurred to further more than one activity they are apportioned between the relevant activities based on the amount of staff time which each activity absorbs.

At December 31, 2017 an accrual of €0.1 million (2016: €0.1 million), in respect of contributions to this scheme is included in creditors and does not form part of the staff retirement liabilities provision, all of this accrual relates to the parent company.

#### (2) Defined benefit pension scheme and other pension arrangements

At the balance sheet date, the net obligation or surplus in relation to the defined benefit scheme and other pension arrangements are as follows:

<b>Assets</b>	<b>Group &amp; Company</b>	
	<b>2017</b>	<b>2016</b>
	<b>€'000</b>	<b>€'000</b>
Surplus on defined benefit pension scheme (see (a) below)	<b>2,000</b>	1,021
<b>Total</b>	<b>2,000</b>	1,021

<b>Liabilities</b>	<b>Group &amp; Company</b>	
	<b>2017</b>	<b>2016</b>
	<b>€'000</b>	<b>€'000</b>
<b>Funded</b>		
Liability for incapacitated staff benefits (see (b) below)	<b>(111)</b>	(158)
<b>Unfunded</b>		
Liability for overseas local staff service provision (see (c) below)	<b>(3,589)</b>	(5,433)
<b>Total</b>	<b>(3,700)</b>	(5,591)

## Notes to the Financial Statements (continued)

### 15 STAFF RETIREMENT ARRANGEMENTS (continued)

The movement in the net obligation or surplus on these arrangements during the year was as follows:

	Defined benefit pension scheme	Scheme for incapacitated staff	Overseas local staff service provision	Total 2017	Total 2016
	€'000	€'000	€'000	€'000	€'000
<b>Balance at beginning of year</b>	1,021	(158)	(5,433)	<b>(4,570)</b>	(3,298)
Current service costs	-	-	(835)	<b>(835)</b>	(1,916)
Net interest income/(cost)	21	(4)	-	<b>17</b>	48
Net actuarial gain/(loss)	616	28	-	<b>644</b>	(1,284)
Contributions paid during the year	342	23	2,679	<b>3,044</b>	1,880
<b>Balance at end of year</b>	<b>2,000</b>	<b>(111)</b>	<b>(3,589)</b>	<b>(1,700)</b>	(4,570)

Amounts included as expenditure on staff retirement arrangements in the *Consolidated Statement of Financial Activities* for the year were €0.8 million, all of which was categorised as *Expenditure on Charitable Activities* (given the composition of the scheme's membership). This represented a credit of €0.02 million for the defined benefit pension scheme, a charge of €0.004 million for the liability for incapacitated staff and a charge of €0.8 million in relation to the overseas local staff service provision.

An actuarial gain of €0.64 million was credited to *Other recognised gains and losses*. This represented a gain of €0.61 million for the defined benefit pension scheme and a gain of €0.03 million for the liability for incapacitated staff.

#### (a) Defined benefit pension scheme

The Company operates a defined benefit pension scheme, providing benefits based on pensionable salary as at March 31, 2009. This scheme was closed to new members in 1993 and any staff who were still members moved to the defined contribution pension scheme in 2009. As a result of these changes no current or future benefits are being accrued under the defined benefit pension scheme. The scheme continues however, to provide life assurance benefits to staff, based on their annual salaries during their period of scheme membership.

The scheme failed to meet the minimum funding standard in 2009 and as a result a revised funding proposal was put in place during that year which provides for the Company to make additional annual contributions of €0.2 million per annum in addition to maintaining its existing contribution rate of 25% of revalued pensionable salaries as at March 31, 2009 until October 31, 2018. The most recent full valuation of the scheme was as at January 1, 2016 by a qualified independent actuary.

The present value of the defined benefit obligation at the reporting date is less than the fair value of the scheme assets at that date and therefore the scheme has a surplus. The board is satisfied that this surplus is recoverable by the Group through refunds from the scheme or through reduced contributions in the future.

#### (i) Financial assumptions

The main financial assumptions used to calculate the retirement benefit liabilities were as follows:

	2017	2016
	Projected unit method	Projected unit method
Valuation method		
Discount rate for scheme liabilities	1.70%	1.75%
Inflation rate	1.75%	1.65%
Rate of increase to pensions in payment	1.75%	1.65%

The valuation uses 108% of PNXL00 mortality table for current employees and retired members which allows for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows: male 23.3 years (2016: 23.1 years) and female 24.5 years (2016: 24.4 years).

Assumptions relating to future salary increases are not applicable in 2017 as, with effect from March 31, 2009, there are no future benefits accruing.

If the life expectancy of members was increased by one year, the value of the reported surplus at December 31, 2017 would have decreased by €0.5 million (2016: €0.5 million).

## Notes to the Financial Statements (continued)

### 15 STAFF RETIREMENT ARRANGEMENTS (continued)

The impact of a movement of 0.25% in the discount rate, price inflation assumption and the impact of allowing for an additional year of life expectancy are set out in the table below:

Assumption	Base Value	Change in Assumption	Liability	Increase/ (decrease) on scheme liabilities	% increase/ (decrease) on scheme liabilities
			€'000	€'000	%
Discount rate	1.70%	+0.25%	12,499	(541)	-4.1%
		-0.25%	13,612	572	4.4%
Price inflation	1.75%	+0.25%	13,572	532	4.1%
		-0.25%	12,534	(506)	-3.9%
Mortality	88/89 Years	Member assumed to live one extra year	13,524	484	3.7%

#### (ii) Valuation

The scheme assets are stated at their fair value at each balance sheet date. The present value of the liability to meet future pension payments is arrived at by applying a discount rate equivalent to the rate of return expected to be derived from a Class AA Eurozone corporate bond.

Using these bases, the valuation at December 31, 2017 was as follows:

	2017	2016
	€'000	€'000
Bonds	12,781	7,791
Cash	2,081	3,513
Equities	-	3,485
Property	178	169
<b>Total fair value of pension scheme assets</b>	<b>15,040</b>	<b>14,958</b>
Present value of pension scheme liabilities	(13,040)	(13,937)
<b>Net surplus in defined benefit pension scheme</b>	<b>2,000</b>	<b>1,021</b>

#### (iii) Movement in fair value of scheme assets

	2017	2016
	€'000	€'000
Opening fair value of scheme assets	14,958	13,799
Interest income	259	359
Actuarial gain on assets	168	755
Employer contributions	342	356
Net benefits paid	(687)	(311)
<b>Closing fair value of scheme assets</b>	<b>15,040</b>	<b>14,958</b>
<b>Actual return on pension scheme assets</b>	<b>427</b>	<b>1,114</b>

## Notes to the Financial Statements (continued)

### 15 STAFF RETIREMENT ARRANGEMENTS (continued)

#### (iv) Movement in present value of scheme liabilities

	2017	2016
	€'000	€'000
Opening present value of scheme liabilities	(13,937)	(11,925)
Interest expense	(238)	(306)
Net benefits paid	687	311
Actuarial gain/(loss) on liabilities	448	(2,017)
<b>Closing present value of scheme liabilities</b>	<b>(13,040)</b>	<b>(13,937)</b>

#### (b) Liability for incapacitated staff

The Company pays ongoing benefits to two ex-staff members who became incapacitated while working overseas. The Company believes that it has a moral and constructive obligation to continue to make these payments for as long as they are needed and, as a result, it has recognised the related liability.

The Company made investments to fund the liability to the incapacitated staff and these were transferred into a discretionary trust for the benefit of the relevant individuals in 2007.

An updated actuarial assessment of the liabilities to the incapacitated staff was carried out using the projected unit method at December 31, 2017 by AON Hewitt on behalf of the Company.

#### (i) Financial assumptions

The main financial assumptions used to calculate the liability for incapacity benefits payable were as follows:

	2017	2016
Rate of increase in benefits in payment	1.75%	1.65%
Inflation rate	1.75%	1.65%
Discount rate for liabilities - Euro €	1.60%	1.70%
Discount rate for liabilities - Stg £	2.50%	2.70%

In addition it has been assumed that the beneficiaries will enjoy a normal lifespan of 89 years. They are currently aged 53 and 64 years.

#### (ii) Valuation

The assets are stated at their fair value at each balance sheet date. The present value of the liability to meet future payments is arrived at by applying a discount rate equivalent to the rate of return expected to be derived from a Class AA corporate bond.

Using these bases the valuation at December 31, 2017 was as follows:

	2017	2016
	€'000	€'000
Property	477	433
Other	105	107
<b>Total market value of incapacitated staff arrangement assets</b>	<b>582</b>	<b>540</b>
Present value of liabilities	(693)	(698)
<b>Net deficit in incapacitated staff arrangement</b>	<b>(111)</b>	<b>(158)</b>



## Notes to the Financial Statements (continued)

### 15 STAFF RETIREMENT ARRANGEMENTS (continued)

#### (iii) Movement in fair value of arrangement assets

	2017	2016
	€'000	€'000
Opening fair value of arrangement assets	540	508
Interest income	14	18
Actuarial gains on assets	28	14
Employer contributions	23	25
Benefits paid	(23)	(25)
<b>Closing fair value of arrangement assets</b>	<b>582</b>	<b>540</b>
<b>Actual return on arrangement assets</b>	<b>42</b>	<b>32</b>

#### (iv) Movement in the present value of arrangement liabilities

	2017	2016
	€'000	€'000
Opening present value of arrangement liabilities	(698)	(664)
Interest expense	(18)	(23)
Net benefits paid for the year	23	25
Actuarial losses on liabilities	-	(36)
<b>Closing present value of arrangement liabilities</b>	<b>(693)</b>	<b>(698)</b>

#### (c) Overseas local staff service provision

In most of its overseas operations, the Company has either a legal or constructive obligation to pay service benefits to national staff on cessation of their employment. While the precise obligation varies from country to country, it typically requires that the amount payable be based on terminal salary and length of service. The Company provides for the full benefits accrued to existing staff at each balance sheet date. The provision is unfunded and represents the Company's best estimate of service benefits earned.

#### Movement in unfunded liabilities

	2017	2016
	€'000	€'000
Liability at beginning of year	(5,433)	(5,016)
Current service costs	(835)	(1,916)
Benefits paid during the year	2,680	1,499
<b>Unfunded liability at end of year</b>	<b>(3,588)</b>	<b>(5,433)</b>

## Notes to the Financial Statements (continued)

### 16 FUNDS

#### (a) Reconciliation of funds - Group

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	€'000	€'000	€'000	€'000
<b>Total funds of the charity at beginning of year</b>	49,462	4,855	<b>54,317</b>	52,370
<b>Movement in funds</b>				
Net income for the year	6,944	1,603	<b>8,547</b>	4,119
Exchange loss on consolidation of foreign subsidiaries	(53)	(116)	<b>(169)</b>	(888)
Actuarial gain/(loss) on staff retirement arrangements	644	-	<b>644</b>	(1,284)
<b>Net movement in funds for the year</b>	<b>7,535</b>	<b>1,487</b>	<b>9,022</b>	1,947
<b>Charity funds at end of year</b>	<b>56,997</b>	<b>6,342</b>	<b>63,339</b>	54,317

The funds held by the Group at the balance sheet date are made up as follows:

	Subsidiaries	Company	Total 2017	Total 2016
	€'000	€'000	€'000	€'000
Unrestricted funds	2,398	54,599	<b>56,997</b>	49,462
Restricted funds	1,747	4,595	<b>6,342</b>	4,855
<b>Total</b>	<b>4,145</b>	<b>59,194</b>	<b>63,339</b>	54,317

#### (b) Reconciliation of funds - Company

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	€'000	€'000	€'000	€'000
<b>Total funds of the charity at beginning of year</b>	45,198	3,452	<b>48,650</b>	46,026
<b>Movement in funds</b>				
Net income for the year	8,757	1,143	<b>9,900</b>	3,908
Actuarial gain/(loss) on staff retirement arrangements	644	-	<b>644</b>	(1,284)
<b>Net movement in funds for the year</b>	<b>9,401</b>	<b>1,143</b>	<b>10,544</b>	2,624
<b>Charity funds at end of year</b>	<b>54,599</b>	<b>4,595</b>	<b>59,194</b>	48,650

## Notes to the Financial Statements (continued)

### 16 FUNDS (continued)

#### (c) Movements in funds

The movements in funds classified in accordance with the Group accounting policies are as follows:

	Notes	Balance at January 1, 2017	Income	Expenditure	Other recognised gains and losses	Exchange gains/ (losses)	Transfers	Balance at December 31, 2017
		€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Restricted funds</b>								
Afghanistan		6	3,849	(3,830)	-	-	-	25
Bangladesh		24	5,219	(4,432)	-	(4)	-	807
Burundi & Rwanda		-	2,904	(2,745)	-	1	-	160
Central African Republic		1	4,234	(4,234)	-	-	-	1
Chad		220	2,876	(2,979)	-	(5)	-	112
Democratic People's Republic of Korea		11	1,114	(1,125)	-	-	-	-
Democratic Republic of Congo		210	6,319	(6,106)	-	(5)	-	418
Ethiopia		273	10,420	(10,416)	-	(4)	-	273
Haiti		155	2,540	(2,692)	-	(3)	-	-
Kenya		48	4,157	(3,770)	-	(5)	-	430
Lebanon		295	9,545	(9,739)	-	(1)	-	100
Liberia		1	2,414	(2,036)	-	(6)	-	373
Malawi		99	3,951	(3,654)	-	(10)	-	386
Mozambique		1	3,320	(3,320)	-	-	-	1
Nepal		1,980	336	(1,443)	-	(21)	-	852
Niger		147	3,285	(3,431)	-	(1)	-	-
Pakistan		18	8,947	(8,964)	-	-	-	1
Philippines		14	1	-	-	-	-	15
Republic of Sudan		65	5,945	(5,517)	-	(1)	-	492
Sierra Leone		417	3,542	(3,835)	-	(20)	-	104
Somalia		53	23,846	(23,267)	-	(1)	-	631
South Sudan		-	22,427	(21,934)	-	(26)	-	467
Syria/Iraq		76	5,278	(5,264)	-	1	-	91
Turkey		424	12,458	(12,642)	-	-	-	240
Tanzania		-	2	(2)	-	-	-	-
Uganda		4	2,638	(2,642)	-	-	-	-
Yemen		49	413	(303)	-	(3)	-	156
Zambia		72	2,183	(2,251)	-	(2)	-	2
Other projects & funded HQ support costs		192	9,454	(9,441)	-	-	-	205
<b>Total restricted funds</b>	(i)	<b>4,855</b>	<b>163,617</b>	<b>(162,014)</b>	<b>-</b>	<b>(116)</b>	<b>-</b>	<b>6,342</b>
<b>Unrestricted funds</b>								
General funds	(ii)	2,892	27,997	(21,053)	644	(53)	(10,198)	229
Designated funds:	(iii)							
Planned budget deficit		1,383	-	-	-	-	(833)	550
Tangible assets		12,094	-	-	-	-	3,816	15,910
Programme continuity fund		30,653	-	-	-	-	4,244	34,897
Potential loss of assets fund		500	-	-	-	-	-	500
Fundraising investment fund		1,940	-	-	-	-	2,971	4,911
<b>Total unrestricted funds</b>		<b>49,462</b>	<b>27,997</b>	<b>(21,053)</b>	<b>644</b>	<b>(53)</b>	<b>-</b>	<b>56,997</b>
<b>Total funds</b>	(iv)	<b>54,317</b>	<b>191,614</b>	<b>(183,067)</b>	<b>644</b>	<b>(169)</b>	<b>-</b>	<b>63,339</b>

## Notes to the Financial Statements (continued)

### 16 FUNDS (continued)

The funds carried forward at December 31, 2017 are:

#### Restricted funds

- (i) Restricted funds represent income received that can only be used for particular purposes specified by donors. Such purposes are within the overall aims of the Group. It is the Group's policy to fully apply such funds for the purposes for which they were donated as quickly as possible.

#### Unrestricted funds

- (ii) General unrestricted funds are for use at the discretion of the Board in furtherance of the objectives of the Group.
- (iii) Designated funds represent amounts that the Group has at its discretion set aside for specific purposes, which would otherwise form part of the general funds of the Group. At the end of 2017 funds had been designated for specific purposes as follows:
- Funds set aside to cover the expected deficit on unrestricted funds in 2018.
  - The carrying value of tangible assets for use by the Group less associated bank debt.
  - The net amount that the Board has agreed to be set aside to ensure that it can protect its ongoing programme of work from unexpected variances in income.
  - Funds set aside to cover the potential loss of assets in our overseas programmes.
  - Amounts set aside to finance investment in new fundraising opportunities.

The Group's policy is to only retain sufficient reserves to safeguard the continuity of its operations, thereby committing the maximum possible resources to its current programmes. The Board reviews the level of reserves held periodically. The last review was done in conjunction with the approval of the 2018 budget. At that time it was agreed that the restricted reserves should be utilised as soon as reasonably possible, and that the 2018 expenditure plans were not expected to move the Group's unrestricted reserves from the 2017 levels, which were felt to be adequate.

#### Analysis of net assets between funds

- (iv) Analysis of Group net assets between funds

	Restricted Funds	Unrestricted Funds	Total Funds
	€'000	€'000	€'000
Fund balances at December 31, 2017 are represented by:			
Tangible assets	-	15,612	15,612
Surplus on defined benefit pension scheme	-	2,000	2,000
Current assets	6,487	69,638	76,125
Current liabilities	(145)	(24,401)	(24,546)
Creditors: amounts falling due after more than one year	-	(2,152)	(2,152)
Staff retirement liabilities	-	(3,700)	(3,700)
<b>Total</b>	<b>6,342</b>	<b>56,997</b>	<b>63,339</b>

Analysis of Company net assets between funds

	Restricted Funds	Unrestricted Funds	Total Funds
	€'000	€'000	€'000
Fund balances at December 31, 2017 are represented by:			
Tangible assets	-	15,220	15,220
Investments	-	391	391
Surplus on defined benefit pension scheme	-	2,000	2,000
Current assets	4,595	64,834	69,429
Current liabilities	-	(21,994)	(21,994)
Creditors: amounts falling due after more than one year	-	(2,152)	(2,152)
Staff retirement liabilities	-	(3,700)	(3,700)
<b>Total</b>	<b>4,595</b>	<b>54,599</b>	<b>59,194</b>



## Notes to the Financial Statements (continued)

### 17 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	2016
	€'000	€'000
<b>Net income for the year</b>	<b>8,547</b>	4,119
Depreciation	483	495
Loss on disposal of investment	-	4
Reversal of impairment of tangible assets	-	(815)
Deposit interest earned	(107)	(87)
Difference between pension charge and cash contributions	(2,226)	(12)
Decrease/(increase) in stock	42	(1)
Decrease in debtors and prepayments	7,761	598
(Decrease)/increase in creditors	(9,844)	3,777
Exchange movements	(77)	(699)
<b>Net cash provided by operating activities</b>	<b>4,579</b>	7,379

### 18 ANALYSIS OF CASH AND CASH EQUIVALENTS

	Opening balance	Net cash flow	Exchange rate movements	Closing balance
	2017	2017	2017	2017
	€'000	€'000	€'000	€'000
Cash at bank and in hand	51,183	3,680	(82)	54,781
Bank overdraft	(3)	-	-	(3)
<b>Total cash and cash equivalents</b>	<b>51,180</b>	<b>3,680</b>	<b>(82)</b>	<b>54,778</b>

## Notes to the Financial Statements (continued)

### 19 FINANCIAL RISK MANAGEMENT

The Group's operations expose it to different financial risks that include credit risk, foreign exchange risk and liquidity risk. The Group has financial risk management policies in place, as approved by the Board, which seek to limit the impact of these risks on the performance of the Group. It is the aim of the Group to manage these risks in a non-speculative manner.

#### (a) Credit risk

Credit risk arises where individuals or institutions are unable to repay amounts owed to the Group. The maximum exposure to credit risk is represented by the carrying amount of the financial assets in the balance sheet:

	2017	2016
	€'000	€'000
<b>Carrying amount of financial assets of the Group:</b>		
Amounts due from governments and other co-funders (i)	16,961	23,812
Cash at bank, in hand and bank overdraft (ii)	54,778	51,180
Sundry debtors and deposit interest receivable (iii)	4,100	5,063
<b>Total</b>	<b>75,839</b>	80,055

Credit risk arises in the following forms:

- (i) The amounts due from governments and other co-funders, as disclosed in Note 10, represent amounts owed to the Group by governments and other co-funders for work that has been performed but for which the related funding has not been received by the year end. This is managed by the Group through ensuring that all agreements with these funders are supported by signed contracts and that all reporting and project related requirements are fulfilled to ensure receipt of funding. The Group also considers the credit risk of the funder prior to entering into contracts.

The collectability of outstanding receivable balances is closely monitored by reference to administrative and compliance requirements that are specific to each co-funder. There is not a significant concentration of risk and the history of defaults is negligible.

- (ii) The financial institutions in which cash deposits and cash at bank are placed, could default on the amounts held. This is managed by the Group by ensuring that head office cash deposits and cash at bank are invested with institutions that have a satisfactory credit rating as approved by the Board. A satisfactory rating is deemed to be a long term credit rating of at least A3 and a short term credit rating of at least P2 with Moody's Ratings of financial institutions, unless otherwise specifically approved. The Group also has policies in place to limit the concentration of cash deposits and cash at bank with any one financial institution. Transfers of cash to overseas branches are done on a needs basis.

- (iii) The Group has detailed procedures for monitoring and managing the credit risk related to other receivables.

#### (b) Foreign exchange risk

Foreign exchange risk is the risk that the Group's operations or its investments will be affected by fluctuations in exchange rates. This arises in two ways:

1. Most of the Group's income is received in Euro, Sterling and US Dollars while most of its costs, particularly its overseas costs, are denominated in a range of currencies. Fluctuations in the value of Euro, Sterling and US Dollars could therefore have a significant effect on the Group's ability to deliver its planned programme of work.
2. Assets and liabilities of the Group that arise in currencies other than Euro may, as a result of exchange fluctuations, not achieve the value attributed in the Group balance sheet.

These currency risks are monitored on an ongoing basis and are managed by appropriate hedging and the regular review of exchange rates in order to ensure that the planned programme of work remains affordable.

The Group's main exposures to foreign exchange risk at the balance sheet date relate to its US Dollar denominated net assets of \$15.9 million and its sterling denominated net assets of £7.7 million. Based on these net positions at December 31, 2017 a weakening of 10% of the US Dollar and Sterling against the Euro would have decreased the surplus of the Group for the financial year by €2 million. A strengthening of these currencies against the Euro would have increased the surplus of the Group for the financial year by €2.4 million.

The Group manages this risk through the ongoing matching of foreign assets and liabilities.

## Notes to the Financial Statements (continued)

### 19 FINANCIAL RISK MANAGEMENT (continued)

#### (c) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet financial obligations as they fall due from cash flows generated by its activities. This risk can arise from mismatches in the timing of cash flows relating to assets and liabilities.

The following table reflects the contractual financial liabilities of the Group, including estimated interest payments:

	Carrying Amount	Contractual Cash flows	< 6 Months	6 - 12 Months	1 - 2 Years	2 - 5 Years
	€'000	€'000	€'000	€'000	€'000	€'000
Trade creditors	9,648	9,648	9,648	-	-	-
Bank loan	2,815	3,014	344	344	583	1,743
<b>Total 2017</b>	<b>12,463</b>	<b>12,662</b>	<b>9,992</b>	<b>344</b>	<b>583</b>	<b>1,743</b>
<b>Total 2016</b>	<b>16,512</b>	<b>16,518</b>	<b>13,364</b>	<b>325</b>	<b>1,309</b>	<b>1,520</b>

The Group's liquidity is managed by ensuring that sufficient cash and deposits are held on short notice, and by retaining sufficient reserves to cover short term fluctuations in income.

### 20 SUBSIDIARIES

The parent company, Concern Worldwide, has a beneficial and controlling interest in the following subsidiaries:

- (a) Concern Worldwide (UK) is registered as a company limited by guarantee that does not have a share capital. The subsidiary's registered office is at Unit 13 & 14 Calico House, Clove Hitch Quay, Plantation Wharf, London. The wholly owned subsidiary commenced to trade on January 1, 2004. It operates in the United Kingdom, its main activities are to fundraise for and otherwise support, programmes of work which relieve poverty, distress and suffering in the poorest countries of the world. The net assets of Concern Worldwide (UK) at December 31, 2017 were €4.1 million (2016: €5.5 million).

Concern Worldwide (UK) has a 100% shareholding in Concern Worldwide (NI) which has its registered office at 47 Frederick Street, Belfast, Northern Ireland and is dormant. Concern Worldwide (NI) is exempt from the requirements relating to the audit of accounts under section 479A of the UK Companies Act 2006.

- (b) Concern Charity Trading CLG is registered at 52-55 Camden Street, Dublin 2 as a company limited by guarantee and does not have any share capital. The wholly owned subsidiary, which was incorporated in 2000, is registered and operates in the Republic of Ireland. The main activity of Concern Charity Trading CLG is to support specific fundraising activities on behalf of its parent company. The company did not trade during the year. The net assets of Concern Charity Trading CLG at December 31, 2017 were nil (2016: nil). The Company qualifies for the audit exemption as outlined under section 365(2) of the Companies Act 2014.
- (c) Concern Worldwide Korea Foundation ("Concern Korea") has a registered office at 2 floor, Chunji building, 374-1, Seongyo-dong, Mapo-Gu, Seoul, Korea, 121-894. Concern Korea was incorporated on July 22, 2015 and commenced operations on September 1, 2015. It operates in the Republic of Korea. Its main activities are to fundraise for and otherwise support the programmes of the Group's work which relieve poverty, distress and suffering in the poorest countries of the world. Concern Korea aims to engage the public of Korea in a greater understanding of the issues facing the beneficiaries in the countries that the Group operates in. Concern Korea is recognised as a subsidiary on the basis that the Group can determine the composition of the board of directors. The net assets of Concern Korea at December 31, 2017 were €0.4 million (2016: €0.5 million).

### 21 COMMITMENTS, CONTINGENCIES AND GUARANTEES

- (i) The 2018 Annual Plan, which was approved by the Board on December 9, 2017 allows for overseas expenditure in 2018 of €94 million. Any increase over this amount requires the approval of the Board.

The Group is committed to assist certain overseas projects for periods in excess of one year. The Group has entered agreements with partner agencies to undertake overseas programme activities which commit it to expenditure of €5.9 million over the next two years. Any payment to be made under these agreements is contingent on the Group's receipt of funds from its co-funders in accordance with funding agreements that have already been signed. Therefore the Group has not recognised a liability in respect of these commitments. All of the agreements require the partner to carry out specific activities and payments will only be made where those activities are satisfactorily completed.

## Notes to the Financial Statements (continued)

### 21 COMMITMENTS, CONTINGENCIES AND GUARANTEES (continued)

- (ii) Total future lease payments under non-cancellable operating lease agreements at December 31, 2017 in respect of premises used by the Group and Company are as follows:

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Payable on leases in which the commitment expires within:				
One year	153	111	-	-
Two to five years	612	445	-	-
More than five years	413	223	-	-
<b>Total</b>	<b>1,178</b>	<b>779</b>	<b>-</b>	<b>-</b>

During the year €0.1 million (2016: €0.1 million) was recognised as an expense in the *Consolidated Statement of Financial Activities* in respect of operating leases.

- (iii) Future capital expenditure approved by the Board but not provided for in these financial statements is as follows:

	Group		Company	
	2017	2016	2017	2016
	€'000	€'000	€'000	€'000
Contracted	-	-	-	-
Authorised but not contracted	1,084	293	1,034	245
<b>Total</b>	<b>1,084</b>	<b>293</b>	<b>1,034</b>	<b>245</b>

- (iv) At the year end, the Group had a contingent liability for taxes introduced by the government of one of the countries of operation. The maximum liability is estimated at €0.1 million (2016: €0.2 million), however negotiations are ongoing and the Group considers that the ultimate payment, if any, would be approximately 50% of this amount. The Group has not made a provision in the *Consolidated Statement of Financial Activities* for any amounts that may ultimately become payable, because it regards such payments as unlikely to be required.
- (v) The Group has entered into a loan agreement with its bankers for the original sum of €8.0 million in order to finance the purchase and renovation of a building adjacent to its existing head office. This loan is secured by a fixed charge on the building. The carrying value of the loan at December 31, 2017 is €2.8 million (2016: €3.5 million).
- (vi) During 2017 the Group was the lead agency in 15 consortia arrangements of non-governmental organisations (2016: 15), that were awarded grants and contracts from institutional co-funders to fund programme activities. The total value of these grants and contracts is €91.6 million (2016: €87.2 million). Of this amount €41.6 million is expected to be spent by the Group (2016: €41.3 million) and the balance will be utilised by the other consortia members.

In 2017, expenditure on these grants and contracts totalled €20.7 million (2016: €21.3 million). Of this amount €12.7 million (2016: €11.4 million) was utilised by the Group and the remainder was utilised by the other consortia members.

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

	Opening balance	Funds received during the year	Funds transferred to partners	Closing balance
	€'000	€'000	€'000	€'000
Funds relating to consortia members	3,325	8,395	(11,575)	145

As the Group 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. The Group may also be liable 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 the Group is jointly and severally liable), because the likelihood of them materialising is believed to be remote.



## Notes to the Financial Statements (continued)

### 22 LEGAL STATUS OF COMPANY

In accordance with section 1180 of the Companies Act, 2014, the Company is exempt from including the word 'limited' in its name. The Company is limited by guarantee and has no share capital. At December 31, 2017, there were 646 members (2016: 658), whose guarantee is limited to €6.35 each. This guarantee continues for one year after individual membership ceases.

As permitted by section 304 of the Companies Act, 2014, the Company has not presented its own statement of financial activities. As indicated in Note 16(b), the surplus of the Company before *Other recognised gains and losses* for the financial year was €10.5 million (2016: €2.6 million).

### 23 RELATED PARTY DISCLOSURES

The Company is availing of the exemption under FRS 102 (33.11) Related Party Disclosures not to disclose details of transactions with companies within the Group. Note 6 details key management compensation and expenses paid to Board members.

Concern Worldwide (US) Inc. is a not-for-profit organisation registered in the United States of America, and is an affiliate of the Group. Concern Worldwide (US) Inc. is governed by an independent board of directors which retains full control over the financial and operating policies of the company. The principal activity of Concern Worldwide (US) Inc. is the raising of funds from the US Government and the general public. Concern Worldwide (US) Inc. has entered into separate agreements with the Group whereby it will provide sub-awards from these funds exclusively to the Group for the period that the agreements remain in force. The total amount of funding received from Concern Worldwide (US) Inc. in 2017 was €24.4 million (2016: €29.1 million). These grants are accounted for in the same way as grants from governments and other co-funders. There was an outstanding balance of €4.1 million (2016: €5.4 million) due from Concern Worldwide (US) Inc. at the balance sheet date.

The Group is a member of Disaster Emergency Committee (DEC) and during the year paid a subscription to it of €0.03 million (2016: €0.04 million). Concern Worldwide (UK)'s Executive Director is a trustee of the DEC. The Group's income for the year included €1.6 million (2016: €0.3 million) receivable from DEC appeals. There was an outstanding balance of €0.1 million (2016: €0.2 million) due from the DEC at the balance sheet date.

The Group is also a member of Alliance2015 and in the year paid a subscription of €0.07 million (2016: €0.07 million) to it. The Group's Chief Executive Officer is the President of Alliance2015. The Group's income for the year included €0.014 million (2016: €0.2 million) receivable from Alliance2015. There was no outstanding balance (2016: €0.03 million) due from Alliance2015 at the balance sheet date.

### 24 POST BALANCE SHEET EVENTS

There have been no events subsequent to the year end that require any adjustment to, or additional disclosure in, the 2017 financial statements.

### 25 APPROVAL OF FINANCIAL STATEMENTS

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

**Appendix 1** (not forming part of the Financial Statements)  
**Five Year Summary of Consolidated Statement of Financial Activities**

	FRS102/Charities SORP FRS102			Previous Irish GAAP	
	2017	2016	2015	2014	2013
	€'000	€'000	€'000	€'000	€'000
<b>Income</b>					
Donations and legacies	39,802	36,216	41,263	40,481	40,561
Irish Government	26,880	24,204	24,598	22,716	23,051
European Union	30,538	28,639	23,563	21,838	25,058
British Government	27,560	22,587	28,441	16,740	7,998
Concern Worldwide (US) Inc. (including US Government)	24,478	29,167	27,061	17,679	15,651
Other international co-funding	26,502	24,526	24,486	16,078	11,307
Donated commodities	15,478	17,821	12,613	8,156	2,799
Trading, investment and other income	376	372	186	188	904
<b>Total Income</b>	<b>191,614</b>	<b>183,532</b>	<b>182,211</b>	<b>143,876</b>	<b>127,329</b>
<b>Expenditure</b>					
Afghanistan	4,424	4,188	4,439	4,691	4,263
Bangladesh	4,374	4,407	5,052	5,343	6,393
Burundi & Rwanda	2,644	3,551	4,296	4,095	3,404
Cambodia	-	-	-	-	291
Central African Republic	4,444	2,808	3,225	451	-
Chad	3,306	2,912	2,765	2,347	2,451
Democratic People's Republic of Korea	1,172	1,577	1,954	2,078	1,760
Democratic Republic of Congo	6,411	6,066	6,466	6,061	4,936
Ethiopia	10,513	17,991	7,913	5,203	7,229
Haiti	2,970	4,481	6,511	6,511	8,121
India	-	-	-	-	782
Kenya	3,746	5,540	6,692	4,584	5,312
Lebanon	9,880	7,699	5,938	4,912	1,184
Liberia	2,222	3,373	7,659	3,343	2,348
Malawi	4,036	3,284	4,232	2,922	2,619
Mozambique	3,943	4,049	3,244	2,328	2,658
Nepal	1,446	1,067	3,028	-	-
Niger	3,580	4,739	6,692	5,367	5,987
Pakistan	9,110	11,891	11,568	8,593	10,691
Philippines	-	39	950	2,338	1,230
Republic of Sudan	5,516	6,213	5,935	4,834	4,536
Sierra Leone	3,963	5,379	12,482	6,171	3,882
Somalia	23,148	10,513	11,020	9,544	8,667
South Sudan	22,342	20,584	19,733	11,873	4,359
Syria/Iraq	5,251	-	-	-	-
Turkey	12,800	13,891	5,101	3,051	547
Tanzania	-	329	2,005	3,525	3,210
Uganda	3,037	4,322	3,688	3,219	2,719
Yemen	269	13	14	-	-
Zambia	2,527	3,481	3,059	2,280	2,030
Zimbabwe	-	-	-	-	1,812
Other countries & projects	811	1,225	388	354	1,340
Overseas support costs	8,204	7,042	4,832	6,026	8,450
Governance costs	941	902	684	638	-
Development education & advocacy	3,694	3,782	3,689	3,602	3,420
<b>Total cost of charitable activities</b>	<b>170,724</b>	<b>167,338</b>	<b>165,254</b>	<b>126,284</b>	<b>116,631</b>
<b>Raising funds</b>	<b>12,343</b>	<b>12,075</b>	<b>11,959</b>	<b>11,611</b>	<b>11,688</b>
<b>Governance costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>715</b>
<b>Total expenditure</b>	<b>183,067</b>	<b>179,413</b>	<b>177,213</b>	<b>137,895</b>	<b>129,034</b>
<b>Fair value of investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>766</b>	<b>-</b>
<b>Net income/(expenditure) for the year</b>	<b>8,547</b>	<b>4,119</b>	<b>4,998</b>	<b>6,747</b>	<b>(1,705)</b>

## Appendix 2 (not forming part of the Financial Statements)

Irish Aid Programme Funding (IAPF) funded by the Government of Ireland through Irish Aid

### A. THE 2017 IAPF GRANT WAS UTILISED AS FOLLOWS:

	2017
	€'000
Direct programme activities	17,467
Programme quality	1,232
Programme support and administration	1,194
<b>Total</b>	<b>19,893</b>
<b>Details of the direct programme activities are as follows:</b>	
<b>Programme Outcomes</b>	<b>2017</b>
	€'000
Assets and return on assets	7,280
Inequality	4,173
Risk and vulnerability	5,464
Active citizenship	350
Public engagement	200
<b>Total direct programme expenditure</b>	<b>17,467</b>
<b>IAPF Expenditure by Country</b>	<b>2017</b>
	€'000
Afghanistan	1,020
Bangladesh	1,036
Burundi	1,100
Chad	1,000
Central African Republic	1,000
Democratic People's Republic of Korea	479
Democratic Republic of Congo	1,000
Ethiopia	1,194
Haiti	949
Liberia	971
Malawi	1,500
Niger	1,135
Republic of Sudan	800
Rwanda	500
Sierra Leone	1,332
Somalia	1,206
Republic of South Sudan	695
Active citizenship	350
Public engagement	200
<b>Total direct programme expenditure</b>	<b>17,467</b>

### B. ANALYSIS OF MOVEMENT IN IRISH AID ACCRUED AND DEFERRED INCOME FOR THE YEAR ENDED DECEMBER 31, 2017

	Opening balance January 1, 2017	Cash Received	Income Earned	Closing balance December 31, 2017
IAPF	-	20,546	(19,893)	653
Other Irish Aid Funding	2,330	5,014	(6,987)	357
<b>Total</b>	<b>2,330</b>	<b>25,560</b>	<b>(26,880)</b>	<b>1,010</b>

## Appendix 3 (not forming part of the Financial Statements)

### Grants to Partner Agencies for Charitable Activities

The top 50 grant recipients in 2017 are listed below:

	Name of partner agency	Country	No. of grants	2017 €'000
1	Research and Development Foundation	Pakistan	2	1,208
2	Lifeline Gedo	Somalia	6	771
3	YouthLink Somalia	Somalia	8	743
4	Shabelle Community Development Organization	Somalia	7	702
5	Young Power in Social Action	Bangladesh	5	458
6	Sajida Foundation	Bangladesh	2	447
7	Shushilan	Bangladesh	5	424
8	Al Massar Charity Organisation for Nomads Development & Environmental Conservation	Republic of Sudan	1	411
9	Bright Star Development Society Balochistan	Pakistan	2	383
10	PAK Community Development Program	Pakistan	3	340
11	Grupo di Volontariato Civile	Lebanon	1	302
12	Al Falah Development Foundation	Pakistan	2	289
13	Jagrata Juba Shangha	Bangladesh	4	288
14	Sukaar Foundation	Pakistan	2	284
15	Agency for Technical Cooperation and Development (ACTED)	Yemen	2	274
16	Adiyaman Gokkusagi Dernegi	Turkey	2	267
17	Nile Hope	South Sudan	2	250
18	Gargaar Relief and Development Organization	Somalia	5	246
19	Shifa Foundation	Pakistan	1	239
20	Water, Environment and Sanitation Society (WESS)	Pakistan	3	230
21	Doaba Foundation	Pakistan	5	216
22	Sami Foundation	Pakistan	3	214
23	Malatya Foundation for Education	Turkey	2	206
24	Friends In Village Development	Bangladesh	4	205
25	Health and Nutrition Development Society (HANDS)	Pakistan	1	202
26	Participatory Rural Development Society	Pakistan	1	201
27	Social & Economic Enhancement Program	Bangladesh	2	198
28	Poverty Alliance Welfare Trust	Pakistan	1	192
29	Pally Bikash Kendra	Bangladesh	3	175
30	Assistance for Social Organization and Development (ASOD)	Bangladesh	3	172
31	Help Foundation	Pakistan	1	162
32	Mumbwa Child Development Agency	Zambia	2	161
33	Global Aid Hand	Republic of Sudan	3	154
34	SoS Sahel Sudan	Republic of Sudan	3	148
35	International Middle East Peace Research Center	Turkey	1	145
36	Nari Maitree	Bangladesh	2	140
37	Participatory Village Development Programme	Pakistan	1	138
38	Theatre for a Change	Malawi	1	136
39	Action Nepal	Nepal	3	130
40	Fast Rural Development Programme	Pakistan	1	125
41	Relief Nepal	Nepal	3	118
42	Shree Deepjyoti Samaj Sudhar Sangh (SDSSS)	Nepal	3	109
43	Ministry for Health - Niger	Niger	1	105
44	Education, Health, Social Awareness & Rehabilitation Foundation	Pakistan	4	95
45	Nujeen for Family Democratizing Organization	Syria/Iraq	2	89
46	Associação Rural de Ajuda Mútua – ORAM	Mozambique	1	76
47	SAWA Sudan for Development and Humanitarian Aid	Republic of Sudan	1	74
48	Ministry of Public Health and Sanitation - Kenya	Kenya	1	69
49	Syria Relief	Turkey	1	68
50	Initiative for Development & Empowerment Axis (IDEA)	Pakistan	3	68
	<b>Subtotal</b>			<b>12,847</b>
51	Other partners			<b>1,737</b>
	<b>TOTAL</b>			<b>14,584</b>





**Jack Finucane, C.S.Sp.**  
1937 - 2017

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**Without the support of many individuals, governments and co-funders, a small number of whom are recognised here, our work this year would not have been possible. Together we have helped over 27 million people in 27 countries. Thank you.**



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Concern Worldwide  
is a signatory of



Concern Worldwide is a  
certified member of the  
Core Humanitarian Alliance.

Core Humanitarian  
**STANDARD**

Concern Worldwide  
is a member of

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