

# ENDING EXTREME POVERTY WHATEVER IT TAKES

**Concern  
Worldwide**

Annual Report  
& Financial  
Statements  
2019

**CONCERN**  
worldwide



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A woman wearing a patterned headscarf and a dark t-shirt is tending a cooking fire at night. The fire is bright orange and yellow, and the background is dark with some smoke. The woman is looking towards the camera.

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Who We Are and What We Do

**Mwanisha, Malawi**  
Mwanisha Mbera, mother of 3, tends a cooking fire at the family home in Mangochi, Malawi. The family is taking part in Concern's graduation programme. **Photo:** Kieran McConville / Concern Worldwide

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Where We Work

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### Émanise, Haiti

Émanise is 16 years old and lives with her sister Alphonse, a brother-in-law, a nephew, and a niece in a small tin house at the end of a narrow alleyway in the heart of Cité Soleil. She lost her mother in 2016 and since then Alphonse and her husband have supported the family. Émanise is repeating 4th grade in school, having failed the tests to progress further. Alphonse says the family does not have enough money to buy books and this was the reason why Émanise did not do so well in school. She has however successfully completed a tailoring course run by Concern. “I attended the course every day after school and on Saturdays and Sundays, and really enjoyed it,” she says “I was always interested in sewing and tailoring,” she adds, adding that she would love to take that interest further when she completes school. “I would love to design and make jumpsuits.” As part of the course, the students each made an item of clothing — Émanise created a beautiful classic pleated dress in lime green, which she proudly models and wears on special occasions. **Photo:** Kieran McConville/ Concern Worldwide

# CONCERN WORLDWIDE

## Who We Are and What We Do

**Concern Worldwide is a non-governmental, international, humanitarian organisation dedicated to the reduction of suffering and 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.

### Our Core Values

These are 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:** We go 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

In 2019, Concern worked in 24 of the world's poorest and most vulnerable countries to alleviate poverty and hunger.



Afghanistan  
Bangladesh  
Burundi  
Central African Republic  
Chad  
Democratic People's  
Republic of Korea  
Democratic Republic  
of Congo

Ethiopia  
Haiti  
Iraq  
Kenya  
Lebanon  
Liberia  
Malawi  
Mozambique  
Niger

Pakistan  
Republic of Sudan  
Rwanda  
Sierra Leone  
Somalia  
South Sudan  
Syria  
Turkey

28.6m

People Helped

24

Countries

Democratic  
People's  
Republic  
of Korea

Bangladesh

82

Emergency Responses

€189.5m

Total Income

€183.8m

Total Expenditure

Income (€'000)



€189,481  
Total Income

• 73.2%

Grants from  
Governments and  
Other Co-funders  
(€138,650)

• 19.9%

Donations and Legacies  
(€37,678)

• 6.5%

Donated Commodities  
(€12,383)

• 0.4%

Other Income  
(€770)

Expenditure (€'000)



€183,756  
Total  
Expenditure

• 88.9%

Overseas Relief  
and Development  
(€163,284)

• 8.3%

Fundraising  
(€15,360)

• 2.3%

Development, Education  
and Advocacy  
(€4,160)

• 0.5%

Governance  
(€952)

# A Message from the Chair, John Treacy

## In a time of turmoil, Concern continues to be a rock of stability.

In the modern world, there is more access to information than ever before. The openness to public scrutiny is immense. However, that openness also brings unprecedented potential to showcase transparency, accountability and best practice. Harnessing this potential is vital, particularly for an organisation that is afforded an extraordinary degree of trust and confidence by its supporters;

a trust that is earned through the commitment to steadfastly remain in the areas of the world where needs are greatest. In a time of turmoil, Concern continues to be a rock of stability.

In 2019, I saw how this stability is meticulously maintained within the organisation, while retaining that driving passion to deliver assistance on the ground. I am grateful to work alongside a committed board and, this year, we created a new governance code to further ensure high standards in all aspects of Concern's governance. We work closely with the Board of

Concern Worldwide (US) Inc. and even closer with the Board of Concern UK, helping to ensure that - irrespective of Brexit - Concern remains firmly anchored in the UK in the years ahead.

I also saw in 2019 how Concern is prioritising the most vital areas of its operations, not only through initiatives such as a review of safeguarding, but through a comprehensive all-staff survey, involving almost 3,600 people across the organisation.

Of course, Concern has always been more than its dedicated staff; it is a movement - a broad network of supporters and community fundraisers from all walks of life. I got a great sense of this at last year's volunteer awards, where I met people who had devoted their time and creativity to supporting Concern in an inspiring variety of ways: from adjudicating debates, ensuring the next generation are informed to take action; to the community and individual fundraisers who shake buckets, bake cakes, climb mountains and, of course, run marathons. All of them are contributing to the mission of Concern, an expansive team keeping the flame of compassion alive across Ireland and further afield.

Thanks to all for playing their part.



**John Treacy**  
Chair  
Concern Worldwide



### Dominic, Paula, and John, Ireland

Dominic MacSorley, Paula Galvin and John Treacy at the Annual Concern volunteer awards. Paula received an award in recognition of her contribution to the Concern Debates competition. Photo: Karen Morgan / Lensman

# A Message from the Chief Executive Officer, Dominic MacSorley

After a landmark 50th anniversary year for Concern in 2018, there was renewed unity and momentum across the organisation. This was important and

**Our teams faced into a challenging year with record numbers of people in need of humanitarian assistance.**

timely, as our teams faced into a challenging year, with record numbers of people in need of humanitarian assistance. We are now seeing an almost perennial cycle of emergencies in many of the countries where we work. Across the Horn of Africa, in Kenya, Somalia,

and Ethiopia, where we have a deep-rooted community presence, we have scaled up effective and ambitious humanitarian response and resilience, building approaches that are now reaching millions of vulnerable families.

When Cyclone Idai struck Mozambique, Malawi and Zimbabwe, causing immediate devastation at a crucial harvest time, our response was rapid, extensive and effective. In Mozambique we mounted a joint response with two of our Alliance 2015 partner organisations, Cesvi and Welthungerhilfe, while in Malawi our teams focused directly on the areas where Concern was already operational.

Emergency response is a critical part of our work, but disaster risk reduction, prevention, tackling poverty and reducing vulnerability are also

core components of the work we do across our 24 countries of operation. A consistent focus of our work is around nutrition, agriculture and food production. Our work on climate-smart agriculture, for example, has now reached 569,000 smallholder farmers across 19 countries, tripling crop yields in some cases and reducing labour time, especially for women. Our work on education in emergencies is ensuring that thousands of children caught up in the war in Syria have access to quality education, whether as refugees in neighbouring countries or inside Syria itself.

These are just some examples of the range of lifesaving and transformative work we are doing in some of the world's most challenging contexts. Central to our effectiveness is the quality and commitment of our staff of over 3,600 – they are our greatest asset. We have continued to invest in training at all levels. We are particularly pleased to partner with the Irish Management Institute, which over the year enabled staff working in 14 countries to participate in a range of courses and diploma programmes.

Ensuring that we keep people safe remains a top priority, and we continued to raise awareness of safeguarding across the organisation. Significant investment has also been made to ensure our systems are operating at maximum efficiency. The development of our new Grant Management System has been one of the most extensive internal processes undertaken within Concern. 2020 will see the roll-out of the system across the organisation.

Externally, 2019 was also a very significant year for Concern as we rolled out our new website and a refreshed Concern brand.

Our partnership with Irish Aid, as well as other major donors is critical to our reach and impact. This, together with the extraordinary generosity of the public, in particular across Ireland, enabled us to reach 28.6 million people last year. We never take that support and trust for granted.

This year, I was privileged to see this impact again when I visited our programmes in Democratic People's Republic of Korea (DPRK). Concern remains one of the few operational non-governmental organisations on the ground, and despite the complex environment we have steadily expanded our work around nutrition, conservation, agriculture and clean water supply.

At the time of writing, the COVID-19 pandemic was presenting an unprecedented global challenge, with significantly negative implications for the world's poorest communities. Whether it is working to protect the most vulnerable from pandemics, drought, floods or conflict, our work will continue to be defined by a commitment to not only going where the needs are greatest, but to staying there for as long as is required.



**Dominic MacSorley**  
Chief Executive Officer  
Concern Worldwide

# Focus On: Cyclone Idai



## 2019

## March 2019 was a very difficult time for Malawian farmer, Patrick Ghembo.

Concern first visited Patrick just after Cyclone Idai wreaked havoc on Monyo village, close to the Malawi/Mozambique border. He was newly married at the time.

Patrick and his new wife spent three months away from their home after the destructive storm and had to rely solely on fishing following the devastation.

After Cyclone Idai, Patrick received a cash transfer from Concern of 23,000 kwacha (around €29) to help him rebuild. He also received maize seeds which he was able to plant straight away, which led to a decent harvest.

Through Concern's cash transfers, Patrick also bought two goats and

some chickens, which have been a good source of income. He plans to sell some of his chickens to help provide food and basic necessities for his family, which now includes a baby girl.

Patrick still lives in fear of another storm, as his area is vulnerable to floodwaters. But he does get some peace of mind from the fact that, now, he gets weather and early warning alerts from local Village Civil Protection Community groups, telling him to move to higher ground when needed.

Patrick hopes to be able to send his daughter to school one day and has aspirations to open a grocery shop, as well as maintaining his farm.

**Patrick, Malawi**

*Left:* Patrick Ghembo standing in a field where his crops were destroyed by Cyclone Idai in 2019. *Below:* Patrick received seeds from Concern following Cyclone Idai and is standing in the same field with a healthy crop in early 2020. **Photos:** Gavin Douglas / Concern Worldwide



2020

**2,825,000**

Cyclone Idai affected 975,000 people in Malawi and 1,850,000 million people in Mozambique.

**91,638 ha**

The floods destroyed approximately 91,638 hectares of crops (maize, pulse, rice, sorghum, millet) in 15 districts in Malawi.

**95%**

In Nhamatanda, Mozambique, 95% of the maize, beans and ground nuts were destroyed by floods, just weeks before they were due to be harvested.

**8,150**

Cash transfers helped 6,500 families in Malawi and 1,650 families in Mozambique to buy food and to start rebuilding their homes.

**82,800**

We distributed seeds and tools to 57,200 people in Malawi and 25,600 people in Mozambique to plant winter crops.

**2,500**

2,500 families in Malawi received food baskets to help them during the first weeks after the flooding.

# REPORT OF THE BOARD

The Board of Concern Worldwide presents its report and consolidated financial statements for the year ended December 31, 2019.



**Faduma, South Sudan**

Faduma\* is a member of The Majok Mother Care Group in Aweil, South Sudan. They meet twice a month, making home visits to women who have just given birth to share best practice about breastfeeding, good hygiene and nutrition. **Photo:** Abbie Trayler-Smith / Concern Worldwide

*\*Name changed to protect the identity of the individual*



**Atiir, Kenya**

Atiir (8) lives in Turkana, North Kenya. **Photo:** Gavin Douglas / Concern Worldwide

# Strategic Report

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

Some of our main achievements in 2019 in relation to each goal are detailed here.

Overall, given the ongoing global and sector volatility, we believe that we made strong progress during 2019 and that delivery of our objectives is broadly on track.



**GOAL 1**  
Having greater impact on long-term poverty

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**GOAL 2**  
Conducting larger, faster and better humanitarian response

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**GOAL 3**  
Having more influence, greater visibility and increased public engagement

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**GOAL 4**  
Growing a new generation of Concern people

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**GOAL 5**  
Building a global Concern to meet multiple challenges

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**GOAL 6**  
Securing the financial resources to implement the plan

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# Our Five-Year Goals and Objectives



## GOAL 1

### Having greater impact on long-term poverty

#### Performance indicators

- Increase the number of people reached through development programmes to 20 million
- Strengthen specific areas of programming related to climate-smart agriculture and urban programming in developing contexts
- Continue to strengthen programming models linked to community resilience for implementation in fragile states
- Ensure that children access schooling during emergencies

#### Some of what we did in 2019

- Helped over 17 million people through development programmes, reaching 4.8 million people directly and 12.3 million people indirectly. We expect to further expand our programmes in 2020 in order to reach our target.  
See page 18 for examples from our programmes.
- Reached over 569,000 farmers with climate-smart agriculture interventions in 2019, over 242,000 of whom were first-time recipients.
- Continued to implement large-scale urban programmes in five countries (Bangladesh, Haiti, Kenya, Sierra Leone and Somalia). The programmes in Dhaka and Nairobi are influencing policy at national level.
- Continued to influence change in pro-poor policies in five countries where we have community resilience programmes.
- Continued education interventions in emergency contexts, especially for conflict-displaced Syrian children in Syria, Turkey and Lebanon.



## GOAL 2

### Conducting larger, faster and better humanitarian response

#### Performance indicators

- 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

#### Some of what we did in 2019

- Responded to 82 emergencies in 21 countries, directly reaching over 3.9 million people and more than 7.5 million indirectly.  
See page 20 for examples from our programmes.
- Developed a conflict strategy with policy and programme approaches, developed and rolled out across five country contexts.
- Continued active engagement and leadership in Humanitarian Country Teams, Technical Working Groups and Cluster Systems across most countries.



## GOAL 3

### Having more influence, greater visibility and increased public engagement

#### Performance indicators

- Produce evidence-based research and experience-based position papers

- Influence policy through engagement

- Strong public association as an effective organisation, and on identified campaigning topics as measured by market research

- An increased level of public (particularly youth) engagement

- Increased media and social media coverage of Concern's work and messages globally

- Create coherent global communication function across the organisation

#### Some of what we produced in 2019

- The Global Hunger Index (launched in 10 countries), the report discussed the challenge of hunger and climate change.
- The Humanitarian Impact of the Syrian Conflict (2019) (Policy Paper).
- Building Resilience in Fragile and Conflict-Affected Contexts (Policy Paper).
- Conflict & Hunger: The Lived Experience of Conflict and Food Insecurity (Policy Paper).
- Policy Recommendations to the UK Government, jointly published with the International Coalition for Advocacy on Nutrition ahead of Tokyo 2020 Nutrition for Growth Summit.

- Co-hosted a high-level discussion on conflict and hunger at the Irish Ambassador's Residence in Washington, DC.
- Co-hosted a side-event at United Nations Economic and Social Council Humanitarian Aid Segment, with the Irish Mission and the Swedish Mission to the UN in Geneva, World Food Programme, Agency Coordinating Body for Afghan Relief and Development, Food and Agriculture Organisation of the UN, and Norwegian Refugee Council.
- Gave briefings on Syria to Irish Department of Foreign Affairs and Trade and Irish Aid representatives.
- Led civil society representation in Scaling Up Nutrition Strategic Review and in Fragile States work stream for Tokyo Nutrition For Growth Summit.

- Consistently ranked as one of the organisations most associated with overseas aid and development in Republic of Ireland.
- Facilitated 1,100 people to attend 31 World Café Conversations to discuss the Sustainable Development Goals as part of our "Project Us" initiative.
- Secured EU funding for a three-year climate change campaign, 1planet4all, working with partners in 12 European countries.

- Launched new user-focused website with resulting 6.5% increase in web traffic.
- Engaged almost 14,000 students in our Development Education programme.

- Continued to grow audiences on our social media channels, up 14.3% year-on-year, with a combined following of over 156,000.
- Increased news media coverage by 50% to reach a combined audience of almost 188 million throughout Europe.

- Launched refreshed global brand identity, firmly positioning Concern as an agency dedicated to ending extreme poverty.
- Introduced new digital ways of working allowing greater global content planning, sharing and collaboration.



## GOAL 4

### Growing a new generation of Concern people

#### Performance indicators

➤ 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

#### Some of what we did in 2019

➤ 45 senior managers across Concern completed 'Ignite', our bespoke leadership course. Follow-up monitoring showed a high degree of positive change in the leadership skills of participants.

➤ 84 staff completed leadership and management development programmes offered by the Irish Management Institute; Concern was its chosen charity partner in 2019.

➤ Maintained recruitment time for staff at 11 weeks.

➤ Recruitment time for 62 hard-to-fill roles in francophone countries was also maintained taking an average of nine weeks to fill.

➤ Continued to implement the EU Aid Initiative which supports the deployment of volunteers overseas. Since the start of the programme in 2016, Concern has had 46 volunteers in positions overseas. Ten are still on placement.

➤ 117 staff participated in hostile environment training courses facilitated by external providers. Additional training was provided by Concern staff in country.

➤ Held security workshops in the Horn of Africa for 21 staff from five countries.



## GOAL 5

### Building a global Concern to meet multiple challenges

#### Performance indicators

➤ Develop a revised governance system that meets the needs of all parts of Concern

➤ Strengthen our grant management system

➤ Become a fully-integrated digital organisation

#### Some of what we did in 2019

➤ Recommendations for improvement in our governance system highlighted by a 2018 review were implemented during 2019.

➤ Designed a new grant management system which will be rolled out in 2020.

➤ The 'digital-first' strategy was finalised and rolled out. The strategy will see a significant investment in replacement and new systems over a number of years. These investments will cover areas such as HR management, supply chain management, aspects of our global finance function, a knowledge management function and a replacement for our intranet.

➤ The redesign of the Irish and UK websites was completed and launched. A number of digital fundraising initiatives were carried out in Ireland, the UK, Republic of Korea (South Korea) and in potential new markets.



**Rufin, Central African Republic**

Rufin Glamende (29) has been nutritional health officer at Gbadengue clinic since August 2015, when Concern first started to support the facility. The clinic serves around 6,000 people including just over 1,000 children under the age of five. “We treat children under five for malnutrition,” he said. “We carry out screenings every day. If we find they are malnourished, we give them a supply of ready-to-use therapeutic or supplementary food. We also diagnose and treat other illnesses such as malaria, pneumonia and diarrhoea. It is a daily routine.” **Photo:** Chris de Bode / Panos Pictures for Concern Worldwide



## GOAL 6

### Securing the financial resources to implement the plan

**Performance indicators**

- Achieve sustained growth in fundraising income
- Target a funding mix that avoids over-reliance on any one donor or income source

**Some of what we did in 2019**

- Committed to further investment in our South Korea operation, where performance has been consistently ahead of target. Maintained strong support in Ireland and the UK.
- Succeeded in remaining within the agreed parameters for income diversity.

# Our Programmes

**Concern Worldwide reached approximately 28.6 million people in 24 of the poorest and most vulnerable countries in the world during 2019. Our work spans five main programme areas: emergencies, livelihoods, health and nutrition, education and integrated.**

Our broad programme goals, the objectives, and some examples of our work in each area, are described in the following pages.

- **EMERGENCIES**  
see page 20
- **LIVELIHOODS**  
see page 22
- **HEALTH AND NUTRITION**  
see page 24
- **EDUCATION**  
see page 26
- **INTEGRATED**  
see page 28



28.6m

People Helped

24

Countries

82

Emergency Responses

**Yimam, Ethiopia**

Yimam is a participant in the graduation programme, which is designed to enable pathways out of poverty for the extreme poor by providing them with a comprehensive package of support (social assistance, livelihood development and access to financial services). **Photo:** Nick Spollin / Concern Worldwide

# Emergency Programmes

**In 2019, we responded to 82 emergencies in 21 countries, reaching 3.9 million people directly and over 7.5 million people indirectly.**

When an emergency strikes, we seek out the poorest and hardest-to-reach communities to meet their immediate needs, and work with them to design innovative, fast and effective responses. We stay with them to help rebuild their lives and to ensure that they are more able to cope with future crises.

## Objectives and activities

The goal of our emergency programme is to fulfil our humanitarian mandate by effectively responding to and mitigating 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, healthcare and water
- Prevent and reduce the impact of emergencies

## Examples of our achievements in 2019

We engage in a wide variety of projects to advance the above objectives. The following examples below illustrate the range of activities and outputs of our emergency projects:

In March 2019, Cyclone Idai hit Southern Africa with a devastating impact on the vulnerable communities living there. Fields were flooded, crops were destroyed, and infrastructure including homes, latrines, wells and roads were levelled, placing an enormous strain on already impoverished populations. In **Malawi** an estimated 975,000 people were affected. We supported more than 10% of the affected population in three districts through a multi-sectoral response which included food distributions to 2,500 households, seeds and tools to 7,500 households and cash transfers to 8,120 families. We reached approximately 26,400 people with hygiene messaging, which is especially important when clean water supplies have been destroyed.

### Aweil Area, South Sudan

Image shows women collecting food rations from a Concern Worldwide and World Vision food distribution in the Aweil area, South Sudan. The general food distribution occurs every two weeks, running from April to August. People travel up to 25km to get there (some staying with friends or family along the way to break up the journey). They receive these items: Sorghum 37.5kg, Cooking oil 27.5l, Beans or lentils 3.75kg, soy blend (amount depends on who you are, e.g. pregnant and breastfeeding, under five, elderly etc.). **Photo:** Abbie Trayler-Smith / Concern Worldwide



In **Mozambique** we worked alongside our Alliance2015 partners, Welthungerhilfe and Cesvi in Nhamatanda, a town 100 kilometres northwest of Beira, which was directly in the path of the cyclone. We distributed emergency kits plus seeds, tools and food rations to approximately 25,000 people so farmers could plant winter crops and have sufficient food while waiting for the harvest.

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

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

The Rohingya crisis in Cox's Bazar in **Bangladesh** remained a focus for Concern in 2019. We continued to screen and treat children and vulnerable older people for malnutrition, achieving cure rates of above 80%. We also increased preventative measures including teaching over 5,000 pregnant and breastfeeding mothers and caregivers about nutrition and personal hygiene, running more than 400 cooking demonstrations for approximately 12,700 caregivers and distributing seeds and fertiliser to over 2,100 households for home gardening.

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

## €95.8m

In 2019, we spent €95.8 million meeting emergency needs and improving access to food, water and healthcare.

# Livelihood Programmes

**In 2019, we improved the food security and livelihoods of 0.6 million people directly and over 2 million people indirectly.**

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

## Objectives and activities

The goal of our livelihoods programme is to 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

- Promote graduation to economic productivity
- Strengthen our climate-smart agriculture programme

## Examples of our work and achievements in 2019

We engage in a wide variety of activities in order to deliver the above objectives. The five examples here illustrate the range of activities and outputs of our livelihood projects:

In Marsabit County in northern **Kenya**, our livelihoods programme directly impacts over 47,500 people. Livestock is the main source of food and income for 81% of the population, so the programme has a focus on improving animal health and productivity, be that in terms of quantity of milk, or quality of meat, or value at market. This in turn directly helps to reduce

acute malnutrition rates. In our target areas, we supported extension workers to give advice on selective breeding, as well as working with the Marsabit County government to treat and vaccinate over 37,000 livestock against disease, and, by repairing boreholes, ensured that more than 87,500 animals were able to access water at the height of a drought.

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

mechanisms to increase their harvest. Data collected during post-harvest monitoring showed that productivity had increased for 81% of the targeted households.

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

In **Ethiopia**, our integrated livelihoods programme reached over 51,000 people in South Wollo and Wolayita. The programme uses a graduation approach to build livelihood security and improve the nutrition of participants through a number of activities. A survey conducted in 2019 shows that participants are now in a much more secure position since the start of the programme in 2017. The amount of livestock households now owned has grown from an average of 1.7 animals to 11.5 animals, 97% of households are now able to save cash regularly. In addition, 89% of households report that they are now able to have at least two meals a day and that their diet is more varied and balanced.

In **Liberia**, the rural poor are particularly vulnerable to the impact of climate change. We are working to improve the food security and the resilience of over 3,000 people in Grand Bassa County. We provided training on crop production and Climate-Smart Agriculture to over 1,683 smallholder farmers. This included 60 farmer field assistants who then go on to support smallholder farmers in their district. Other elements of the programme include supporting Community Savings and Loans Associations, which give over 3,328 members access to loans from their pooled savings.



€19.1m

We spent €19.1 million in 2019 delivering programmes that enable people in extreme poverty to have secure livelihoods

0.6m

People Helped Directly

2m

People Helped Indirectly

**Euphemia, Burundi**

Euphemia Inina waters her market garden at her home in Mabayi, Cibitoke. As part of the graduation programme, participants are given seeds and training on how to grow food. **Photo:** Abbie Trayler-Smith / Concern Worldwide

# Health and Nutrition Programmes

**In 2019, our health and nutrition programmes reached over 2.9 people directly and over 7 million people indirectly.**

The health systems are extremely weak in many of the countries where we work and communities are often unable to get the help they need to prevent suffering from under-nutrition and preventable diseases. To help overcome this, we work with local and national governments to strengthen healthcare systems and improve access to good maternal and child healthcare, as well as water and sanitation services.

## Objectives and activities

The goal of our health programmes 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 work and achievements in 2019

We engage in a wide variety of activities in order to deliver the above objectives. The following five examples illustrate the range of activities and outputs in the area of health and nutrition:

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

In **Sierra Leone**, malaria poses a significant health risk in the communities in which we work and can lead to death if not treated early. In Tonkolili district, where malaria is prevalent and a leading cause of death in children under five, we are taking a unique approach to tackling

the disease by working with and training over 100 traditional healers and other influential women to promote health facility treatment and preventative measures as opposed to traditional ones. The women visit the communities to share their knowledge and make referrals to the health clinics where necessary. Earlier and more consistent treatment of malaria symptoms is reported in the communities with the project reaching just over 14,000 people in 2019.

In West Darfur in **Republic of Sudan**, we continued to support and strengthen the health systems in two areas to provide improved health and nutrition services to almost 66,000 conflict-affected people. We repaired and expanded two nutrition centres and rehabilitated a further 11 health centres. In conjunction with the Ministry of Health, we procured and provided essential supplies and equipment to ensure communities had access to basic health services throughout the year. Over 32,649 patients were treated at the health centres in 2019, and a further 5,812

women received antenatal services. We also continued to build the capacity of the state and local health authorities, paying monthly incentives and providing technical assistance and training to staff from the ministry and local health authorities.

Syrian refugees living in informal settlements in **Lebanon** often face health-related risks caused by unsafe or non-existent water supplies and sanitation. We ensured and maintained standards of health and wellbeing for approximately 10,300 of the most vulnerable people in 2019, supplying safe drinking water to over 9,800 people, and connecting 27 informal settlements to the public water supply network. Sanitation and hygiene was improved for over 7,000

people through the rehabilitation of 80 latrines and the construction of 173 new latrines. 43 new septic tanks were installed and 126 water tanks were distributed. In addition, 9,500 people benefited from hygiene-related awareness sessions.

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

9.9m

People Helped

€12.9m

We spent €12.9 million in 2019 delivering programmes that contribute to the achievement of health and nutrition security for poor people

**Rahana, Niger**

Rahana Chaibou (30) with her daughter Apsatou (9 months) who is severely malnourished and has been receiving treatment at a Concern-supported health centre.

**Photo:** Apsatou Bagaya / Concern Worldwide.



# Education Programmes

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

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

## Objectives and activities

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

Our main objectives are to:

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

## Examples of our work and achievements in 2019

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

In **Malawi**, we completed our “Right to Learn” programme which supported

### Afghanistan

Schoolgirls in a community-based school in Afghanistan.

**Photo:** Concern Worldwide



# €5m

We spent €5 million in 2019 delivering programmes that help extremely poor children access a quality primary education.

girls in Phalombe District to achieve their right to an education in a safe environment free from discrimination and violence. We worked in 30 schools in the district and also with the wider community, reaching almost 62,000 people to address the root causes of school-related gender-based violence and encourage behaviour change. Across the 30 schools, the reading ability of the target girls improved significantly - at the beginning of the programme, 39% of girls were able to read 45 correct words per minute, rising to 82% by the end. The girls' confidence also increased significantly, with 83% feeling able to say no to sexual advances and abuse, and demand the support they needed at school from teachers and parents, up from 38%.

Past conflict and poverty, together with a lack of school buildings, unpaid teachers and harmful and discriminatory gender roles and attitudes, all contribute to a situation where a child's right to education does

not always materialise. In Tonkolili District in **Sierra Leone**, we reached approximately 37,000 people, through our "Safe Learning Model" programme, facilitating community mobilisation sessions around the value of education. This contributed to the enrolment of more than 20,900 pupils in 80 schools. All 80 schools were supported with teaching and learning materials, and 55 were provided with social and emotional learning or school club materials, which helped to keep the average attendance rate high at 94%.

Many Syrian refugee children living in **Turkey** have now missed over four years of school. In Sanliurfa district, where Concern works, over half of the school-aged children do not attend for a variety of reasons including the need to help earn money for the family and low literacy rates. Additionally, many are suffering from trauma, anxiety and stress. Our emergency education programme enabled over 1,703 vulnerable children to access school by providing cash assistance

to parents and materials, such as school uniforms, glasses and hearing aids, so children could succeed in the classroom. Some 456 teachers and school counsellors were trained to spot and communicate effectively with children suffering from trauma.

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

# Integrated Programmes

**In 2019 we reached over 1 million people directly through our integrated programmes and approximately 2.2 million people indirectly.**

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 way.

## 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, tackling the inter-related barriers that impede development.

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

## Examples of our work in 2019

Acute malnutrition in children under five years of age continues to be a significant problem in **Ethiopia**. In

the Amhara Region, Concern reached over 135,300 vulnerable people with its integrated programme to reduce spikes in child malnutrition. We supported improved food production for more than 5,500 households, distributed carrot, cabbage and tomato seeds and provided training on land preparation and vegetable gardening techniques. Over 10,000 people were supported with nutrition education, focusing on maternal and child feeding. Sixty-six mother-to-mother support groups with just above 1,050 members, were established. More than 21,000 people benefited from newly constructed latrines, together with hygiene education to help reduce incidents of diarrheal disease, especially among children.

Our programme to reduce under-five mortality and disease rates in Grand Bassa and Rivercess counties in **Liberia** benefited over 16,000 people with livelihoods, nutrition, WASH (water, sanitation and hygiene) and gender equality activities. To improve the nutrition and health of mothers and children under five, over 2,625 mothers were supported

with seeds and tools to establish kitchen gardens. We also set up 51 mother groups, adding to the 91 previously established, with a total membership over 3,525 mothers/caregivers. Members learned about the importance of good nutrition and were encouraged to bring the husbands to the training sessions so they learned together and shared their understanding of recommended changes.

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

Our “Building Resilience for Poverty Reduction” programme in West Darfur, **Republic of Sudan** supports

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

Our emergency response programme brought lifesaving assistance to over 270,000 internally displaced people and other marginalised groups in **Somalia** and **Somaliland**. We provided over 125,000 consultations for adults and children at health facilities, immunised more than 21,600 children, and treated over 18,000 children under five and pregnant and breastfeeding women for acute malnutrition. Water, sanitation and hygiene work reached almost 193,000 people. This included water trucking, the construction of boreholes, wells, underground water storage and water pipelines, the rehabilitation of water points, distribution of hygiene kits, as well as carrying out hygiene promotion activities. Over 80,000 extremely vulnerable people benefited from cash payments to enable them to buy food and other essentials.

### Esther, Liberia

Grandmother, Esther Glah, is Chairwoman of the Mothers' Group in the village of Pay Chea. She is a Trained Traditional Midwife who has been retrained by Concern to refer pregnant women to the local health facility. Esther said: "I enjoy being part of the Mothers' Group. It gives power to women and helps us feel good about ourselves. We have been educated about gender issues. Before, we were never exposed to these things. Now we know how to stand up for ourselves. No one can take advantage of us anymore. Concern has helped us a lot." **Photo:** Nora Lorek / Panos Pictures for Concern Worldwide



# €30.5m

We spent €30.5 million in 2019 delivering programmes that address the needs of the extremely poor in a holistic way.

# Development Education and Advocacy

## Development Education

The goal of Concern’s development education programme is to deepen the understanding and awareness of young people in Ireland regarding issues of global poverty, justice and underdevelopment.

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.
- Engage with the general public to create awareness and understanding of development issues and Concern’s work in relation to them.

### Examples of our work and achievements in 2019

#### Within the formal education system

Our Active Citizenship programme is active in all 32 counties in Ireland, directly engaging 13,947 students from 272 primary schools, 258 post-primary and 15 third-level colleges. In addition, over 400 teachers served as

debates mentors at primary and post primary level, while 155 teachers took part in a Concern training event.

We remained actively engaged throughout the year as consortium members delivering Irish Aid’s WorldWide Global Schools and Youth 2030 programme. In June, our proposal to deliver a programme around global development issues in the Adult and Community Education sector was accepted by Irish Aid. The new programme, entitled Saolta, will be launched in 2020.

The Concern Development Education Grants scheme supported 16 groups in Ireland to deliver quality development education across the schools, youth and community sectors.

#### Within the non-formal education system

In July, we were informed by the European Commission that they had accepted our proposal, as part of a 12-country international consortium, for a three-year climate change campaign with youth. The campaign entitled 1planet4all will commence in 2020.

In March and September, the “Greta Effect” saw thousands of students around Ireland taking to the streets to demand political action on the

global climate crisis. While Concern’s development education and active citizenship work has been highlighting issues related to climate change and a host of global development topics over the past 35 years, it was hugely encouraging to witness so many students putting their learning into action. The challenge now will be to sustain and grow the momentum until real change is achieved.

#### Engaging with the general public

We are now into our third year of the “Project Us” community conversations, which invite participants to discuss their role in bringing about the Sustainable Development Goals. In 2019, together with partner organisations including Pavee Point, Age Action, Men’s Sheds and Tidy Towns, we hosted 31 “Café Conversations” with over 1,100 people taking part.

Our brand ambassador, popular GAA player Michael Darragh MacAuley, visited Iraq to meet Syrian refugees in late 2019. Stories from his visit reached over 305,000 members of the public across our social and digital channels. The visit also received widespread coverage in print publications, including The Sunday Independent, reaching a combined circulation of 297,000. His appearance on The Late Late Show attracted an audience of over 600,000.

## Advocacy

The goal of Concern’s international advocacy work is to use the evidence and learning from our programmes to influence the policies and practices of Governments alongside those of the European Union and United Nations.

Our key objective is to ensure Concern’s voice and influence is used to promote awareness of, and support for, policy change on behalf of people living in extreme poverty.

### Examples of our work and achievements in 2019

Building on our “Breaking the Cycle” research and 50th anniversary “Resurgence of Humanity” conference in 2018, we collaborated with the Irish Embassy in Washington DC, USA to bring academics, donors and NGOs together at a roundtable entitled “The Lived Experience of Conflict and Food Insecurity”. Discussions centred on how we break the cycle of conflict, hunger and human suffering and explored what must be done to reduce hunger and strengthen resilience in fragile and conflict-affected situations. The event provided an opportunity to showcase Concern’s programming and research and to hear from Jemal Ebrahim Seid, our South Sudan Programme Director.

We co-hosted a side event at the United Nations Economic and Social Council Humanitarian Aid Segment, together with a number of partner organisations including World Food Programme and the United Nations Food and Agriculture Organisation. The event focused on conflict and hunger and the importance of the landmark Security Council Resolution 2417, which condemns the starving of civilians as a method of warfare, as well as the unlawful denial of humanitarian access to civilian populations. The Irish Government reiterated its commitment to addressing hunger and conflict and pledged to prioritise the theme should it secure a non-permanent Security Council seat in 2020.

We facilitated a public briefing on Syria at the Joint Committee for Foreign Affairs with Goal and Trócaire, and a series of private briefings with the Irish Government on the humanitarian situation in Syria, and the challenges facing Syrian refugees in the wider region.

To mark World Food Day on October 16th, we published the annual Global Hunger Index together with our Alliance2015 partner, Welthungerhilfe. The 2019 report focused on the links between climate change and hunger - how climate change is affecting the global food system in ways that increase the threats to those who already suffer from hunger and undernutrition.

Concern was an active voice in the civil society network at the global Scaling Up Nutrition (SUN) movement’s Global Gathering in early November in Kathmandu, Nepal, bringing together representatives from donors, governments, civil society, the UN and business to discuss the ongoing challenges in tackling malnutrition and progress made since the launch

of SUN in 2010. The meeting started a year of lobbying towards the Nutrition for Growth (N4G) Summit due to take place in December 2020, which convenes stakeholders across sectors to generate financial and political commitments to delivering good nutrition for all. With Alliance2015 and Generation Nutrition (a global civil society campaign to end child deaths from malnutrition), Concern’s lobbying work will influence the policies and budgets of the European Union and Member States, including Ireland, to ensure necessary investments are made to address global malnutrition.

In the UK, as a member of the International Coalition for Advocacy on Nutrition, we contributed to the launch of the All-Party Parliamentary Group on N4G, which comprises a group of MPs and peers who have been championing Concern’s nutrition objectives in the UK Parliament. In September, we launched a new campaign “Can’t Stomach Hunger”, aiming to recruit 20,000 new Concern supporters to put increased pressure on the UK government to make a strong commitment at the N4G summit.



**Amina, Ireland**  
Concern Kenya  
Country Director,  
Amina Abdulla, at  
the GHI Launch  
in Dublin. **Photo:**  
Photocall Ireland /  
Concern Worldwide

# How We Work

## Working with partners

**Concern cannot achieve its mission to eliminate extreme poverty in isolation. We believe we can achieve greater impact working in collaboration with other organisations and institutions.**

Our partners include other international and local non-governmental organisations, government bodies, research institutions and private sector companies. In 2019, in 21 of the countries we work in, programmes were partially or fully implemented through partners. Partnerships were evident across all the sectors in which we work, and grants to partners represented over 8% of total charitable expenditure.

Concern remains committed to working strategically in partnership with other international actors, such as the United Nations, international NGOs and global platforms, where we can have a greater impact. We are active members of the Scaling Up Nutrition movement and are a member of the Global Nutrition Cluster Standard Advisory Group, which works to safeguard and improve the nutritional status of emergency-affected populations.

We also work together with a number of organisations to amplify our voice around global justice, human rights, humanitarian aid and strengthening citizen participation. These include InterAction in the USA, Dóchas in Ireland,

VOICE (Voluntary Organisations in Cooperation in Emergencies) in the EU, and the International Council of Voluntary Agencies in Geneva.

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

As a founding member of Alliance2015, a network of eight European non-governmental organisations with a presence in 95 countries, we continued to work in collaboration with our fellow members at programme and policy levels.

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

116

Partners

€14m

We provided €14million to our partners





**Joana, Mozambique**

Joana Luis received supplies, including rice, beans, seeds and tools from Concern and Alliance2015 partners, Welthungerhilfe and Cesvi, at a distribution in Ndeja, Mozambique, following Cyclone Idai. **Photo:** Tommy Trenchard / Concern Worldwide

## How we measure success and learn from our programmes

### Concern has adopted a results-based management approach in delivering on its strategic objective to improve programme quality and impact.

During 2019, we conducted a review of our own experiences of using this approach.

This review highlighted the solid planning processes that are in place in Concern and their importance in setting realistic programme objectives and targets. A key planning step is the contextual analysis process where an assessment is made to identify the extreme poor in a given area and investigate the reasons why they are poor - looking at assets, inequalities, risk and vulnerability. Such contextual analysis allows clear and relevant objectives be set for each programme.

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

We have found that the key to effective results-based management is conducting periodic reflection exercises on data from monitoring systems. Such reflection leads to programme adjustments and realignment of targets, as necessary, and facilitates learning and continuous improvement.

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

## Safeguarding

### Maintaining the safety and protection of the communities with whom we work and of our staff is of primary importance to Concern.

We are a signatory to the Statement of Commitment on Eliminating Sexual Exploitation and Abuse by UN and Non-UN Personnel and to the Red Cross Code of Conduct. During 2019, we signed up to the InterAction CEO Pledge on Preventing Sexual Abuse, Exploitation, and Harassment by and of NGO Staff and the Dóchas Safeguarding Code.

Concern places particular emphasis on standards of behaviour that we expect from our staff, visitors to our programmes, and those of our local partner staff. To this end, we have the Concern Code of Conduct (CCoC) in place since 2004 and Associated Policies, namely the Programme Participant Protection Policy, Anti-Trafficking in Persons Policy and Child Safeguarding Policy. These policies are reflected in all aspects of our daily work and set out the standards of behaviour expected from all employees in relation to each other, our programme participants and other relevant parties. In 2019, we revised the Whistleblowing Policy to enhance protection for staff who come forward about wrongdoing within our organisation.

We are committed to taking all safeguarding reports seriously and to responding appropriately to allegations of a breach of the CCoC. We have dedicated safeguarding staff (since 2018) who maintain a secure database to register and track all safeguarding cases.

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

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

- Six were under investigation at year-end.
- Four related to child safeguarding – specifically the use of corporal punishment (slapping) in schools being part-funded by the organisation. These were investigated and dealt with in accordance with the procedures of the relevant ministries of education.

- The remaining 11 cases all fell within Concern’s definitions of sexual exploitation, harassment or abuse, which are as follows:
  - Sexual exploitation – Any actual or attempted abuse of a position of vulnerability, differential power, or trust, to pressure or demand others to provide sexual favours.
  - Sexual harassment – Any form of unwanted verbal, non-verbal or physical conduct of a sexual nature.
  - Sexual abuse – The actual or threatened physical intrusion of a sexual nature, whether by force, coercion or under unequal conditions.
- The profile of cases and the results of investigations are summarised below.

Type of case	Number of complaints substantiated	Number of complaints unsubstantiated or unfounded	Other*	Total
Sexual exploitation	-	-	-	-
Sexual harassment	3	3	3	9
Sexual abuse	1	1	-	2
<b>Total</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>11</b>

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

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

During 2019 we developed safeguarding awareness training and communication material for staff and volunteers, including an enhanced flow chart to anonymously report historical suspicions of harm. 57 Safeguarding Focal Persons have been designated in 20 countries of operation and these are supported in this role by our safeguarding team.

We employ a Protection Adviser at our head office and in a number of our programme countries. These advisers have supported and strengthened the integration of humanitarian protection into programming through the development of good humanitarian protection practice.

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

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

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

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

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

57

In 2019, 57 Safeguarding Focal Points were designated

20

Countries with safeguarding operations

# Focus On: Climate-Smart Agriculture



## **Esime & Esnart, Malawi**

Esime Jenaia, a Lead Farmer for conservation agriculture, at her plot in Chituke village, Mangochi, Malawi, with neighbour, Esnart Kasimu. Concern has been carrying out Conservation Agriculture programming in Malawi since 2012. **Photo:** Kieran McConville / Concern Worldwide

**Climate change is one of the biggest threats in the fight to end global poverty. According to the World Bank, the effects of climate change have the power to push an additional 100 million people into poverty over the course of the next decade. Those least responsible for climate change – the poor and vulnerable – are those who feel its effects the most.**

In many areas where we work, communities rely on agriculture both for food and income. Faced with degraded land and extreme weather, farmers often contend with food insecurity and unreliable income. Concern is helping communities deal with climate change through Climate-Smart Agriculture.

To protect and improve livelihoods in **Pakistan**, over 200 Climate-Smart Agriculture sessions were conducted, 43,450 forest tree plants were distributed to encourage agro-forestry and raise awareness of environmental conservation, and 140 communal gardens with underground water tanks were established. For those households who depend on livestock for their livelihoods, we ran 129 training sessions on livestock management and trained 240 community livestock extension workers to ensure the provision of affordable livestock services.

**Cecelia & Teneh, Liberia**

Cecelia, right, and Teneh, left, in Teneh’s vegetable garden. They are both members of the Wrobone Town Mother’s Group. They have received training and support from Concern to grow their own vegetables. Teneh said, “I joined the Mothers’ Group and learned how to plant a vegetable garden. I grow peppers, bitter bulb and okra. I sell some of what I produce. I also have 10 chickens.” **Photo:** Nora Lorek / Panos Pictures for Concern Worldwide



**Building the livelihoods and resilience of over 6,000 extremely vulnerable people in Niger.**

In the Diffa region of **Niger**, a new programme got underway in 2019 to build the livelihoods and resilience of over 6,000 extremely vulnerable people. Although very early days, we are already seeing good results from a project promoting growing vegetables through kitchen “sack” gardening. Project participants were given perforated sacks, seeds and other items, such as watering cans and fertiliser, and by the end of the year had harvested close to 4,800kg of vegetables, helping to add variety to their diets.

In Mangochi District in **Malawi**, more than 51,400 people took part in a

programme to reduce soil and land degradation and increase sustainable food production. In exchange for labour, participants were provided with cash and insurance for three months. Key achievements included the construction of a 6.5 hectare solar-powered irrigation scheme; 256km of swales (channels to manage water runoff) were stabilized; 273m<sup>3</sup> of dams were maintained; 247,409 trees were planted on hillsides, river banks and around public buildings.

In **Chad**, we reached over 45,500 people in 91 villages. We have been training farmers to use a conservation agriculture method of farming which minimises soil disturbance, improves soil condition and increases production. In 2019, farmers using this method had higher yields than those using traditional methods, producing 41% more peanuts and 35% more sesame from their fields.

91

**In Chad, we reached over 45,500 people in 91 villages.**

# Fundraising

The goal for fundraising is to raise sufficient funds to allow Concern to deliver its work and achieve its mission.

## Objectives

Fundraising's main objectives in 2019 were to:

- Continue to adhere to the highest standards
- Raise €38 million from the public
- Raise €151 million from governments, institutions and other co-funders
- Maintain a diversified income which is not overly dependent on any single source

## Achievements and performance in 2019

### Adhering to standards

We remain committed to fulfilling our good-practice obligations in each country in which we operate, including compliance with the Irish Charity Regulator's "Guidelines for Charitable Organisations on Fundraising from the Public".

### Raising funds from the public

In 2019, we raised €37.7 million from the public in Ireland, the UK and South Korea. We are exceptionally grateful to the many thousands of people who

continue to support our work to end extreme poverty, without whom it would not be possible.

Funds were contributed through a range of fundraising activities:

#### Individuals

More than 135,000 people in Ireland, the UK and South Korea have made the commitment to establish a regular gift to Concern. This type of funding is extremely important as it allows us to plan our ongoing activities in the knowledge that we have a secure funding base.

We communicate with our supporters in a number of ways, from face to face through to direct mail, advertising and online, which allows us to reach a broad range of people quickly and effectively. This is important in an emergency situation such as when Cyclone Idai hit Southern Africa last year. The swift response to the emergency from our supporters meant that we were able to respond quickly in Mozambique and Malawi to provide relief to people whose homes and livelihoods had been decimated by the cyclone and subsequent flooding. Almost 1,500 donations were made to the emergency relief effort raising €525,000.

Tax-efficient giving, where supporters' donations are augmented by a government refund of the related income tax, also continues to be an important source of income for Concern's work.

Legacy income is also of particular importance and we have launched a campaign to actively encourage supporters to consider this approach to enabling our work.

#### Businesses, major donors and trusts

The Women of Concern lunch was held in Dublin in October. We were honoured to have the support of four sponsors – EY, KPMG, PwC and Deloitte – who collectively increased the scale and impact of the event. Three hundred people from the Irish business community attended the lunch, which honoured Twitter Ireland Managing Director, Sinéad McSweeney. In excess of €150,000 was raised.

Concern is a member of the Zurich Flood Resilience Alliance, a multi-sectoral collaboration of nine organisations from the private sector, international development and academia. The programme, funded by the Z Zurich Foundation, focuses on finding practical ways to help communities strengthen their resilience to floods. As part of this partnership, the Z Zurich Foundation is funding Concern's flood resilience work in 22 flood-vulnerable communities in the chars (sandbar) of the Jamuna and Teesta rivers in Bangladesh.

Our relationship with Kerry Group also deepened as we entered the second year of a four-year €1 million funding agreement for our "Realigning Agriculture to Improve

Nutrition” (RAIN) programme in Niger. In Kenya, we partnered with the ELMA Relief Foundation to enable health centres to anticipate spikes in malnutrition cases and to provide the centres with support packages when spikes occur.

In Ireland, we established the Global Citizenship Group, a forum for business leaders to discuss how best to contribute in a meaningful and significant way to the progress of the 2030 Agenda for Sustainable Development through partnership with Concern. A number of meetings were held in 2019 and plans were put in place for a substantial programme in 2020.

We also finalised a private sector engagement strategy which identified four ways in which we can best partner with businesses who share our vision of a world without poverty.

**Community fundraising**

We continue to be inspired by the tireless work undertaken by our passionate volunteers and community groups. We have never forgotten that community-based support is what Concern was founded on and these groups continue to be an essential part of Concern’s work and culture.

In 2019, over 4,200 people took part in the Summer Raffle and 4,300 supporters purchased Christmas gifts.

The Christmas Fast continued to be a popular way for supporters to engage, with significant funds raised in workplaces, communities and schools. The Ration Challenge was introduced into UK homes in 2019, with participants being sponsored to live on refugee rations for a week. The campaign raised over €1 million in its inaugural year.

In Northern Ireland, our network of shops raises critical funds for our work, as well as finding good homes for preloved clothes, books and other items.

We are grateful to all the community activists who ran mini and full marathons, climbed mountains and

shook collection boxes in inclement weather to allow Concern’s work with the extreme poor to continue.

**Disasters Emergency Committee**

Concern continues to be a member of the Disasters Emergency Committee in the UK, an umbrella organisation bringing together 14 leading UK aid agencies to launch joint fundraising appeals at times of humanitarian crisis. In 2019, we were part of the Cyclone Idai Appeal and received €0.9 million to help fund our emergency response in Malawi.

**Raising funds from governments and co-funders**

Concern received a total of €151 million from co-funders (including €12.4 million of donated commodities).

Significant donors included the Irish Government (€27.5 million through Irish Aid), the British Government (€20.4 million), the US Government (€33.2 million) and the European Union (€24 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 2019 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 parameters during 2019. The chart on the right shows the range and spread of our income (including donations in kind).

**Range and Spread of Our Income**



**20%**

Public Donations, Legacies and Other Income



**17.5%**

US Government via Concern Worldwide (US) Inc.



**16.6%**

UN Agencies



**14.6%**

Irish Government



**12.7%**

European Union



**11.6%**

British Government



**7%**

Other Income

**Fatime and Hawa, Chad**  
Fatime\* (20) brings her daughter Hawa\* to see the doctor at a Concern-supported clinic. **Photo:** Gavin Douglas / Concern Worldwide

*\*Names changed for security reasons*



# Thank You

We greatly appreciate the ongoing support from governments and co-funders including:

**The British Government**  
**The Canadian Government**  
**The European Union**  
**The German Government**  
**The Government of South Korea**  
**The Irish Government**  
**The Swedish Government**  
**The Swiss Government**  
**The US Government (via Concern Worldwide (US) Inc.)**  
**UN Agencies**



Thanks also to the following organisations:

**Accenture**  
**Comic Relief**  
**Bank of Ireland Staff Fund**  
**Deloitte**  
**Disasters Emergency Committee**  
**Electric Aid**  
**Elma Relief Foundation**  
**EY**  
**Fórsa Trade Union**  
**Innocent Foundation**  
**Irish Management Institute**  
**JP McManus charitable foundation**  
**Kerry Group Plc**  
**KPMG**  
**Microsoft Ireland**  
**McClay Foundation**  
**Milton Damerel Trust**  
**Penny Appeal**  
**PwC**  
**Red Dog Design**  
**Start Fund**  
**States of Guernsey Overseas Aid & Development Commission**  
**Swedish Postcode Foundation**  
**tcc Foundation**  
**The Turing Foundation**  
**The Waterloo Foundation**  
**Whole Planet Foundation**  
**Z Zurich Foundation**

# Focus On: Our Supporters



**Concern Debates 2019\***  
The Concern Debates 2019 winning team from Larcy College with their Debates Mentor: from left, Ruth, Abigail, Sascha, Aaron and Carla.  
**Photo:** Concern Worldwide



**Concern Bookshop Volunteers**  
Paul Morrison and Damian Barr who volunteer in Concern's bookshop in Derry. **Photo:** Darren Vaughan / Concern Worldwide



**Women of Concern 2019**  
Women of Concern 2019, Honoree - Sinéad McSweeney, Managing Director, Twitter Ireland.  
**Photo:** Photocall Ireland / Concern Worldwide

\*Concern Debates, TY Academy and Project Us are funded by Irish Aid.

### TY Academy\*

Students Ellen, Shurooq, Lucy and Eve participated in TY Academy, a week-long programme for Transition Year students who are keen to learn how they can become active global citizens. **Photo:** Cian Purcell-Milton / Concern Worldwide



### Project Us\*

Concern Worldwide hosted a tent at the 2019 Electric Picnic Festival in Stradbally, County Laois. Over the three day festival, Concern volunteers promoted the Strategic Development Goals. **Photo:** Gavin Douglas / Concern Worldwide



Without the support of many individuals, community groups, volunteers, governments and co-funders, a small number of whom are recognised here, our work would not be possible.

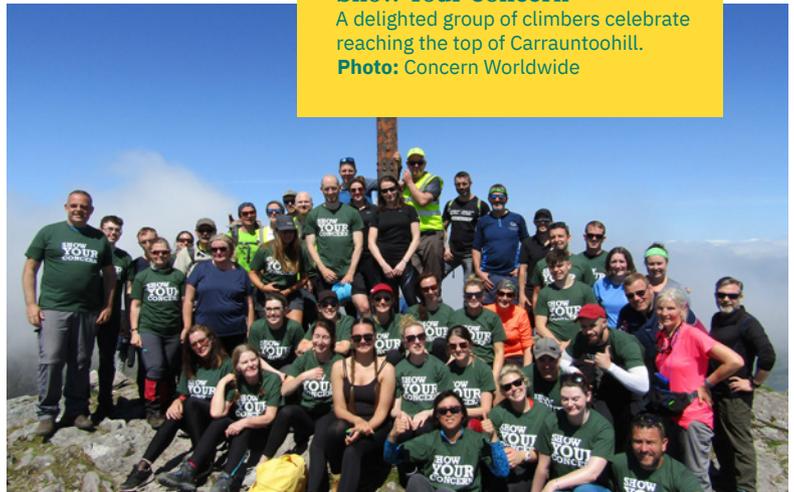
### Donegal Twin Towns Concern Action Group, Ballybofey

Concern CEO Dominic MacSorley with the Donegal Twin Towns Concern Action Group in Ballybofey, who have been supporting Concern since 1984. **Photo:** Jason Kennedy / Concern Worldwide



### Show Your Concern

A delighted group of climbers celebrate reaching the top of Carrauntoohill. **Photo:** Concern Worldwide



# Our Staff and Volunteers

## Staff

Our staff are our greatest strength and are essential to the achievement of our mission. We recognise that the diverse and challenging contexts in which we work places high demands on our staff. Our Human Resource (HR) function works closely with senior management to recruit, retain and develop staff who embody the organisation's values and who are the best at what they do. In each country of operation we have a dedicated HR team who are supported from the central HR function.

During 2019, we continued to promote equal opportunities. The aim of our equal opportunities policy is to ensure that all staff receive equality of opportunity regardless of gender, race, religion, disability, nationality, marital/family status and sexual orientation. We are strongly committed to ensuring women are represented equally in the workplace and to recognising the need to continue to improve. We have committed additional resources to this area in 2020.

We invest in our staff through a strong focus on learning and development. We achieved this in 2019 through the ongoing rollout of our key programmes: Pathway, Ignite, and Aspire, our management training programmes to further staff development and progression. In addition, we continued to roll out our training on personal resilience and mental health awareness.

Concern was chosen as the Irish Management Institute's charity for 2019. Over the year, 84 of our staff working in 14 countries participated in a range of leadership and management development programmes. In

a follow-up survey, 82% of respondents said they now approach their work with greater initiative, 89% with greater confidence, and 88% have introduced new ways of working. This is supported by their line managers, with 88% of respondents agreeing they approach their work with greater confidence, and 71% reporting they have introduced new ways of working with their team or community.

Listening to our staff is important to us. During the year, we carried out a global staff survey. We had an 80% response rate across our entire workforce with an overall engagement score of 81.8. This is a strong basis from which to continue to support staff in the coming year.

## Volunteers

Volunteers also lent their expertise to a host of activities in 2019. Volunteering is important to us and forms part of the foundation from which the organisation has grown. We benefited greatly from the commitment and dedication of over 1,605 activists and volunteers who assisted us by adjudicating debates, helping in the office or at events and supporting our fundraising efforts. Others offered specialist advice, acted as ambassadors and lent their voice to campaigns. In addition, 2019 saw 14 people travel overseas to take up volunteer contracts.

The organisation acknowledges with gratitude the work of its staff and volunteers both at home and overseas in 2019. The achievements during the year are due to the dedication and belief of all these people.





**Marie and Ricardo, Haiti**

Concern's Marie Stanise Mendes with Ricardo Joseph from Cité Soleil, who took part in a summer camp run by Concern in partnership with UNICEF and JEde. It uses a methodology called Playdagogy that uses games and sport to raise awareness on subjects such as understanding the cycle of violence, protection, citizenship, respect for others and equality. These activities created a safe play space for children while effectively delivering these key messages.

**Photo:** Kieran McConville / Concern Worldwide

80%

Response to staff survey

# Review of Financial Outcome 2019

The financial outcome for 2019 is set out in the “Consolidated Statement of Financial Activities” on page 66.

During 2019, Concern’s income and expenditure increased compared to 2018. This was mainly due to a general uplift in ongoing programme activities and increased emergency activity arising from conflict-affected areas and Cyclone Idai.

A more detailed commentary on the financial results for 2019 is set out below.

## Income

The organisation’s income in 2019 amounted to €189.5 million – see note 2 to the financial statements for a detailed breakdown by source. This represents an increase of 16% on 2018. In general, income was in line with expectations across all major revenue sources, which is regarded as a satisfactory performance in a competitive environment. We continue to have a diversified income base.

The main movements in Concern’s income streams, during 2019, 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 2019, we received

€37.7 million from this income stream – see note 2(a) to the financial statements.

We continued to fundraise in three markets (Ireland, the UK and South Korea) and income increased by 8% when compared to 2018. The largest increases occurred in the UK and South Korea. This was due to two main factors:

- In the UK, income increased by €1.9 million. 2019 saw the successful launch of the Ration Challenge event whereby, during Refugee Week, participants raised sponsorship to consume the same rations as a Syrian refugee living in a camp.
- In South Korea, ongoing investment in the recruitment of regular givers grew the donor base which resulted in income growth of €0.7 million.

In Ireland, which continues to be our largest source of income (accounting for 67% of the overall total of donations and legacies), revenues increased by 1%, which was spread across revenue streams.

### Grants from governments and other co-funders

Concern received a total of €139 million in grants from governments and other co-funders in 2019 – see note 2(b) to the financial statements for an analysis by donor. This represents a 19% increase from our 2018 levels.

Concern Worldwide (US) Inc. (including US Government) was the single largest donor in 2019, providing €35.4 million, or 25.5% of the total co-funding income. The Irish Government was the next largest donor in 2019, providing €27.5 million, or 19.8% of the total co-funding income. The European Union was the next largest donor after that, providing €24.1 million, or 17.4% of total co-funding income. Other significant donors included UN agencies, who contributed €20.9 million, and the British Government with €20.4 million. These levels of funding reflect the strong relationships built with the donors over an extended period. We hope to further develop these relationships through the current year.

The overall increase in grants received was due to the fact that we secured funding for:

- Planned scaling-up of activity across a range of ongoing country programmes.
- Increased activity in conflict-related emergencies, particularly in Syria/Iraq, where we expanded our activities to cope with the effects of the escalating war and conflict and in DRC, where we responded to displacement crises from continuous armed conflict and an Ebola outbreak.
- Our response to Cyclone Idai which hit Malawi and Mozambique in March 2019, directly affecting over a million people.

**Expenditure on charitable activities**

Total Expenditure: €168m



**Donated commodities**

Commodities donated to the organisation and distributed as part of its emergency response programmes were valued at €12.4 million in 2019, an increase of 17.7% from 2018 – see note 2(c) to the financial statements for details. The bulk of donated commodities were foodstuffs for emergency distributions in South Sudan and Ethiopia with smaller but significant amounts in Bangladesh, Somalia and Republic of Sudan.

**Expenditure**

Our total expenditure for the year was €184 million, made up as follows:

	€'m	%
Charitable activities	€168.4	91%
Raising funds	€15.4	9%
<b>Total</b>	<b>€183.8</b>	<b>100%</b>

Overall, this represents a 15% increase from the 2018 level of €160 million, with most of the increase occurring on charitable activities. Our expenditure on charitable activities is mainly driven by our ability to secure funding, so this increase is primarily due to factors outlined above in relation to income i.e. it is a combination of a planned, broadly based expansion in several countries, and increased emergency response activity to address the impact of natural and man-made disasters.

**Charitable activities**

Expenditure on charitable activities in 2019 totalled €168.4 million.

As illustrated in the chart above, expenditure was spread over a range of programme types, with emergency response remaining our largest single programme, accounting for 57% of total charitable spend. As detailed in note 3 (a), we achieved growth in all programme types except health and nutrition. This is regarded as a strong performance. The downturn in health and nutrition is regarded as cyclical and likely to reverse in the coming periods.

Our overseas expenditure continued to be concentrated in sub-Saharan Africa (65%), though we continue to maintain a strong presence in Asia (15%) and to also operate on a large scale in the Middle East (19%). Haiti remains our only country of operation in the Americas.

**Raising funds**

The cost of raising funds totalled €15.4 million in 2019, which is 11% higher than in 2018. The increase in expenditure is primarily due to two factors:

- The increased spend on donor recruitment in the Republic of Korea (South Korea) where we believe there is considerable growth potential.
- The cost of other fundraising investments approved by the Board with the aim of protecting

and developing our revenue streams in the medium to long term.

The return earned on resources spent to raise funds is closely monitored and was felt to be satisfactory in 2019.

**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, 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 exchange gains) amounted to €10.1 million (see note 3 (d) to the financial statements), compared to €10.3 million in 2018, a 1% decrease. The main reason for this decrease is an increase in the gains on foreign exchange transactions during the year. Excluding the foreign exchange gains, the support costs remained largely unchanged.

**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	2019	2018
Return per euro of fundraising spend	€2.5	€2.5
Government & institutional income as a percentage of total overseas programme expenditure	85%	83%
Support costs as a percentage of total costs	5.5%	6.4%
Percentage of total income derived from:		
↳ our largest donor	19%	16%
↳ our top three donors (combined)	46%	47%
Expenditure cover held in unrestricted reserves	138 days	148 days

- ↳ **Return per euro of fundraising spend** essentially measures how much we get back for each euro spent on fundraising. This figure in 2019 was the same as 2018 as we continued to invest in fundraising. It is expected that return on 2019 investment will increase the ratio in future years.
- ↳ **Government and institutional income as a percentage of total overseas programme expenditure** indicates the proportion of our work which we can get funded without reliance on public appeals. The 85% recorded in 2019 is 2% higher than in 2018, demonstrating the organisation’s continued success in securing high levels of institutional funding during the year.
- ↳ **Support costs as a percentage of total costs** illustrates how much of total expenditure was needed for essential but non-core activities and functions. The 5.5% achieved in 2019 is lower than in 2018 (as a result of the increase in charitable expenditure explained above). This level of support activity is believed to be necessary and appropriate.

- ↳ **Percentage of total income derived from our largest donor/ our top three donors (combined)** illustrates the extent of our reliance on particular donors. As we continue to secure less than 50% of funding from our top three donors, we believe that we have considerable diversity in our donor base and that we are not over-reliant on any particular source.
- ↳ **Expenditure cover held in unrestricted reserves** indicates the number of day’s expenditure that we can cover from our available unrestricted reserves. The 2019 figure of 138 days is regarded as satisfactory.

Overall, we are satisfied with the financial performance of the group for the year.

## Financial Results of Subsidiary Companies

In addition to the parent company, during 2019 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 level of funds raised increased in 2019 due largely to the success of the UK Ration Challenge event and securing increased funding from the British Government. The charity is the sole member of, and controls, Concern Worldwide (Northern Ireland), which in 2019 commenced retail activities in Northern Ireland to raise funds for overseas programmes. The year-end consolidated position of the parent was satisfactory and it is expected to continue trading for the foreseeable future.
- ↳ Concern Charity Trading Limited 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 the Republic of 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.

## Pensions

Concern Worldwide 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 existing employees, who were still members, moved to the defined contribution scheme in 2009 (when the scheme benefits were restructured and a funding plan was put in place to address the deficit). 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. The funding plan ran from 2009 to 2018 and resulted in the scheme being fully funded. As a result, the company ceased contributing to the scheme and no contributions were made during 2019. An actuarial valuation at the balance sheet date shows a surplus of €2.9m (see note 16 to the financial statements).

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 has a deficit at year-end of €0.1 million (see note 16 to the financial statements).

The company does not anticipate that further contributions will be required to fund these benefits.

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 €3.5 million (see note 16 to the financial statements).

## Reserves Position

A key distinction is made between restricted income, which must be used only for the purpose specified by the donor, and unrestricted income, which is used by Concern for its general purposes in furtherance of its charitable objectives. Restricted income goes towards financing particular activities, 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. Any income not fully utilised is retained in reserves as outlined below.

It is Concern's policy to retain only sufficient reserves to safeguard the continuity of its operations, thereby

committing the maximum possible resources to its programmes. The total reserves of €73.3 million at December 31, 2019 are detailed in note 17 to the financial statements and fall into two categories.

### ➤ **Restricted funds (€4 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 (€69.3 million)**

These are of two types.

- Designated funds (€67.9 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 2019, funds had been designated for five specific purposes as follows:
    - to cover the planned 2020 budget deficit (€0.4m)
    - to recognise that a portion of reserves is invested in the charity's fixed assets (tangible and intangible), and is not therefore available for other purposes (€15.4m)
    - to ensure the continuity of operations (€44.3m)
    - to cover the risk of holding assets in our overseas programmes (€0.5m)
    - to finance investment in new fundraising opportunities and strategic projects (€7.3m)
- General unrestricted funds (€1.4 million) - these represent funds which are available for the general purposes of the charity.

The reserves are managed in accordance with the organisational reserves policy which was updated in December 2019. The Board reviews the level of reserves held periodically, the last review was done in conjunction with the approval of the 2020 budget. At that time it was agreed that reserves were in line with the policy, the restricted reserves should be utilised as soon as reasonably possible, and that the 2020 expenditure plans would include investments in fundraising activities, systems and programmes that would reduce designated reserves from the 2019 levels.

## Going concern

Based on the results for the year, the year-end financial position and the approved 2020 budget, the Board believes that the charity has adequate resources to continue in operational existence for the foreseeable future.

Since the date of the financial statements, there has been a global outbreak of Coronavirus (COVID-19). The Board has considered management's assessment of the effects of this pandemic on the continued operations of the organisation and believes that the organisation has made sufficient cost reduction measures and has sufficient reserves to deal with this crisis.

The Board believes that there are therefore 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.

# 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 main active members of the Group controlled by Concern Worldwide:

Body	Description	Activities	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 Korea Foundation</b>	Foundation set up by Concern in Korea in 2015, which is regarded as a subsidiary because Concern Worldwide can determine the composition of the Board of Directors	Concern Korea supports the overseas programmes of Concern Worldwide by fundraising and by promoting 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</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	Trading company
<b>Concern Worldwide (Northern Ireland)</b>	Company limited by guarantee, regarded as a group member because Concern Worldwide (UK) is the sole member	Operates and manages retail activities in Northern Ireland to generate funds for the group	Trading company

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

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 Charities Governance Code issued by the Charities Regulator of Ireland and the “Irish Development NGO’s Code of Corporate Governance” (as produced by the Corporate Governance Association of Ireland in partnership with Dóchas). Concern has been awarded “Triple-Lock” membership from Charities Institute Ireland, which demonstrates our commitment to best practice in all aspects of good governance, transparency and fundraising. 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 the 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. Once appointed, Board members serve for a fixed period of three years. They may be re-appointed, subject to an overall limit of nine consecutive or twelve non-continuous years’ service.

There are clear distinctions between the roles of the 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. 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. A comprehensive conflict of interest policy is in place that requires Board and committee members to disclose actual or potential conflicts of interest. Annual declarations of conflicts of interest are made by Board and Committee members, and the Executive Leadership Team.

During the year, the Board consolidated the governance procedures into an organisational Governance Code which details the procedures that they will apply in undertaking their responsibilities. During 2019, the Board reviewed the efficiency and effectiveness of its own operations. It agreed that both the code and general Board effectiveness will be reviewed by independent experts during 2020.



**Khalid, Lebanon**

Father of two Khalid (24) has completed a technical and vocational education training course on plumbing, supported by Concern. When he starts work as a plumber’s apprentice, he will receive a start-up kit from Concern, which consists of plumbing tools, a drill, a pipe welding machine and pipe threader. “This is the only light in the darkness,” he said. “The training I have received from Concern gives me a little hope. I feel optimistic.” **Photo:** Darren Vaughan / Concern Worldwide

# Our board works tirelessly to make sure we're doing all we can to reach and improve the lives of people in the world's poorest countries.

## Here is a list of the Board members at the date on which this report was issued:

**Christine Barrett** is Director of Digital Sales, Germany for Microsoft.

**Ciunas Bunworth** is a retired aid and development specialist and now works as a volunteer with St. Francis Hospice, Raheny.

**Catherine Corcoran** leads the BA in Social and Community Studies at LIT Tipperary and is pursuing a PhD with Newcastle University on the theme of Resilience and Community-led planning.

**Donal D'Arcy** works in public procurement and also lectures in procurement and supply chain management with the Chartered Institute of Procurement and Supply and the Institute of Technology, Carlow.

**Jacinta Flanagan** is the Programme Director of Enterprise Applications for Origin Enterprises plc.

**Joanna Geraghty** is President and Chief Operating Officer for Jet Blue Airways and chairs the Board of Concern Worldwide (US) Inc.

**Colin Gordon** sits on the Consumer Foods Board of Bord Bia and, up until January 2019, was CEO of Glanbia Consumer Foods. He now runs his own consultancy practice.

**Michael Kenny** is a lecturer at the Department of Adult and Community Education, National University of Ireland, Maynooth.

**Teresa McColgan** is an accountant and a tax partner in PwC's Entrepreneurial and Private Business group. She leads the firm's not-for-profit practice.

**Jim McShane** is the CEO of the McShane Companies, an integrated development and construction firm headquartered in Rosemont, Texas and is a member of the Board of Directors, Concern Worldwide (US) Inc.

**Cormac Murphy** is an Advisory Partner and a Banking and Capital Markets Sector Leader within EY's Financial Services Organisation.

**Vincent Murphy** is Finance Director and Company Secretary for the Aviva Stadium and is a Chartered Accountant.

**Barbara O'Reilly** is the Global Network Director for RSA Insurance Group.

**Gary Rice** is a partner in DAC Beachcroft, an international law firm.

**David Ritchie** is Chief Officer and Secretary General of the Representative Body of the Church of Ireland (the RCB).

**Rachel Rodgers** is a Partner and head of the real estate team in Walkers.

**Bernadette Sexton** is CEO of Oxford Policy Management, an international development consultancy, and serves on the Board of Trustees Concern Worldwide (UK).

**Cormac Staunton** is an EU and International Policy Manager at the Central Bank of Ireland.

**Dr. Rosalyn Tamming** is a Senior Research Officer with the National Disability Authority in Dublin.

**John Treacy** is the Chief Executive of Sport Ireland, the statutory agency for sport in Ireland. He is the Chair of Concern Worldwide.

**Donald Workman** is a former Executive Chairman of RBS and Chairs the Board of Trustees of Concern Worldwide (UK).

**The Board met five times during 2019 and attendance of eligible members was as follows:**

<b>Board Member</b>	<b>Number Attended</b>	<b>Number Eligible</b>
Christine Barrett	2	2
Zamila Bunglawala	3	3
Ciunas Bunworth	3	5
Catherine Corcoran	3	5
Donal D'Arcy	5	5
Jacinta Flanagan	3	5
Joanna Geraghty	0	5
Colin Gordon	4	5
Paul Jeffcut	2	2
Michael Kenny	5	5
Cyril Maybury	2	2
Teresa McColgan	5	5
Jim McShane	4	5
Cormac Murphy	3	5
Vincent Murphy	3	3
Barbara O'Reilly	3	5
Nora Owen	2	2
Gary Rice	2	5
David Ritchie	5	5
Rachel Rodgers	4	5
Bernadette Sexton	2	2
Cormac Staunton	3	3
Rosalyn Tamming	5	5
John Treacy	5	5
Donald Workman	5	5

3

Three years is the term of office for a Director.

5

The Board met five times during the year.

4

The Board has four standing committees: Finance, Programme Monitoring and Evaluation, Audit and Risk, Remuneration and Succession.

The majority of Board members had additional responsibilities in relation to Committees. The membership of these 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 Committees on an ongoing basis.

There are four Board Committees:

- Finance** monitors the organisation’s financial results and policies and advises the Board on financial management, reporting, treasury and reserves. This Committee met five times during 2019 and attendance was as follows:

Name	No. attended/ No. eligible
Dermot Browne	5/5
Teresa McColgan	5/5
Vincent Murphy	5/5
Gary Rice	2/5
David Ritchie	3/5

- Audit and Risk** monitors the control and risk management systems and advises the Board on internal controls, risk and compliance. This Committee met five times during 2019 and attendance of eligible members was as follows:

Name	No. attended/ No. eligible
Donal D’Arcy	5/5
Jacinta Flanagan	1/2
Una Henry	3/5
Paul Jeffcut	0/2
Liz Joyce	2/2
Cyril Maybury	5/5
Tony McCusker	2/2
Vincent Murphy	2/2
Rachel Rodgers	5/5
James Shaw Hamilton	1/2

- Programme Monitoring and Evaluation** monitors the quality of Concern’s programme work and advises the Board on programme policies and programme evaluations. This Committee met on four occasions during 2019 and attendance was as follows:

Name	No. attended/ No. eligible
Ciunas Bunworth	3/4
Catherine Corcoran	2/4
Howard Dalzell	3/4
Fintan Farrelly	3/4
Jacinta Flanagan	1/4
Michael Kenny	4/4
Cormac Murphy	1/4
David Regan	1/4
Rosalyn Tamming	4/4

- Remuneration and Succession** monitors pay and reward policies across the organisation and also oversees succession planning at Board and senior management level. It advises the Board on these areas as well as on Board processes and effectiveness. This Committee met twice during 2019 and attendance of eligible members was as follows:

Name	No. attended/ No. eligible
Colin Gordon	2/2
Michael Kenny	2/2
Barbara O’Reilly	2/2
Nora Owen	1/2
John Treacy	2/2

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 generally felt to be adequate and to provide a high degree of assurance that resources are properly applied. That said, we operate in many highly corruption-prone environments, such as fragile states and humanitarian emergencies, and in these circumstances no system provides absolute guarantees. For this reason we have strong complaint and whistleblowing systems and a well-established internal audit function that both monitors compliance and investigates problematic transactions.

During 2019, we investigated 61 reported allegations of fraud. These investigations uncovered 23 incidents that caused loss to Concern. The majority involved minor amounts. Two involved material sums. Our total estimated loss due to fraud in 2019 amounted to €129,794. While the number of incidents was similar to 2018, the total amount involved rose substantially. The increase was largely due to the two incidents referred to above. They occurred in the same country at approximately the same time – when supervisory controls were temporarily weakened by insecurity, staffing gaps and other factors. As an organisation, we have a zero-tolerance attitude towards fraud. We work hard to ensure that any possible frauds are investigated promptly, that restitution is secured, that appropriate disciplinary actions are taken 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.

## Internal Control and Organisational Risk Management

Concern Worldwide operates in a wide variety of environments. As an organisation we are committed

As part of the risk management process, an annual risk review is undertaken. 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. The major risks identified by the 2019 review are listed below in order of significance:

2019 Ranking*	Risk
1 (1)	Uncertainty in the Funding Environment
2 (2)	Staff safety, wellbeing & security
3 (3)	Staff recruitment and retention
4 (5)	Safeguarding
5 (4)	Compliance
6 (6)	Fraud, corruption, and other criminal behaviour

\* The 2018 rankings are shown in brackets

The risks and mitigating actions are explained more fully here:

- ↳ **Uncertainty in the Funding Environment:** While the Irish, UK and Eurozone economies continue to perform reasonably well, there is considerable uncertainty associated with Brexit and, more generally, with policies and attitudes towards overseas aid. As a result, uncertainty in the funding environment 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, wellbeing and security:** Concern operates in regions where the political and social circumstances make the personal health and security of staff a significant concern. The wellbeing of Concern’s staff is of paramount importance and in order to ensure that this risk is appropriately

managed, the organisation has comprehensive health and security management policies in place, including the provision of training in areas such as security management, hostile environments 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.
- ↳ **Safeguarding:** This risk encompasses all types of inappropriate behaviour that negatively impacts the people with whom we work. We manage this risk through the development and enforcement of strong policies, by good recruitment practice, and by the provision of ongoing training and guidance.
- ↳ **Compliance:** This risk is broken down into the different areas of compliance relevant to the organisation including donor, internal 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 organisation addresses this issue through staff training, publication of relevant guidance and frequent reviews of activities.
- ↳ **Fraud, corruption and other criminal behaviour:** Significant fraud or incidents of corruption could severely damage the organisation’s reputation and result in the loss of resources. The organisation has developed detailed financial management and reporting systems to mitigate these risks, which are reviewed on a regular basis. Concern also has

a comprehensive internal audit programme. A rigorous Code of Conduct for staff is proactively implemented to mitigate against any inappropriate behaviour which could potentially impact upon the communities with whom we work.

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.

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

## 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 people in need." It is further stipulated that in pursuing the main objective, 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 people 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 2019, 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

Since the date of the financial statements, a global pandemic referred to as COVID-19 (or "Coronavirus") emerged. Owing to the timing and significance, the Group has identified the occurrence of COVID-19 as a non-adjusting event as defined by FRS 102.32 *Events After the Reporting Period*. The Board has considered the assessment by management of the impact of COVID-19 on the continued operations of the organisation and is satisfied that the Group has sufficient reserves and measures in

place to absorb any negative financial impact. See note 24 of the Financial Statements (page 96) for more detail.

## Accounting Records

The Board of Directors believes that they have complied with the requirements of Chapter 2 of Part 6 of the Companies Act 2014 with regard to adequate accounting records, 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

Concern Worldwide is not obliged under the provisions of the Companies Act 2014 to prepare a Directors' Compliance Statement. However the Directors have agreed to voluntarily adopt these measures because they believe that they represent best practice in corporate governance.

The Directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations 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
- during the financial year, the arrangements or structures referred to above have been reviewed.

# Looking Ahead

## Plans for the Future

Concern's current five-year strategic plan, "Leaving no one behind", comes to an end this year. Inspired by the vision of the Sustainable Development Goals, but anchored in Concern's own mission and values, the plan has helped guide our work in a time of immense global challenges. It also set ambitious targets for the scale-up of our programmes and our influence on policy and best practice in the sector more widely.

Over the course of the plan, the organisation has significantly increased its emergency response capacity, while also deepening its development programming and overall impact, particularly in areas such as conservation agriculture, cash transfer programming, and influencing policy. While some targets have proved challenging to meet, overall the organisation is on track in meeting its key objectives.

The process of developing the next strategic plan is now well under way. With a range of analyses having taken place earlier this year, wider consultations within and outside of Concern are ongoing.

The last plan was developed at a time of "Turmoil and hope", as described by the then United Nations Secretary General, Ban Ki-moon, in 2015. Turmoil, because conflict had deepened across the globe, with civilians paying the greatest price. Hope, because the world had gathered to formally adopt the Sustainable Development Goals, a global vision for development towards 2030.

Five years later, that turmoil remains. The COVID-19 pandemic that emerged in late 2019 has affected every country and presents an unprecedented global challenge that will have serious negative implications for the poorest and most vulnerable communities. Conflict has continued, and worsened in several notable contexts, taking a ferocious toll on civilians, while the climate crisis has deepened, affecting more and more of the people we work with every year.

Concern operates in an environment that is unquestionably difficult, but this underscores the need

for its work, and the organisation is continuing to strengthen and futureproof itself in order to optimise its impact in the years ahead.

Looking further ahead, we already know that the governance structures, accountability systems and the support and trust from our donors will provide us with a solid platform upon which the organisation can continue to deliver on its mission.

On behalf of the Board:



**John Treacy**  
Director



**Teresa McColgan**  
Director

May 30, 2020

# Legal and Administrative Information



## Michael, Iraq

Dublin footballer and Concern Ambassador Michael Darragh MacAuley in Iraq.

Around 11,000 people have fled from Syria to this camp with an estimated 500 more crossing the border per day. Many suffer psychological issues from the horrors they have seen. **Photo:** Gavin Douglas / Concern Worldwide

## Board members

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

Christine Barrett  
 Ciunas Bunworth  
 Catherine Corcoran  
 Donal D'Arcy  
 Jacinta Flanagan  
 Joanna Geraghty  
 Colin Gordon  
 Michael Kenny  
 Teresa McColgan  
*(Company Secretary)*  
 Jim McShane  
 Cormac Murphy  
 Vincent Murphy  
 Barbara O'Reilly  
 Gary Rice  
 David Ritchie  
 Rachel Rodgers  
 Bernadette Sexton  
 Cormac Staunton  
 Rosalyn Tamming  
 John Treacy *(Chair)*  
 Donald Workman

Jacinta Flanagan, Vincent Murphy, Gary Rice, Rachel Rodgers and Cormac Staunton stood for election at the Annual General Meeting in May 2019 and were appointed to the Board. Christine Barrett was co-opted to the Board in June 2019, filling the casual vacancy that arose through the resignation of Jan Rotte. Bernadette Sexton was co-opted to the Board in June 2019.

Paul Jeffcut, Cyril Maybury and Nora Owen retired from the Board in May 2019. Zamila Bunglawala retired from the Board in June 2019.

## Committees of the Board and other information

### Finance Committee

Dermot Browne\*  
 Teresa McColgan *(Chair)*  
 Vincent Murphy  
 Gary Rice  
 David Ritchie

### Programme Monitoring and Evaluation Committee

Ciunas Bunworth  
 Catherine Corcoran  
 Howard Dalzell\*  
 Fintan Farrelly\*  
 Jacinta Flanagan  
 Michael Kenny *(Chair)*  
 Cormac Murphy  
 Rosalyn Tamming

### Audit and Risk Committee

Donal D'Arcy *(Chair)*  
 Jacinta Flanagan  
 Una Henry\*  
 Liz Joyce\*  
 Cyril Maybury\*  
 Tony McCusker\*  
 Vincent Murphy  
 Rachel Rodgers

### Remuneration and Succession Committee

Donal D'Arcy  
 Colin Gordon  
 Michael Kenny  
 Teresa McColgan  
 Barbara O'Reilly  
 John Treacy *(Chair)*

*\*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

## Revenue Charitable Status Number

5745

## Executive Management Team during 2019

### Dominic MacSorley

Chief Executive Officer

### Rose Caldwell

Executive Director,  
 Concern (UK)\*\*

### Dominic Crowley

Emergency Director

### Richard Dixon

Public Affairs Director

### Connell Foley

Strategy, Advocacy  
 and Learning Director

### Jim Hynes

Deputy Chief Executive  
 and Chief Operations Officer

### Sarah Martin

Communications Director

### Anne O'Mahony

International Programmes  
 Director

### Louise Supple

Human Resources Director

*\*\*Rose Caldwell resigned in June 2019 and was replaced by Danny Harvey.*

## Finance Director during 2019

Ciara O'Neill

# STATEMENT OF DIRECTORS' RESPONSIBILITIES

## in respect of the Report of the Board and the financial statements

The Directors are responsible for preparing the Report of the Board and the 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 the 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 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 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
- 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 Group 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:



**John Treacy**  
Director



**Teresa McColgan**  
Director



**Atiir, Kenya**

Atiir Kataboi collects firewood every day in Turkana, northern Kenya to make money to feed her seven children. Recurrent drought has made it her only means of survival. **Photo:** Gavin Douglas / Concern Worldwide

# INDEPENDENT AUDITOR'S REPORT

to the members of Concern Worldwide

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

### Opinion

We have audited the Group and Company financial statements of Concern Worldwide ("the Group" or the "Company") for the year ended 31 December, 2019 set out on pages 66 to 96, 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, 2019 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
- 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 if 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 and the message from the Chair and the Chief Executive Officer. 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 and the message from the Chair and Chief Executive Officer
- in our opinion, the information given in the report of the Board is consistent with the consolidated financial statements
- in our opinion, the report of the Board has 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 financial statements**

As explained more fully in the Directors' responsibilities statement set out on page 60, the Directors are responsible for: the preparation of

the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the 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.

May 30, 2020



**Caroline Flynn**

for and on behalf of:

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

# FINANCIAL STATEMENTS

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**Notes to the Financial Statements 70**



**Central African Republic**

Davilla (7), Patricia (5) and Gaus (12) with their friends from the village of Gbatin. **Photo:** Darren Vaughan / Concern Worldwide



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

	Notes	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
		€'000	€'000	€'000	€'000
<b>Income from:</b>					
Donations and legacies	2(a)	26,393	11,285	37,678	34,881
Charitable activities:					
- grants from governments and other co-funders	2(b)	-	138,650	138,650	116,743
- donated commodities	2(c)	-	12,383	12,383	10,521
Other trading activities	2(d)	414	-	414	305
Investments and other income	2(e)	329	27	356	1,059
<b>Total income</b>		<b>27,136</b>	<b>162,345</b>	<b>189,481</b>	<b>163,509</b>
<b>Expenditure on:</b>					
Charitable activities	3(a)	7,675	160,721	168,396	145,949
Raising funds	3(c)	14,657	703	15,360	13,862
<b>Total expenditure</b>		<b>22,332</b>	<b>161,424</b>	<b>183,756</b>	<b>159,811</b>
<b>Net income for the year</b>		<b>4,804</b>	<b>921</b>	<b>5,725</b>	<b>3,698</b>
<b>Other recognised gains and losses:</b>					
Exchange gain/(loss) on consolidation of subsidiaries	17(a)	114	49	163	(47)
Actuarial (loss)/gain on staff retirement arrangements	16(2)	(419)	-	(419)	816
<b>Net movement in funds</b>	17(a)	<b>4,499</b>	<b>970</b>	<b>5,469</b>	<b>4,467</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	17(a)	64,838	2,968	67,806	63,339
<b>Total funds carried forward</b>		<b>69,337</b>	<b>3,938</b>	<b>73,275</b>	<b>67,806</b>

On behalf of the Board



**John Treacy**  
Board Member



**Teresa McColgan**  
Board Member

**Consolidated Balance Sheet** as at December 31, 2019

	Notes	2019		2018	
		€'000	€'000	€'000	€'000
<b>Fixed assets</b>					
Intangible assets	7		1,206		-
Tangible assets	8		15,099		15,320
Surplus on defined benefit pension scheme	16(2)		2,857		3,109
<b>Total fixed assets</b>			<b>19,162</b>		<b>18,429</b>
<b>Current assets</b>					
Stock	10	50		141	
Debtors and prepayments	11	29,605		23,691	
Cash at bank and in hand	12	67,011		66,173	
<b>Total current assets</b>		<b>96,666</b>		<b>90,005</b>	
<b>Creditors: amounts falling due within one year</b>	13	<b>(37,557)</b>		<b>(36,208)</b>	
<b>Net current assets</b>			<b>59,109</b>		<b>53,797</b>
<b>Total assets less current liabilities</b>			<b>78,271</b>		<b>72,226</b>
<b>Creditors: amounts falling due after more than one year</b>	14		<b>(1,420)</b>		<b>(1,570)</b>
<b>Net assets excluding staff retirement liabilities</b>			<b>76,851</b>		<b>70,656</b>
Staff retirement liabilities	16(2)		<b>(3,576)</b>		<b>(2,850)</b>
<b>Net assets</b>			<b>73,275</b>		<b>67,806</b>
<b>The funds of the charity:</b>					
Unrestricted funds	17(a)		<b>69,337</b>		<b>64,838</b>
Restricted funds	17(a)		<b>3,938</b>		<b>2,968</b>
<b>Charity funds</b>			<b>73,275</b>		<b>67,806</b>

On behalf of the Board



**John Treacy**  
Board Member



**Teresa McColgan**  
Board Member

## Company Balance Sheet as at December 31, 2019

	Notes	2019		2018	
		€'000	€'000	€'000	€'000
<b>Fixed assets</b>					
Intangible assets	7		1,206		-
Tangible assets	8		14,737		14,965
Investments	9		391		391
Surplus on defined benefit pension scheme	16(2)		2,857		3,109
<b>Total fixed assets</b>			<b>19,191</b>		<b>18,465</b>
<b>Current assets</b>					
Stock	10	50		141	
Debtors and prepayments	11	33,829		29,436	
Cash at bank and in hand	12	56,662		55,723	
<b>Total current assets</b>		<b>90,541</b>		<b>85,300</b>	
<b>Creditors: amounts falling due within one year</b>	13	<b>(34,684)</b>		<b>(35,231)</b>	
<b>Net current assets</b>			<b>55,857</b>		<b>50,069</b>
<b>Total assets less current liabilities</b>			<b>75,048</b>		<b>68,534</b>
<b>Creditors: amounts falling due after more than one year</b>	14		<b>(1,420)</b>		<b>(1,570)</b>
<b>Net assets excluding staff retirement liabilities</b>			<b>73,628</b>		<b>66,964</b>
Staff retirement liabilities	16(2)		(3,576)		(2,850)
<b>Net assets</b>			<b>70,052</b>		<b>64,114</b>
<b>The funds of the charity:</b>					
Unrestricted funds	17(b)		67,253		61,974
Restricted funds	17(b)		2,799		2,140
<b>Charity funds</b>			<b>70,052</b>		<b>64,114</b>

On behalf of the Board



**John Treacy**  
Board Member



**Teresa McColgan**  
Board Member

## Consolidated Cash Flow Statement for the year ended December 31, 2019

	Notes	2019 €'000	2018 €'000
<b>Net income for the year</b>		5,725	3,698
Depreciation		514	468
Deposit interest earned		(232)	(201)
Difference between pension charge and cash contributions		559	(1,143)
Decrease/(increase) in stocks		91	(5)
Increase in debtors and prepayments		(5,927)	(2,459)
Increase in creditors		1,701	11,743
Exchange movements		(337)	134
<b>Net cash provided by operating activities</b>		<b>2,094</b>	<b>12,235</b>
<b>Cash flows from investing activities</b>			
Deposit interest received		246	177
Payments to acquire intangible fixed assets		(1,206)	-
Payments to acquire tangible fixed assets		(278)	(180)
<b>Net cash used in investing activities</b>		<b>(1,238)</b>	<b>(3)</b>
<b>Cash flows from financing activities</b>			
Repayments on bank loan		(500)	(663)
<b>Net cash used in financing activities</b>		<b>(500)</b>	<b>(663)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>356</b>	<b>11,569</b>
Cash and cash equivalents at the beginning of the year		66,173	54,778
Exchange rate movements	18	482	(174)
<b>Cash and cash equivalents at the end of the year</b>	18	<b>67,011</b>	<b>66,173</b>

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

#### Income recognition

In applying the income recognition principles of the Charities SORP, judgements are occasionally required to ascertain whether a grant agreement is performance or non-performance based. This is done using established criteria that are applied consistently across all funding instruments and from one period to the next. Furthermore, where grant agreements are found to be performance based, judgements are required as to the level of income that should be recognised for the year. The organisation typically uses incurred expenditure as the most appropriate basis to measure progress on grant agreements and to recognise the related income. This is done in conjunction with a qualitative assessment of the status of the underlying projects in order to ensure this represents the most appropriate basis of recognition. All judgements are made at the individual grant level and are subject to appropriate review and approval processes.

#### Cost allocation

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

#### Employee related liabilities

Pension plans that meet the definition of a defined benefit scheme are measured under the projected unit method as at the reporting date by an actuary engaged by the Company. The assessment involves the application of key assumptions (such as discount rates, salary increases and mortality rates), and they involve estimates that are subject to uncertainty from one period to the next.

#### 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. There are no material departures from the Standard.

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 49).

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 (FRS102)" ("Charities SORP").

As permitted by section 291(3)(4) of the Companies Act 2014, the Group and Company 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, cash flow statement 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), 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.

##### Consortia 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.

## Notes to the Financial Statements (continued)

### 1 ACCOUNTING POLICIES (continued)

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

#### 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) 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 the 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.

#### 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 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 and rental income from letting premises.

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

#### Investments and other income

Investments and other income includes income from deposit interest earned, insurance refunds received and any ad hoc income that does not fall under the other income headings.

#### 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.

## Notes to the Financial Statements (continued)

### 1 ACCOUNTING POLICIES (continued)

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 strategic opportunities, to finance tangible and intangible assets for on-going use by the charity and to cover planned future deficits.

#### F) Intangible Assets

Intangible 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.

Intangible assets are stated at cost less accumulated amortisation. Amortisation is calculated to write off the original cost of the intangible assets, less estimated residual value, over their expected useful lives, at an annual rate of 20%. Amortisation is charged on a straight-line basis from the year in which assets are put into use by the Group.

Provision is made for any impairment of intangible assets below their carrying amount.

#### G) 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 from 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.

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

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.

#### H) 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*.

#### I) 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*.

## Notes to the Financial Statements (continued)

### 1 ACCOUNTING POLICIES (continued)

#### J) 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.

#### K) 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.

#### L) Pensions and Other Retirement Provisions

##### (i) Defined contribution pension scheme

Defined contribution pension schemes are a post-employment benefit scheme under which the Company and its subsidiaries pay fixed contributions into separate entities and have 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.

#### M) 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 lease terms.

## Notes to the Financial Statements (continued)

### 2 INCOME

#### (a) Donations and legacies

	2019	2018
	€'000	€'000
Individual giving	28,230	27,172
Legacies	2,308	2,904
Corporates, major donors and trusts	4,458	3,028
Community fundraising	1,782	881
Disaster Emergency Committee (DEC) (Note 23)	900	896
<b>Total</b>	<b>37,678</b>	<b>34,881</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 2019 €11 million (2018: €9 million) of incoming resources from donations and legacies was restricted.

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

	2019	2018
	€'000	€'000
Irish Government	27,468	26,579
Concern Worldwide (US) Inc. (including US Government) (Note 23)	35,392	25,899
European Union		
- EU	9,971	6,771
- ECHO	14,087	17,576
UN Agencies	20,901	14,400
British Government	20,390	16,354
Canadian Government	2,486	2,556
Swedish Government	1,773	906
German Government	1,522	940
World Bank	776	1,454
Government of South Korea	347	105
Swiss Government	337	457
Other Governments	1,225	805
Other co-funders	1,975	1,941
<b>Total</b>	<b>138,650</b>	<b>116,743</b>

In 2019 €139 million (2018: €117 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	2019 €'000	2018 €'000
United Nations World Food Programme	Foodstuffs	7,613	7,775
British Government	Foodstuffs and medical supplies	1,578	-
United Nations Children's Fund	Foodstuffs	1,507	1,474
United Nations International Organisation for Migration	Cooking utensils and shelter materials	929	748
United Nations Food and Agriculture Organisation	Seeds, tools and cash vouchers	542	3
Irish Government	Tents, blankets, cooking utensils and hygiene kits	140	77
Action Contre la Faim International (France)	Shelter materials	37	35
European Union	Flights	5	7
United Nations High Commissioner for Refugees	Shelter kits, foodstuffs and fuel	2	75
Save the Children International (USA)	Seeds and mobile phones	1	203
U.S. Government	Foodstuffs	-	121
Other donors	Various	29	3
<b>Total</b>		<b>12,383</b>	<b>10,521</b>

In 2019 and 2018 all donated commodities received were restricted.

#### (d) Other trading activities

	2019 €'000	2018 €'000
Trading income	314	195
Income from letting premises	100	110
<b>Total</b>	<b>414</b>	<b>305</b>

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

#### (e) Investments and other income

	2019 €'000	2018 €'000
Deposit interest	232	201
Other income	124	858
<b>Total</b>	<b>356</b>	<b>1,059</b>

In 2019 €0.03 million (2018: €0.05million) 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 2019	Total 2018
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Health and nutrition	10,668	1,326	-	11,994	925	12,919	16,338
Education	4,242	428	-	4,670	298	4,968	3,629
Livelihoods	14,317	3,656	-	17,973	1,122	19,095	12,837
Integrated programming	25,343	3,527	-	28,870	1,626	30,496	19,330
Emergency	74,451	4,884	12,383	91,718	4,088	95,806	89,065
<b>Total overseas programmes</b>	<b>129,021</b>	<b>13,821</b>	<b>12,383</b>	<b>155,225</b>	<b>8,059</b>	<b>163,284</b>	<b>141,199</b>
Development education and advocacy	3,534	139	-	3,673	487	4,160	3,892
Governance costs (Note 3 (b))	358	-	-	358	594	952	858
<b>Total</b>	<b>132,913</b>	<b>13,960</b>	<b>12,383</b>	<b>159,256</b>	<b>9,140</b>	<b>168,396</b>	<b>145,949</b>
<b>Total 2018</b>	<b>117,506</b>	<b>9,172</b>	<b>10,521</b>	<b>137,199</b>	<b>8,750</b>		<b>145,949</b>

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

#### (b) Governance costs

	Direct	Support (Note 3(d))	Total 2019	Total 2018
	€'000	€'000	€'000	€'000
Staff costs	203	380	583	506
Legal and professional fees	128	84	212	169
Office and other costs	27	130	157	183
<b>Total</b>	<b>358</b>	<b>594</b>	<b>952</b>	<b>858</b>
<b>Total 2018</b>	<b>255</b>	<b>603</b>		<b>858</b>

## Notes to the Financial Statements (continued)

### 3 EXPENDITURE (continued)

#### (c) Raising funds

	Campaigns	Staff	Occupancy & other direct	Total direct	Support (Note 3(d))	Total 2019	Total 2018
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Individual giving	5,352	4,661	2,504	12,517	763	13,280	12,127
Legacies	78	-	48	126	9	135	190
Corporates, major donors and trusts	89	664	214	967	66	1,033	969
Community fundraising	128	215	264	607	138	745	420
Retail	5	84	64	153	14	167	156
<b>Total</b>	<b>5,652</b>	<b>5,624</b>	<b>3,094</b>	<b>14,370</b>	<b>990</b>	<b>15,360</b>	<b>13,862</b>
<b>Total 2018</b>	<b>4,489</b>	<b>5,109</b>	<b>2,761</b>	<b>12,359</b>	<b>1,503</b>		<b>13,862</b>

#### (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						
	Overseas programmes	Development education and advocacy	Governance	Cost of raising funds	Total 2019	Total 2018
	€'000	€'000	€'000	€'000	€'000	€'000
Overseas programme management	3,185	-	-	-	3,185	2,962
Overseas programme technical support	1,523	177	13	-	1,713	1,496
Finance	1,078	120	253	395	1,846	1,652
Information & communication technology and other services	923	7	344	265	1,539	1,478
Human resources	1,466	-	15	325	1,806	1,768
Other support costs	430	183	23	95	731	1,488
<b>Subtotal</b>	<b>8,605</b>	<b>487</b>	<b>648</b>	<b>1,080</b>	<b>10,820</b>	<b>10,844</b>
Net exchange (gain)	(546)	-	(54)	(90)	(690)	(590)
<b>Total support costs</b>	<b>8,059</b>	<b>487</b>	<b>594</b>	<b>990</b>	<b>10,130</b>	<b>10,254</b>
<b>Total 2018</b>	<b>7,667</b>	<b>481</b>	<b>603</b>	<b>1,503</b>		<b>10,254</b>

Net exchange gain 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.

## Notes to the Financial Statements (continued)

### 4 OTHER INFORMATION

	2019	2018
	€'000	€'000
The net income for the year is stated after charging/(crediting) the following items:		
<b>(a) Group</b>		
Depreciation of tangible assets	514	468
Auditors' remuneration, including expenses - Group:		
Audit of the Group and subsidiary financial statements	84	83
Other assurance and advisory services	13	21
Income from letting premises	(100)	(110)
Reimbursement of expenses claimed by members of the Board	11	14
Payments under operating leases for premises used by the Group	176	184
Payments under operating leases for premises used by branches located in countries of operation	2,826	2,361
Interest payable on bank loan	20	25
<b>(b) Company</b>		
Depreciation of tangible assets	463	421
Auditors' remuneration - Company:		
Audit of Company only financial statements	65	65
Other assurance and advisory services	13	21
Payments under operating leases for premises used by branches located in countries of operation	2,826	2,361
Interest payable on bank loan	20	25

### 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, 2019 (2018: 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:

	2019	2018
	€'000	€'000
<b>Management and support staff (Ireland, Republic of Korea and UK)</b>		
Wages and salaries	14,801	14,109
Social protection costs	1,464	1,339
Pension costs (i)	1,359	1,100
<b>Subtotal</b>	<b>17,624</b>	<b>16,548</b>
<b>Project staff in countries of operation</b>		
Wages and salaries	32,135	27,948
Social protection costs	2,358	2,039
Local staff cessation benefits	1,321	1,110
<b>Subtotal</b>	<b>35,814</b>	<b>31,097</b>
<b>Total</b>	<b>53,438</b>	<b>47,645</b>

## Notes to the Financial Statements (continued)

### 6 STAFF COSTS (continued)

(i) Pension costs include employer contributions to the defined contribution pension scheme amounting to €0.9 million (2018: €0.8 million) (see Note 16(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 (2018: €0.3 million).

The average number of employees is as follows:

	2019	2018
	No. employees	No. employees
Management and support staff (Ireland, Republic of Korea and UK)	358	352
Project staff in countries of operation	3,330	3,348
<b>Total</b>	<b>3,688</b>	<b>3,700</b>

### (b) Salary range

A total of 48 employees (2018: 43) earned remuneration in excess of €60,000 in 2019 as follows:

	2019	2018
	No. employees	No. employees
€60,001 to €70,000	21	16
€70,001 to €80,000	9	13
€80,001 to €90,000	10	5
€90,001 to €100,000	7	8
€100,001 to €110,000	1	1

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 2019 (2018: Nil).

Contributions of between 7.5% and 12% of salary were made by the Company to the defined contribution pension scheme for 48 (2018: 43) members of staff who earned in excess of €60,000.

The Group has a remuneration policy that has been agreed by its remuneration and succession 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 59) in 2019 amounted to €895,417 (2018: €917,539).

Concern Worldwide's CEO, Dominic MacSorley, is paid €107,085 (2018: €104,989) per year and receives 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, amounted to €10,838 (2018: €14,036) for 21 members (2018: 20) and were paid by either reimbursing the members or by direct payments to third parties.

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 2019 amounted to €13,875 (2018: €3,556) for 11 members (2018: 7).

## Notes to the Financial Statements (continued)

### 7 INTANGIBLE ASSETS

INTANGIBLE ASSETS - GROUP	Customer Relationship Management System	Grant Management System	Total
	€'000	€'000	€'000
<b>Cost</b>			
At beginning of year	-	-	-
Additions in year	754	452	1,206
<b>At end of year</b>	<b>754</b>	<b>452</b>	<b>1,206</b>
<b>Amortisation</b>			
At beginning of year	-	-	-
Amortisation charge for year (i)	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>			
<b>At December 31, 2019</b>	<b>754</b>	<b>452</b>	<b>1,206</b>
<b>At December 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>

INTANGIBLE ASSETS - COMPANY	Customer Relationship Management System	Grant Management System	Total
	€'000	€'000	€'000
<b>Cost</b>			
At beginning of year	-	-	-
Additions in year	754	452	1,206
<b>At end of year</b>	<b>754</b>	<b>452</b>	<b>1,206</b>
<b>Amortisation</b>			
At beginning of year	-	-	-
Amortisation charge for year (i)	-	-	-
<b>At end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>			
<b>At December 31, 2019</b>	<b>754</b>	<b>452</b>	<b>1,206</b>
<b>At December 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>

(i) No amortisation charge arose in 2019, as the assets were not in use as at December 31, 2019.

The Board is satisfied that the service potential of all intangible assets held by the Group and Company at December 31, 2019 has not diminished below their carrying value.

## Notes to the Financial Statements (continued)

### 8 TANGIBLE ASSETS

TANGIBLE ASSETS - GROUP	Land & freehold premises	Office furniture & equipment	Computer equipment	Motor vehicles	Total
	€'000	€'000	€'000	€'000	€'000
<b>Cost</b>					
At beginning of year	19,256	1,319	1,682	124	22,381
Additions in year	4	93	181	-	278
Disposals and retirements in year	-	(13)	(308)	-	(321)
Exchange difference	19	25	20	-	64
<b>At end of year</b>	<b>19,279</b>	<b>1,424</b>	<b>1,575</b>	<b>124</b>	<b>22,402</b>
<b>Depreciation</b>					
At beginning of year	4,410	1,003	1,603	45	7,061
Depreciation charge for year	308	58	124	24	514
Eliminated on disposals and retirements	-	(11)	(308)	-	(319)
Exchange difference	10	17	20	-	47
<b>At end of year</b>	<b>4,728</b>	<b>1,067</b>	<b>1,439</b>	<b>69</b>	<b>7,303</b>
<b>Net book value</b>					
<b>At December 31, 2019</b>	<b>14,551</b>	<b>357</b>	<b>136</b>	<b>55</b>	<b>15,099</b>
<b>At December 31, 2018</b>	<b>14,846</b>	<b>316</b>	<b>79</b>	<b>79</b>	<b>15,320</b>

The offices at 23-25 Grantham Street, Dublin 8 are part financed by a loan that is secured by the property - see Note 14.

The Board is satisfied that the service potential of all tangible assets held by the Group at December 31, 2019 has not diminished below their carrying value.

TANGIBLE ASSETS - COMPANY	Land & freehold premises	Office furniture & equipment	Computer equipment	Motor vehicles	Total
	€'000	€'000	€'000	€'000	€'000
<b>Cost</b>					
At beginning of year	18,906	839	1,303	125	21,173
Additions in year	-	74	161	-	235
Disposals and retirements in year	-	(9)	(308)	-	(317)
<b>At end of year</b>	<b>18,906</b>	<b>904</b>	<b>1,156</b>	<b>125</b>	<b>21,091</b>
<b>Depreciation</b>					
At beginning of year	4,235	694	1,233	46	6,208
Depreciation charge for year	297	29	113	24	463
Eliminated on disposals and retirements	-	(9)	(308)	-	(317)
<b>At end of year</b>	<b>4,532</b>	<b>714</b>	<b>1,038</b>	<b>70</b>	<b>6,354</b>
<b>Net book value</b>					
<b>At December 31, 2019</b>	<b>14,374</b>	<b>190</b>	<b>118</b>	<b>55</b>	<b>14,737</b>
<b>At December 31, 2018</b>	<b>14,671</b>	<b>145</b>	<b>70</b>	<b>79</b>	<b>14,965</b>

The offices at 23-25 Grantham Street, Dublin 8 are part financed by a loan that is secured by the property - see Note 14.

The Board is satisfied that the service potential of all tangible assets held by the Company at December 31, 2019 has not diminished below their carrying value.

## Notes to the Financial Statements (continued)

### 9 INVESTMENTS

	Group		Company	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Investment in subsidiary	-	-	391	391
<b>Total</b>	<b>-</b>	<b>-</b>	<b>391</b>	<b>391</b>

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

### 10 STOCK

	Group		Company	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Stock	50	141	50	141
<b>Total</b>	<b>50</b>	<b>141</b>	<b>50</b>	<b>141</b>

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.

### 11 DEBTORS AND PREPAYMENTS

	Group		Company	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Amounts due from governments and other co-funders	24,050	19,329	19,090	16,780
Debtors and prepayments in countries of operation	3,491	2,862	3,491	2,862
Other debtors and prepayments	2,044	1,466	1,477	624
Amounts due from subsidiaries (i)	-	-	9,751	9,136
Deposit interest receivable	20	34	20	34
<b>Total</b>	<b>29,605</b>	<b>23,691</b>	<b>33,829</b>	<b>29,436</b>

(i) The amounts due from 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.

### 12 CASH AT BANK AND IN HAND

	Group		Company	
	2019 €'000	2018 €'000	2019 €'000	2018 €'000
Funds held in parent and subsidiary companies (excluding branches)	21,662	21,596	11,313	11,146
Funds held in branches in countries of operation	7,248	8,070	7,248	8,070
Short term deposits of parent company	38,101	36,507	38,101	36,507
<b>Total</b>	<b>67,011</b>	<b>66,173</b>	<b>56,662</b>	<b>55,723</b>

## Notes to the Financial Statements (continued)

### 12 CASH AT BANK AND IN HAND (continued)

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. 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, 2019 the deposits were held in the following currencies: Euro €26.8 million (2018: €27.9 million); US Dollar \$12.6 million (2018: \$9.9 million) and Sterling £0 million (2018: £1.2 million). The average interest rates applicable to these deposits at December 31, 2019 were: Euro deposits 0.015% (2018: 0.05%); US Dollar deposits 2.2% (2018: 2.28%) and Sterling deposits 0% (2018: 1%).

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 cash is reduced by limits on amounts held with individual banks or institutions at any one time.

Restricted funds of €3.9 million (2018: €2.9 million) (see Note 17(a)) are included in the deposits set out above. Restricted funds of the Company of €2.8 million (2018: €2.1 million) (see Note 17(b)) are included in the deposits set out above. Included in the funds held in parent and subsidiary companies is €1.8 million (2018: €0.5 million) in respect of consortia arrangements (see Note 21) and €22.8 million (2018: €24.4 million) advanced from governments and other co-funders (see note 13).

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

	Group		Company	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Amounts advanced from governments and other co-funders	22,792	24,357	21,507	23,938
Trade creditors and accruals in countries of operation	9,613	8,740	9,613	8,740
Other trade creditors and accruals	4,919	2,526	3,331	1,970
Bank overdraft (i)	-	2	-	-
Bank loan (see Note 14)	233	583	233	583
<b>Total</b>	<b>37,557</b>	<b>36,208</b>	<b>34,684</b>	<b>35,231</b>

(i) The bank overdraft is repayable on demand.

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

	Group		Company	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Bank loan	1,420	1,570	1,420	1,570
<b>Total</b>	<b>1,420</b>	<b>1,570</b>	<b>1,420</b>	<b>1,570</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. 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 2019 was 1.02% (2018: 1.02%). 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 13 - *Creditors: Amounts falling due within one year*.

## Notes to the Financial Statements (continued)

### 15 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
	2019	2019	2019	2019	2019	2019
	€'000	€'000	€'000	€'000	€'000	€'000
Amounts due from governments and other co-funders	19,329	4,721	24,050	16,780	2,310	19,090
Amounts advanced from governments and other co-funders	(24,357)	1,565	(22,792)	(23,938)	2,431	(21,507)
<b>Total</b>	<b>(5,028)</b>	<b>6,286</b>	<b>1,258</b>	<b>(7,158)</b>	<b>4,741</b>	<b>(2,417)</b>

	Group	Company
	2019	2019
	€'000	€'000
<b>Analysis of movement</b>		
Cash received during the year (i)	(136,909)	(115,217)
Income earned during the year (ii)	143,035	119,957
Exchange rate movement	160	1
<b>Total</b>	<b>6,286</b>	<b>4,741</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 11). 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 13).

(i) Cash received during the year includes €10.4 million (2018: €22.3 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 €12 million (2018: €10.8 million) which was deferred in previous years and met the criteria for recognition as income in the current year.

### 16 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 2019 was €0.9 million (2018: €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, 2019 an accrual of € 0.1 million (2018: €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.

## Notes to the Financial Statements (continued)

### 16 STAFF RETIREMENT ARRANGEMENTS (continued)

#### (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:

Assets	Group & Company	
	2019	2018
	€'000	€'000
Surplus on defined benefit pension scheme (see (a) below)	2,857	3,109
<b>Total</b>	<b>2,857</b>	<b>3,109</b>

Liabilities	Group & Company	
	2019	2018
	€'000	€'000
<b>Funded</b>		
Liability for incapacitated staff benefits (see (b) below)	(92)	(9)
<b>Unfunded</b>		
Liability for overseas local staff service provision (see (c) below)	(3,484)	(2,841)
<b>Total</b>	<b>(3,576)</b>	<b>(2,850)</b>

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 2019	Total 2018
	€'000	€'000	€'000	€'000	€'000
<b>Balance at beginning of year</b>	3,109	(9)	(2,841)	259	(1,700)
Current service costs	-	-	(1,321)	(1,321)	(1,110)
Net interest income	60	24	-	84	35
Net actuarial (loss)/gain	(312)	(107)	-	(419)	816
Contributions paid during the year	-	-	678	678	2,217
<b>Balance at end of year</b>	<b>2,857</b>	<b>(92)</b>	<b>(3,484)</b>	<b>(719)</b>	259

Amounts included as expenditure on staff retirement arrangements in the *Consolidated Statement of Financial Activities* for the year were €1.2 million, all of which was categorised as *Expenditure on Charitable Activities* (given the composition of the scheme's membership). This represented a credit of €0.06 million for the defined benefit pension, a credit of €0.02 million for the liability for incapacitated staff and a charge of €1.3 million in relation to the overseas local staff service provision.

An actuarial loss of €0.42 million was credited to *Other recognised gains and losses*. This represented a loss of €0.31 million for the defined benefit pension scheme and a loss of €0.11 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 until October 31, 2018. The most recent full valuation of the scheme was as at January 1, 2019 by a qualified independent actuary. A surplus on both the minimum funding standard basis and ongoing basis was reported by the actuary. As a result, the actuary recommended a suspension of contributions by the employer with effect from the valuation date.

## Notes to the Financial Statements (continued)

### 16 STAFF RETIREMENT ARRANGEMENTS (continued)

The present value of the defined benefit obligation at the reporting date is less than the fair value of 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:

	2019	2018
<b>Valuation method</b>	<b>Projected unit method</b>	Projected unit method
Discount rate for scheme liabilities	1.10%	1.95%
Inflation rate	1.40%	1.50%
Rate of increase to pensions in payment	1.40%	1.50%

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 23.5 years (2018: 23.4 years) and female 24.7 years (2018: 24.6 years).

Assumptions relating to future salary increases are not applicable in 2019 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, 2019 would have decreased by €0.5 million (2018: €0.4 million).

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 €'000	Increase/ (decrease) on scheme liabilities €'000	% increase/ (decrease) on scheme liabilities %
Discount rate	1.10%	+0.25%	12,403	(504)	-3.9%
		-0.25%	13,441	534	4.1%
Price inflation	1.40%	+0.25%	13,408	501	3.9%
		-0.25%	12,431	(476)	-3.7%
Mortality	88/89 Years	Member assumed to live one extra year	13,409	502	3.9%

#### (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, 2019 was as follows:

	2019 €'000	2018 €'000
Bonds	13,251	12,645
Cash	2,513	2,229
Property	-	198
<b>Total fair value of pension scheme assets</b>	<b>15,764</b>	<b>15,072</b>
Present value of pension scheme liabilities	(12,907)	(11,963)
<b>Net surplus in defined benefit pension scheme</b>	<b>2,857</b>	<b>3,109</b>

## Notes to the Financial Statements (continued)

### 16 STAFF RETIREMENT ARRANGEMENTS (continued)

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

	2019	2018
	€'000	€'000
Opening fair value of scheme assets	15,072	15,040
Interest income	286	257
Actuarial gain on assets	1,197	(328)
Employer contributions	-	337
Net benefits paid	(791)	(234)
<b>Closing fair value of scheme assets</b>	<b>15,764</b>	<b>15,072</b>
<b>Actual return on pension scheme assets</b>	<b>1,483</b>	<b>(71)</b>

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

	2019	2018
	€'000	€'000
Opening present value of scheme liabilities	(11,963)	(13,040)
Interest expense	(226)	(220)
Net benefits paid	791	234
Actuarial (loss)/gain on liabilities	(1,509)	1,063
<b>Closing present value of scheme liabilities</b>	<b>(12,907)</b>	<b>(11,963)</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, 2019 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:

	2019	2018
Rate of increase in benefits in payment	1.40%	1.50%
Inflation rate	1.40%	1.50%
Discount rate for liabilities - Euro €	1.00%	1.85%
Discount rate for liabilities - Stg £	2.00%	2.90%

In addition it has been assumed that the beneficiaries will enjoy a normal lifespan of 89 years. They are currently aged 66 and 55 years.

## Notes to the Financial Statements (continued)

### 16 STAFF RETIREMENT ARRANGEMENTS (continued)

#### (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, 2019 was as follows:

	2019	2018
	€'000	€'000
Property	518	497
Other	102	104
<b>Total market value of incapacitated staff trust assets</b>	<b>620</b>	<b>601</b>
Present value of liabilities	(712)	(610)
<b>Net deficit in incapacitated staff trust</b>	<b>(92)</b>	<b>(9)</b>

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

	2019	2018
	€'000	€'000
Opening fair value of trust assets	601	582
Interest income	16	14
Actuarial gains on assets	3	5
Employer contributions	24	23
Benefits paid	(24)	(23)
<b>Closing fair value of trust assets</b>	<b>620</b>	<b>601</b>
<b>Actual return on trust assets</b>	<b>19</b>	<b>19</b>

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

	2019	2018
	€'000	€'000
Opening present value of trust liabilities	(610)	(693)
Interest expense	(17)	(16)
Net benefits paid for the year	24	23
Actuarial (loss)/gain on liabilities	(109)	76
<b>Closing present value of trust liabilities</b>	<b>(712)</b>	<b>(610)</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

	2019	2018
	€'000	€'000
Liability at beginning of year	(2,841)	(3,589)
Current service costs	(1,321)	(1,110)
Benefits paid during the year	678	1,858
<b>Unfunded liability at end of year</b>	<b>(3,484)</b>	<b>(2,841)</b>

## Notes to the Financial Statements (continued)

### 17 FUNDS

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

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	€'000	€'000	€'000	€'000
<b>Total funds of the charity at beginning of year</b>	64,838	2,968	<b>67,806</b>	63,339
<b>Movement in funds</b>				
Net income for the year	4,804	921	<b>5,725</b>	3,698
Exchange gain/(loss) on consolidation of foreign subsidiaries	114	49	<b>163</b>	(47)
Actuarial (loss)/gain on staff retirement arrangements	(419)	-	<b>(419)</b>	816
<b>Net movement in funds for the year</b>	<b>4,499</b>	<b>970</b>	<b>5,469</b>	4,467
<b>Charity funds at end of year</b>	<b>69,337</b>	<b>3,938</b>	<b>73,275</b>	67,806

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

	Subsidiaries	Company	Total 2019	Total 2018
	€'000	€'000	€'000	€'000
Unrestricted funds	2,084	67,253	<b>69,337</b>	64,838
Restricted funds	1,139	2,799	<b>3,938</b>	2,968
<b>Total</b>	<b>3,223</b>	<b>70,052</b>	<b>73,275</b>	67,806

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

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	€'000	€'000	€'000	€'000
<b>Total funds of the charity at beginning of year</b>	61,974	2,140	<b>64,114</b>	59,194
<b>Movement in funds</b>				
Net income for the year	5,698	659	<b>6,357</b>	4,104
Actuarial (loss)/gain on staff retirement arrangements	(419)	-	<b>(419)</b>	816
<b>Net movement in funds for the year</b>	<b>5,279</b>	<b>659</b>	<b>5,938</b>	4,920
<b>Charity funds at end of year</b>	<b>67,253</b>	<b>2,799</b>	<b>70,052</b>	64,114

## Notes to the Financial Statements (continued)

### 17 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, 2019	Income	Expenditure	Other recognised gains and losses	Exchange gains / (losses)	Transfers	Balance at December 31, 2019
		€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Restricted funds</b>								
Afghanistan		-	3,325	(3,285)	-	1	-	41
Bangladesh		352	8,493	(8,808)	-	-	-	37
Burundi & Rwanda		21	4,690	(4,663)	-	1	-	49
Central African Republic		41	4,195	(4,193)	-	1	-	44
Chad		14	3,648	(2,744)	-	-	-	918
Democratic People's Republic of Korea		11	2,134	(2,145)	-	-	-	-
Democratic Republic of Congo		225	10,354	(10,414)	-	7	-	172
Ethiopia		73	10,680	(10,753)	-	-	-	-
Haiti		19	1,880	(1,859)	-	-	-	40
Kenya		28	5,814	(5,833)	-	-	-	9
Lebanon		2	6,029	(5,527)	-	3	-	507
Liberia		242	2,147	(2,044)	-	12	-	357
Malawi		208	7,266	(7,065)	-	13	-	422
Mozambique		1	991	(863)	-	-	-	129
Nepal		7	-	-	-	-	-	7
Niger		-	4,489	(4,391)	-	-	-	98
Pakistan		146	7,905	(7,844)	-	-	-	207
Philippines		13	-	-	-	-	(13)	-
Republic of Sudan		591	5,519	(6,093)	-	(1)	-	16
Sierra Leone		33	4,198	(4,217)	-	-	-	14
Somalia		102	14,344	(14,435)	-	1	-	12
South Sudan		259	20,054	(20,100)	-	5	-	218
Syria/Iraq		244	18,220	(18,317)	-	2	-	149
Turkey		73	5,538	(5,558)	-	-	-	53
Uganda		-	1	(1)	-	-	-	-
Yemen		129	17	(20)	-	4	-	130
Zambia		-	1	(1)	-	-	-	-
Other projects & funded HQ support costs		134	10,413	(10,251)	-	-	13	309
<b>Total restricted funds</b>	(i)	<b>2,968</b>	<b>162,345</b>	<b>(161,424)</b>	<b>-</b>	<b>49</b>	<b>-</b>	<b>3,938</b>
<b>Unrestricted funds</b>								
General funds	(ii)	1,219	27,136	(22,332)	(419)	114	(4,284)	1,434
Designated funds:	(iii)							
Planned budget deficit		527	-	-	-	-	(128)	399
Tangible/intangible assets		15,822	-	-	-	-	(362)	15,460
Programme continuity fund		42,789	-	-	-	-	1,483	44,272
Potential loss of assets fund		500	-	-	-	-	-	500
Strategic Investment fund (formerly Fundraising Investment Fund)		3,981	-	-	-	-	3,291	7,272
<b>Total unrestricted funds</b>		<b>64,838</b>	<b>27,136</b>	<b>(22,332)</b>	<b>(419)</b>	<b>114</b>	<b>-</b>	<b>69,337</b>
<b>Total funds</b>	(iv)	<b>67,806</b>	<b>189,481</b>	<b>(183,756)</b>	<b>(419)</b>	<b>163</b>	<b>-</b>	<b>73,275</b>

## Notes to the Financial Statements (continued)

### 17 FUNDS (continued)

The funds carried forward at December 31, 2019 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 2019 funds had been designated for specific purposes as follows:

- To cover the planned 2020 budget deficit (€0.4 million).
- To recognise that a portion of reserves is invested in fixed assets (tangible and intangible), and is not therefore available for other purposes (€15.4 million).
- To ensure the continuity of operations (€44.3 million).
- To cover the risk of holding assets in our overseas programmes (€0.5 million).
- To finance investment in strategic projects (e.g. amounts set aside to finance investment in new fundraising opportunities, to cover the cost of setting up in Yemen and to finance strategic objectives) (€7.3 million).

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 2020 budget. At that time it was agreed that the restricted reserves should be utilised as soon as reasonably possible, and that expenditure plans would keep the Group's unrestricted reserves at an appropriate level.

#### 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, 2019 are represented by:			
Intangible assets	-	1,206	1,206
Tangible assets	-	15,099	15,099
Surplus on defined benefit pension scheme	-	2,857	2,857
Current assets	28,504	68,162	96,666
Current liabilities	(24,566)	(12,991)	(37,557)
Creditors: amounts falling due after more than one year	-	(1,420)	(1,420)
Staff retirement liabilities	-	(3,576)	(3,576)
<b>Total</b>	<b>3,938</b>	<b>69,337</b>	<b>73,275</b>

Analysis of Company net assets between funds

	Restricted Funds	Unrestricted Funds	Total Funds
	€'000	€'000	€'000
Fund balances at December 31, 2019 are represented by:			
Intangible assets	-	1,206	1,206
Tangible assets	-	14,737	14,737
Investments	-	391	391
Surplus on defined benefit pension scheme	-	2,857	2,857
Current assets	24,306	66,235	90,541
Current liabilities	(21,507)	(13,177)	(34,684)
Creditors: amounts falling due after more than one year	-	(1,420)	(1,420)
Staff retirement liabilities	-	(3,576)	(3,576)
<b>Total</b>	<b>2,799</b>	<b>67,253</b>	<b>70,052</b>

## Notes to the Financial Statements (continued)

### 18 ANALYSIS OF CHANGES IN NET DEBT

	Opening balance	Net cash flow	Exchange rate movements	Closing balance
	2019	2019	2019	2019
	€'000	€'000	€'000	€'000
Cash at bank and in hand	66,173	356	482	67,011
Bank overdraft	(2)	2	-	-
<b>Cash and cash equivalents</b>	<b>66,171</b>	<b>358</b>	<b>482</b>	<b>67,011</b>
Bank loan	(2,153)	500	-	(1,653)
<b>Total Cash and cash equivalents and net debt</b>	<b>64,018</b>	<b>858</b>	<b>482</b>	<b>65,358</b>

### 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:

	2019	2018
	€'000	€'000
<b>Carrying amount of financial assets of the Group:</b>		
Amounts due from governments and other co-funders (i)	24,050	19,329
Cash at bank, in hand and bank overdraft (ii)	67,011	66,171
Sundry debtors and deposit interest receivable (iii)	5,144	3,931
<b>Total</b>	<b>96,205</b>	<b>89,430</b>

Credit risk arises in the following forms:

- (i) The amounts due from governments and other co-funders, as disclosed in Note 11, 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 made on a needs basis and as a result overseas holdings are minimised.

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

## Notes to the Financial Statements (continued)

### 19 FINANCIAL RISK MANAGEMENT (continued)

#### (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 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 \$29.1 million and its sterling denominated net assets of £10.4 million. Based on these net positions at December 31, 2019 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 €3.5 million. A strengthening of these currencies against the Euro would have increased the surplus of the Group for the financial year by €4.2 million.

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

#### (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	2 - 3 Years	> 3 Years
	€'000	€'000	€'000	€'000	€'000	€'000
Trade creditors	10,369	10,369	10,369	-	-	-
Bank loan	1,653	1,744	117	117	466	1,044
<b>Total 2019</b>	<b>12,022</b>	<b>12,113</b>	<b>10,486</b>	<b>117</b>	<b>466</b>	<b>1,044</b>
<b>Total 2018</b>	<b>11,038</b>	<b>11,115</b>	<b>9,229</b>	<b>239</b>	<b>233</b>	<b>1,514</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 and its main activities are to fundraise for and otherwise support the programmes of the Group which relieve poverty, distress and suffering in the poorest countries of the world. The net assets of Concern Worldwide (UK) at December 31, 2019 were €3 million (2018: €3.6 million). The net loss in funds for the year 2019 was €0.7 million (2018: €0.5 million).

Concern Worldwide (UK) has a 100% shareholding in Concern Worldwide (NI) which has its registered office at 47 Frederick Street, Belfast, Northern Ireland. Concern Worldwide (NI) was dormant until it took over the retail activities of Concern Worldwide (UK) effective from March 2019.

(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 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, 2019 were nil (2018: nil). The Company qualifies for the audit exemption as outlined under section 365(2) of the Companies Act 2014.

## Notes to the Financial Statements (continued)

### 20 SUBSIDIARIES (continued)

(c) Concern Worldwide Korea Foundation (“Concern Korea”) has a registered office at (04034) 5 fl, 12, Yanghwa-ro 11-gil, Mapo-gu, Seoul, Republic of Korea. Concern Korea was incorporated on July 22, 2015 and commenced operations on September 1, 2015. Its main activities are to fundraise for and otherwise support the overseas programmes of the Group. Concern Korea also aims to engage the public of Korea in a greater understanding of the issues facing the beneficiaries in the countries in which the Group operates. 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, 2019 were €1.5 million (2018: €0.5 million). The net gain in funds for the year 2019 was €0.05 million (2018: €0.08 million).

### 21 COMMITMENTS, CONTINGENCIES AND GUARANTEES

(i) The 2020 Annual Plan, which was approved by the Board on 14 December 2019, allows for overseas expenditure in 2020 of €162 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 €6.5 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.

(ii) Total future lease payments under non-cancellable operating lease agreements at December 31, 2019 in respect of premises used by the Group and Company are as follows:

	Group		Company	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Payable on leases in which the commitment expires within:				
One year	1,032	529	856	373
Two to five years	479	603	-	-
More than five years	111	407	-	-
<b>Total</b>	<b>1,622</b>	<b>1,539</b>	<b>856</b>	<b>373</b>

During the year €0.2 million (2018: €0.2 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	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Authorised but not contracted	1,263	3,479	1,213	3,458
<b>Total</b>	<b>1,263</b>	<b>3,479</b>	<b>1,213</b>	<b>3,458</b>

(iv) 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, 2019 is €1.6 million (2018: €2.1 million).

(v) During 2019 the Group was the lead agency in 16 (2018: 19) consortia arrangements of non-governmental organisations, that were awarded grants and contracts from institutional co-funders to fund programme activities. The total value of these grants and contracts is €171.1 million (2018: €143.8 million). Of this amount, €70.3 million (2018: €62.7 million) is expected to be spent by the Group and the balance will be utilised by the other consortia members.

In 2019, expenditure on these grants and contracts totalled €36.2 million (2018: €38.1million). Of this amount €13.3 million (2018: €10.6 million) was utilised by the Group and the remainder was utilised by the other consortia members.

## Notes to the Financial Statements (continued)

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

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
	2019	2019	2019	2019
	€'000	€'000	€'000	€'000
Funds relating to consortia members	577	25,335	(24,137)	1,775

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.

(vi) At the year end, the Group had contingent liabilities concerning employment related issues in a number of the countries of operation. 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.

### 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, 2019, there were 649 active members (2018: 643), whose guarantee is limited to €6.35 each.

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 17(b), the surplus of the Company after *Other recognised gains and losses* for the financial year was €5.9 million (2018: €4.9 million).

### 23 RELATED PARTY DISCLOSURES

The Company is availing of the exemption under FRS 102 (33.1A) 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 independent 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 supporting the Group's global humanitarian and development work by raising funds from the US Government, Institutional donors and the general public, providing technical support and raising awareness in the United States of America. 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 2019 was €35.4 million (2018: €25.9 million). These grants are accounted for in the same way as grants from governments and other co-funders. There was an outstanding balance of €9.3 million (2018: €5.1 million) due from and an outstanding balance of €0.5 million (2018: €Nil) due to Concern Worldwide (US) Inc. at the balance sheet date. No grant was paid to Concern Worldwide (US) Inc. in 2019 (2018: €0.5 million).

The Group is a member of the Disaster Emergency Committee (DEC), a UK based charity, and during the year paid a subscription to it of €0.05 million (2018: €0.03 million). Concern Worldwide (UK)'s Executive Director is a trustee of the DEC. The Group's income for the year includes €0.9 million (2018: €0.9 million) receivable from DEC appeals.

The Group is also a member of Alliance2015 and in the year paid a subscription of €0.1 million (2018: €0.07 million). There was no amount included in the Group's income for the current year (2018: €Nil) receivable from Alliance2015. The Group's expenditure included a contribution to the Alliance2015 emergency fund of €0.16 million (2018: €0.03 million). The balance due from Alliance2015 at the balance sheet date was €0.06 million (2018: €Nil).

## Notes to the Financial Statements (continued)

### 24 POST BALANCE SHEET EVENTS

Since the date of the financial statements, a global pandemic referred to as COVID-19 (or “Coronavirus”) emerged. Owing to the timing and significance, the Group has identified the occurrence of COVID-19 as a non-adjusting event as defined by FRS102.32 *Events After the Reporting Period*.

The Board has considered the assessment by management of the impact of COVID-19 on the continued operations of the organisation and is satisfied that the Group has sufficient reserves and measures in place to absorb any negative financial impact. The following areas have been considered as part of the impact assessment:

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

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

### 25 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board on May 30, 2020.

## Appendix 1 (not forming part of the Financial Statements)

### FIVE YEAR SUMMARY OF CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	FRS102/Charities SORP FRS102				
	2019	2018	2017	2016	2015
	€'000	€'000	€'000	€'000	€'000
<b>Income</b>					
Donations and legacies	37,678	34,881	39,802	36,216	41,263
Irish Government	27,468	26,579	26,880	24,204	24,598
Concern Worldwide (US) Inc.(including US Government)	35,392	25,899	24,478	29,167	27,061
European Union	24,058	24,347	30,538	28,639	23,563
British Government	20,390	16,354	27,560	22,587	28,441
Other international co-funding	31,342	23,564	26,502	24,526	24,486
Donated commodities	12,383	10,521	15,478	17,821	12,613
Trading, investment and other income	770	1,364	376	372	186
<b>Total Income</b>	<b>189,481</b>	<b>163,509</b>	<b>191,614</b>	<b>183,532</b>	<b>182,211</b>
<b>Expenditure</b>					
Afghanistan	3,576	3,579	4,424	4,188	4,439
Bangladesh	8,913	6,544	4,374	4,407	5,052
Burundi & Rwanda	4,783	3,311	2,644	3,551	4,296
Central African Republic	4,177	3,555	4,444	2,808	3,225
Chad	2,932	2,384	3,306	2,912	2,765
Democratic People's Republic of Korea	2,249	1,466	1,172	1,577	1,954
Democratic Republic of Congo	10,694	7,319	6,411	6,066	6,466
Ethiopia	11,634	11,584	10,513	17,991	7,913
Haiti	1,943	1,670	2,970	4,481	6,511
Kenya	5,807	5,108	3,746	5,540	6,692
Lebanon	5,449	6,433	9,880	7,699	5,938
Liberia	2,149	1,995	2,222	3,373	7,659
Malawi	7,148	4,336	4,036	3,284	4,232
Mozambique	1,044	115	3,943	4,049	3,244
Nepal	-	856	1,446	1,067	3,028
Niger	4,807	4,321	3,580	4,739	6,692
Pakistan	8,110	4,613	9,110	11,891	11,568
Philippines	-	2	-	39	950
Republic of Sudan	6,208	5,409	5,516	6,213	5,935
Sierra Leone	4,333	3,461	3,963	5,379	12,482
Somalia	14,471	16,539	23,148	10,513	11,020
South Sudan	20,461	19,903	22,342	20,584	19,733
Syria/Iraq	18,393	13,244	5,251	-	-
Turkey	5,692	3,958	12,800	13,891	5,101
Tanzania	-	-	-	329	2,005
Uganda	-	106	3,037	4,322	3,688
Yemen	17	534	269	13	14
Zambia	-	967	2,527	3,481	3,059
Other countries & projects	235	221	811	1,225	388
Overseas support costs	8,059	7,666	8,204	7,042	4,832
Governance costs	952	858	941	902	684
Development education & advocacy	4,160	3,892	3,694	3,782	3,689
<b>Total cost of charitable activities</b>	<b>168,396</b>	<b>145,949</b>	<b>170,724</b>	<b>167,338</b>	<b>165,254</b>
<b>Raising funds</b>	<b>15,360</b>	<b>13,862</b>	<b>12,343</b>	<b>12,075</b>	<b>11,959</b>
<b>Total expenditure</b>	<b>183,756</b>	<b>159,811</b>	<b>183,067</b>	<b>179,413</b>	<b>177,213</b>
<b>Net income for the year</b>	<b>5,725</b>	<b>3,698</b>	<b>8,547</b>	<b>4,119</b>	<b>4,998</b>

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

### PROGRAMME GRANT II, HUMANITARIAN PROGRAMME PLAN AND EMERGENCY RESPONSE FUND SCHEME GRANTS FUNDED BY IRISH AID, DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

A. Grants received from Irish Aid, Department of Foreign Affairs and Trade were utilised as follows:

	Programme Grant II	Humanitarian Programme Plan	Emergency Response Fund Scheme	Total
	2019	2019	2019	2019
	€'000	€'000	€'000	€'000
Direct programme activities	18,755	3,896	704	23,355
Programme quality	1,279	273	-	1,552
Programme support and administration	1,278	267	35	1,580
Disposal of assets and other income*	1	-	-	1
<b>Total</b>	<b>21,313</b>	<b>4,436</b>	<b>739</b>	<b>26,488</b>

Details of the direct programme activities are as follows:

Programme Outcomes	2019
	€'000
Assets and return on assets	10,157
Inequality	3,400
Risk and vulnerability	4,648
Active citizenship	350
Public engagement	200
<b>Total direct programme expenditure</b>	<b>18,755</b>

#### Expenditure by Country

	2019	2019	2019	2019
	€'000	€'000	€'000	€'000
Afghanistan	1,000	357	-	1,357
Bangladesh	1,071	-	-	1,071
Burundi & Rwanda	1,744	-	-	1,744
Chad	1,350	366	46	1,762
Central African Republic	1,300	445	-	1,745
Democratic People's Republic of Korea	500	-	94	594
Democratic Republic of Congo	1,000	489	94	1,583
Ethiopia	1,117	415	-	1,532
Haiti	1,000	-	-	1,000
Lebanon	-	563	-	563
Liberia	1,034	-	-	1,034
Malawi	1,500	-	139	1,639
Mozambique	-	-	126	126
Niger	1,056	-	-	1,056
Republic of Sudan	1,006	-	-	1,006
Sierra Leone	1,480	-	41	1,521
Somalia	1,030	471	153	1,654
Syria/Iraq	-	344	11	355
Republic of South Sudan	1,017	446	-	1,463
Active Citizenship	350	-	-	350
Public Engagement	200	-	-	200
<b>Total direct programme expenditure</b>	<b>18,755</b>	<b>3,896</b>	<b>704</b>	<b>23,355</b>

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

In addition to the funding outlined above, a grant of €366,436 was received for an Ebola preparedness programme in Lubero and Rutshuru Territories, Democratic Republic of Congo covering the period June 1, 2019 to November 30, 2019. The grant was spent as follows: pay and general administration €140,054 and service provision/charitable activity €226,382. A grant of €300,000 was also received for Emergency Response/Recovery for Cyclone Idai affected population in Mozambique for the period June 15 to September 14, 2019. The grant was spent as follows: pay and general administration €47,209 and service provision/charitable activity €252,791. Funds received for both grants were restricted for use in line with the terms agreed with Irish Aid, Department of Foreign Affairs and Trade.

\* €1,010 was refunded to Concern Worldwide from an implementing partner in 2019. These funds were used to support the existing Programme Grant II activities in Concern Bangladesh.

### B. Analysis of movement in Irish Aid accrued and deferred income related to the above grants for the year ended December 31, 2019

	Opening balance	Cash received	Income earned	Closing balance
	2019	2019	2019	2019
	€'000	€'000	€'000	€'000
Programme Grant II	-	21,313	(21,313)	-
HPP	8	4,428	(4,436)	-
ERFS	11	728	(739)	-
Irish Embassy In Mozambique	-	300	(300)	-
Other	(17)	722	(680)	25
<b>Total</b>	<b>2</b>	<b>27,491</b>	<b>(27,468)</b>	<b>25</b>

Concern Worldwide was compliant with Irish Government Circulars relevant to the above noted grants during the year to the best of our knowledge, including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

The Irish Aid Programme Grant II and Humanitarian Programme Plan grants were utilised during the period January 1, 2019 to December 31, 2019. The Emergency Response Fund Scheme grants were utilised during the following periods: Chad April 1 to August 31, 2019; Democratic People's Republic of Korea March 15 to May 31, 2019; Democratic Republic of Congo February 1 to April 30, 2019; Malawi March 21 to May 21, 2019; Mozambique March 29 to May 28, 2019; Sierra Leone August 16 to November 30, 2019; Somalia May 27 to August 26, 2019 and November 5 to December 31, 2019.

Funds received from Irish Aid Programme Grant II, Humanitarian Programme Plan and Emergency Response Fund Scheme were restricted for use in line with the terms agreed with Irish Aid, Department of Foreign Affairs and Trade.

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

### GRANTS TO PARTNER AGENCIES FOR CHARITABLE ACTIVITIES

The top 50 grant recipients in 2019 are listed below:

	Name of partner agency	Country	No. of grants	2019 €'000
1	Sajida Foundation (SF)	Bangladesh	3	820
2	Lifeline Gedo	Somalia	5	648
3	RDRS Bangladesh	Bangladesh	1	626
4	Shabelle Community Development Organization (SHACDO)	Somalia	7	614
5	Cesvi	Mozambique	2	586
6	Research and Development Foundation (RDF)	Pakistan	1	532
7	Veer Development Organisation (VDO)	Pakistan	1	457
8	Lodhran Pilot Project (LPP)	Pakistan	1	420
9	Youth Link	Somalia	5	368
10	Fast Rural Development Program (FRDP)	Pakistan	2	364
11	Malatya	Turkey	3	345
12	Sukaar Foundation (SUKAAR)	Pakistan	3	334
13	Bahar Organisation	Syria/Iraq	1	323
14	Participatory Village Development Programme (PVDP)	Pakistan	2	318
15	SAMI Foundation	Pakistan	3	314
16	Sindh Rural Partners Organization (SRPO)	Pakistan	2	312
17	Adiyaman Gokkusagi Dernegi	Turkey	3	311
18	Social & Economic Enhancement Program (SEEP)	Bangladesh	2	287
19	Prime Foundation (PF)	Pakistan	2	285
20	SoS Sahel Sudan	Sudan	2	283
21	Participatory Rural Development Society (PRDS)	Pakistan	1	270
22	Jagrata Juba Shangha (JJS)	Bangladesh	1	245
23	Muslim Aid Pakistan (MAP)	Pakistan	1	243
24	Balochistan Rural Development Society (BRDS)	Pakistan	1	218
25	Bright Star Development Society Balochistan (BSDSB)	Pakistan	1	208
26	Sindh Agricultural and Forestry Workers Coordinating Organization (SAFWCO)	Pakistan	1	198
27	Assistance for Social Organization and Development	Bangladesh	3	174
28	Association pour la promotion des libertés fondamentales au Tchad (APLFT)	Chad	1	170
29	Partners in Health and Development (PHD)	Bangladesh	1	165
30	District Development Association Tharparkar (DDAT)	Pakistan	1	162
31	Nile Hope	South Sudan	2	162
32	Khulna Mukti Seba Sangstha (KMSS)	Bangladesh	1	158
33	Nari Maitree (NM)	Bangladesh	1	150
34	Maya Vafki	Turkey	2	140
35	Azat Foundation	Pakistan	1	138
36	Churches Action in Relief and Development	Malawi	2	136
37	Global Aid Hand (GAH)	Sudan	3	134
38	SAWA Sudan For Development and Humanitarian Aid (SSDHA)	Sudan	2	121
39	Al-Falah Development Foundation (ADF 6)	Pakistan	1	112
40	Institute of Development Studies (IDS)	Burundi	1	103
41	Pakistan National Forum on Women's Health (PNFWH)	Pakistan	1	102
42	Society for Community Action Process (SCAP) Balochistan	Pakistan	1	100
43	Theatre for a Change	Malawi	1	95
44	Gargaar Relief and Development Organization (GREDO)	Somalia	1	95
45	Initiative for Development and Empowerment Axis (IDEA)	Pakistan	1	93
46	Shifa Foundation	Pakistan	2	93
47	Society for Mobilization Advocacy and Justice (SMAAJ)	Pakistan	1	91
48	Great Lakes Inkingi Development (GLID)	Burundi	2	88
49	Thardeep Rural Development Programme (TRDP)	Pakistan	1	86
50	Voice of Older People (VOP)	Syria/Iraq	1	81
	<b>Subtotal</b>			<b>12,878</b>
51	Other partners			1,082
	<b>TOTAL</b>			<b>13,960</b>

## Appendix 4 (not forming part of the Financial Statements)

### INCOME EARNED IN 2019 ON GRANTS FUNDED BY EUROPEAN UNION\*

Country	EU Programme	Project Name	Income Earned 2019 €'000
Bangladesh	Development Cooperation Instrument	Improving health and nutrition status of urban extreme poor in Bangladesh through sustainable health service provision	292
Bangladesh	Development Cooperation Instrument	Promoting Sustainable Health and Nutrition Opportunities for Marginalized urban extreme poor Population (PROSHOMON) in Bangladesh.	443
Burundi	Instrument contributing to Stability and Peace	Supporting Burundian Youth in the Context of a Crisis	99
Burundi	European Development Fund	Measure of Support to the Resilience of the Populations of Burundi	470
Central African Republic	EU Trust Fund	Integrated Support to Agropastoralist for Livelihoods and Markets	434
Chad	EU Trust Fund	Programme de développement inclusif des zones d'accueil – zone Sud (DIZA Est)	553
Democratic People's Republic of Korea	Development Cooperation Instrument	Rural and Urban Nutrition II (RUN II)	439
Democratic People's Republic of Korea	Development Cooperation Instrument	Multi Sector Nutrition & Food Security (MSNFS) Project	(7)
Ethiopia	EU Trust Fund	Job creation for potential migrants in Addis Ababa	387
Ireland	European Voluntary Humanitarian Aid Corps EU Aid Volunteers (EUAV)	Third EU Volunteers Project	27
Ireland	European Voluntary Humanitarian Aid Corps EU Aid Volunteers (EUAV)	EU Aid Volunteers Initiative: Deployment	223
Ireland	European Voluntary Humanitarian Aid Corps EU Aid Volunteers (EUAV)	EU Aid Volunteers Initiative: Technical Assistance & Capacity Building	3
Ireland	European Voluntary Humanitarian Aid Corps EU Aid Volunteers (EUAV)	EU Aid Volunteers Initiative: Deployment Project 2016-2017	(2)
Kenya	Development Cooperation Instrument	Enabling Devolved Governance through Inclusive and Systematic Citizen Participation	(6)
Malawi	Development Cooperation Instrument	PRO-ACT Future	342
Lebanon	European Neighbourhood and Partnership Instrument	Mashta Hamoud sewage pipe network and waste water treatment plant	(48)
Lebanon	European Neighbourhood Instrument	Mashta Hassan and Chadra Sewage Pipe Network and WWTP and Pipeline Capacity Extension in Mashta Hammoud	461
Liberia	European Development Fund	Improving sanitation and hygiene in urban and peri-urban Monrovia	(10)
Liberia	European Development Fund	EU Liberia Agriculture Programme (EULAP)	536
Niger	Development Cooperation Instrument	Projet d'Appui à la Fortification Alimentaire au Niger (PAFAN)	52
Niger	EU Trust Fund	Projet intégré d'appui à la résilience des populations vulnérables réfugiées, déplacées, retournées et hôtes de la région de Diffa, Niger	547
Pakistan	Development Cooperation Instrument	Programme for Improved Nutrition in Sindh (PINS) Nutrition Specific ER-2	384
Rep of Sudan	EU Trust Fund	Strengthening Resilience for IDPs, Returnees & Host Communities in West Darfur	967
Somalia	EU Trust Fund	Enhancing Integration of Displacement Affected Communities in Somalia (EIDACS)	1,169
Somalia	EU Trust Fund	Enhancing Integration of Displacement Affected Communities in Somalia (EIDACS B)	90
Somalia	EU Trust Fund	Durable Solutions and Reintegration Support to Displacement Affected Communities in Jubaland State of Somalia	322
Somalia	EU Trust Fund	Wadajir - Ensuring Durable Solutions for Reintegration in Somaliland	413
Turkey	EU Trust Fund	Building Tomorrow	1,390
Uganda	Development Cooperation Instrument	SILK: Skills, Income and Livelihoods in Karamoja, Uganda	1
			<b>9,971</b>

\* Excluding grants funded by the Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO)

# COVID-19 Pandemic



**Khadiza & Sumaiya,  
Bangladesh**

Khadiza is struggling to feed her family as she cannot go out to earn a living due to COVID-19. **Photo:** Mohammad Rakibul Hasan / Concern Worldwide

**“We are now facing a crisis unlike anything we have seen before. It is the first time all of our programme countries face the same emergency. Not only are the poorest countries facing COVID-19, but they are also dealing with the very real possibility of financial destruction and widespread hunger as a result.”**

**Dominic MacSorley**  
May 30, 2020

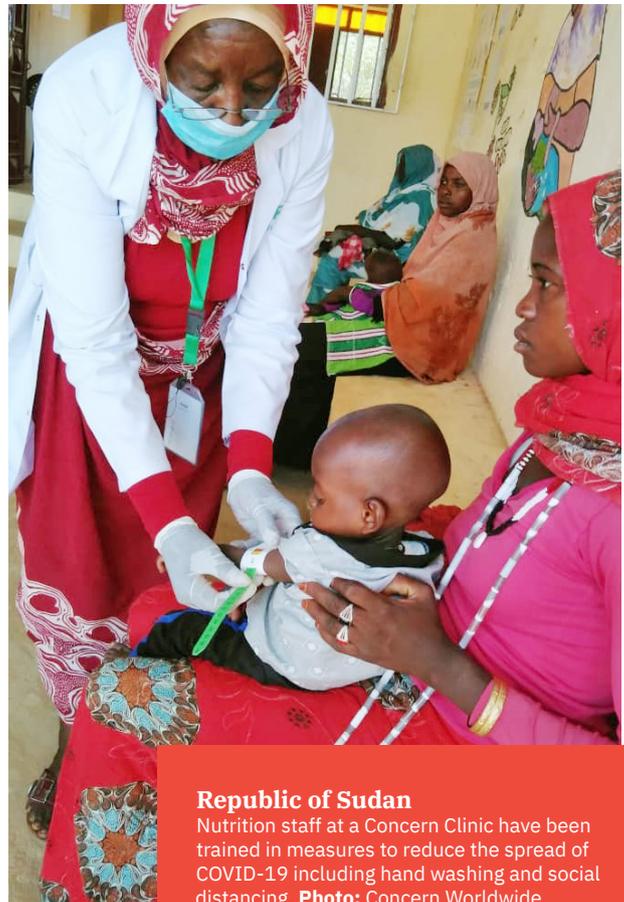
Across Concern, our unshakeable commitment is to stay where we are needed and deliver. From the sprawling refugee camps of Cox's Bazar in Bangladesh, the overcrowded slums in Port-au-Prince in Haiti or the war zones of Syria, Concern teams are responding providing soap and water, increasing public awareness about COVID-19 prevention, distributing food and cash, and training health staff.



**Iraq**  
Distribution of COVID-19 prevention, hygiene kits, at a camp for internally displaced people in Iraq. **Photo:** Concern Worldwide



**Marriam, Malawi**  
Marriam Jamali receives soap as part of hygiene distribution to help prevent the spread of COVID-19. On receiving the soap Marriam says "this could not have come at a better time". **Photo:** Concern Worldwide



**Republic of Sudan**  
Nutrition staff at a Concern Clinic have been trained in measures to reduce the spread of COVID-19 including hand washing and social distancing. **Photo:** Concern Worldwide



**Cherica, Haiti**  
Cherica, two years and six months old washes her hands in front of her grandmother's home in Cite Soléil slum, a district of Port-au-Prince, Haiti, where, in partnership with ECHO, Concern distributed hygiene kits to help prevent the spread of COVID-19. **Photo:** Dieu Nalio Chery / Concern Worldwide



Concern Worldwide adheres to the following Codes:

**The Charities Governance Code issued by the Charities Regulator of Ireland.**

**The Dóchas Code of Conduct on Images and Messages.**

**The Irish Development NGO's Code of Corporate Governance.**

Concern Worldwide is a certified member of the **Core Humanitarian Standard (CHS) Alliance.**

Concern Worldwide is a member of **Alliance2015.**

The image on the left is part of a series of photographs entitled “Free From Hunger, South Sudan”.

South Sudan has been beset by frequent conflict since it gained independence in 2011. Over two million South Sudanese people have since fled into neighbouring countries. 1.74 million people are displaced inside the country. When fighting started, civilians looked for protection and refuge at existing United Nations bases and these have become Protection of Civilian camps (PoCs). In 2017, famine was declared in some parts of the country and currently 61% of the population do not have sufficient access to food.

Concern’s nutrition work in South Sudan focuses on the prevention and treatment of acute malnutrition in children under five and pregnant and breastfeeding mothers.

To reach the most remote communities, Concern has mobile health teams, provides training to government health staff, and supports 49 government health facilities to ensure that children can receive treatment for the three killer diseases – malaria, pneumonia and diarrhoea.

*Front cover image:* Maceline\* visits the Mobile Health Clinic in Mayomkuol, a remote rural area of Aweil, South Sudan. She says, “Concern helps a lot. They come to help us in places where the facilities are far.” It takes Maceline one hour to walk to the mobile clinic, while the health facility is three hours away. Maceline heard about the clinic from her neighbours who brought their babies. “If it wasn’t here, people would have died from diseases like malaria that are easily treated.” **Photo:** Abbie Trayler-Smith / Concern Worldwide \*Name has been changed to protect the identity of the individual.

*Left:* Idil\* lives with her three children in a Protection of Civilian site (PoC) in Juba, South Sudan. Idil\* and her family came to the PoC in 2014, but left again in 2017 so things could be better. But there was nothing, no work to survive on, so they came back. Idil\* is planning a business (she wants to buy cups and glasses to make tea for people). Today she is cooking Kistro (paper food). Idil\* likes cooking but often doesn’t have enough food.

Her youngest daughter, Nyadiu\* has been receiving treatment through a Concern-supported Outpatient Therapeutic Programme since she was six months old and is much healthier than she was before. **Photo:** Abbie Trayler-Smith / Concern Worldwide \*Names have been changed to protect the identity of the individuals.

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