

Concern Worldwide (UK)
Annual Report and
Accounts 2015

CONCERN
worldwide

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Nancy Baako has spent almost all her life in a refugee settlement in Adjumani, Uganda. At eight months old her daughter Cathred was severely malnourished and was treated in the health centre Concern Worldwide supports in the settlement.

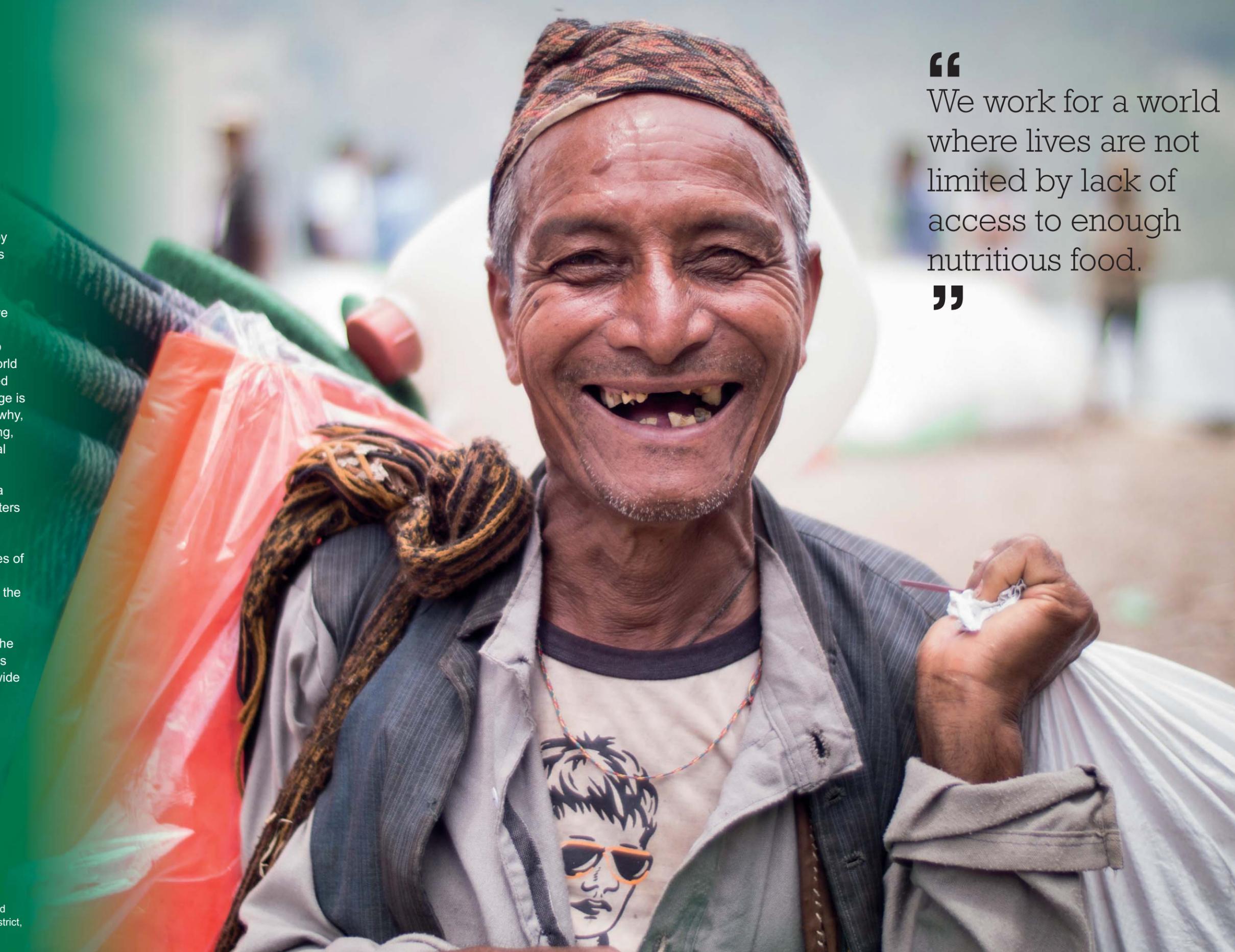
Photo: Alexia Webster/Panos Pictures for Concern Worldwide/Uganda/2015

About us

Concern Worldwide specialises in tackling hunger with the most vulnerable people in the world's poorest places. Hunger affects everything for the world's poorest people. We believe no one should have to live with hunger and the damage it causes. We work for a world where lives are not limited by lack of access to enough nutritious food.

Working in partnership with local organisations and communities, we combine our expertise with local knowledge to help people develop their own lasting solutions. In a world where one in nine people go to bed hungry each night, we know change is needed on a global scale. This is why, through advocacy and campaigning, we work to influence local, national and international policy.

We are generously supported by a wide range of funders and supporters and we thank you all. Concern Worldwide (UK) 'Concern (UK)' supports the overseas programmes of Concern Worldwide – we do not implement our own projects. Over the next few pages you can read highlights from the work we contributed to around the world. The description of this overseas work is adapted from the Concern Worldwide 2015 Annual Report.



“ We work for a world where lives are not limited by lack of access to enough nutritious food. ”

Rhambutel receives emergency shelter and relief supplies from Concern in Dolakha district, Nepal.

Photo: Kieran McConville/Nepal/2015

A message from the Chair of Trustees and the Executive Director

Despite the challenging environment for charities in 2015, the year saw Concern Worldwide (UK) ("Concern (UK)") raising a record £31.6 million, allowing us to reach more people affected by emergencies, poverty and hunger. Income received from the Department for International Development (DFID) increased significantly, reflecting Concern Worldwide's ability to deliver quality programmes to those most in need. Income from our own fundraising also increased, with a major corporate donation to assist those affected by the Syria conflict as well as increased recovery of revenue through the Gift Aid scheme.

The majority of this additional income was spent on emergency response. In Sierra Leone, our burial teams provided dignified and safe burials to more than 16,000 people during the Ebola crisis, offering comfort to their families as well as helping to restrict the spread of the disease. The teams were recognised for the excellence of their work, receiving a health award from the European Union and nine of our burial staff received awards from the President of Sierra Leone.

In April, our emergency response to the devastating earthquake in Nepal helped reach tens of thousands of people with much needed shelter materials and other essential items. Working closely with the Disasters Emergency Committee (DEC), fundraising appeals were immediately launched and were hugely successful, with the UK public donating over £700,000 directly to Concern (UK) and we received a further £1.9 million via the DEC. We also continued to work with those affected by the crisis in Syria, scaling up our response both in Syria and in neighbouring Turkey and Lebanon. We reached over 365,000 men, women and children with programmes that covered the provision of drinking water, hygiene kits, food rations, financial assistance, winter kits, pest control and education.

Many regions we work in experience frequent natural disasters and outbreaks of armed conflict, and an important aspect of Concern Worldwide's work is to give these communities the skills and tools to help reduce the risk and impact of future crises, building their resilience especially to food insecurity. In 2015, this work included developing early warning systems in Chad as part of the DFID funded BRACED (Building Resilience and Adaptation to Climate Extremes and Disasters) programme. In the UK, our ongoing work on building community resilience to hunger and other risks saw us publish 'Barriers to Resilience', a report exploring the impact of gender inequality on food security.

Our advocacy team continued to work with overseas colleagues to promote good nutrition as one of the critical ways of improving people's health and life chances, producing a number of reports including 'Increasing the UK's contribution to tackling malnutrition.' The report, co-produced with Action Against Hunger and RESULTS UK aimed to influence DFID as it reviewed its own strategy on nutrition.

As our existing strategic plan (2010-2015) came to an end, we developed our new plan for 2016-2020. While our strategy remains solidly focused on tackling hunger and extreme poverty, there are several new areas of consideration for us. Concern (UK) will work to strengthen the role of advocacy within the organisation to be better placed to influence policymakers and donors. Alongside that, we plan to build on our expertise in helping vulnerable communities prepare for and recover from emergencies, establishing a 'hub' in the London office to lead the way in community resilience. We also propose creating a 'centre of excellence' for the delivery of contract-based funding to reflect the shift away from grant-based funding mechanisms by DFID and other donors.

2015 will be marked as the year in which UK charities came under unprecedented critical scrutiny – when serious questions were raised about the proportion of income spent on charitable work, executive pay, data security and fundraising tactics. Public trust is something Concern (UK) takes seriously. That's why during the year, we moved to underline our commitment to be open and transparent about how we work and to be fully accountable to you for the donations you make. We reviewed our fundraising practices and launched a supporter promise, outlining the standards we set ourselves and to which you can hold us to account.

We are well aware that it is only through the generosity and commitment of the many individuals, families, groups and businesses who support the work of Concern (UK) that we are able to do what we do and we would like to thank you all. Because of you, Concern Worldwide is there, in some of the toughest places of the world, saving and transforming lives – and helping to build a better tomorrow, today.



Chris Elliott
Chair



Rose Caldwell
Executive Director

“ Our emergency response to the devastating earthquake in Nepal helped reach tens of thousands of people with much needed shelter materials and other essential items. ”

Review of our work in 2015

In 2015, Concern Worldwide directly reached 7.6 million people in 28 of the world's poorest and most vulnerable countries.

Concern (UK) contributed funds to work in 27 of these countries.

Nasa Oyoo Oit stands in the plot of land he now successfully farms in Pader, Uganda, after Concern gave him seeds, tools and training.

Photo: Alexia Webster/Panos Pictures for Concern Worldwide/Uganda/2015

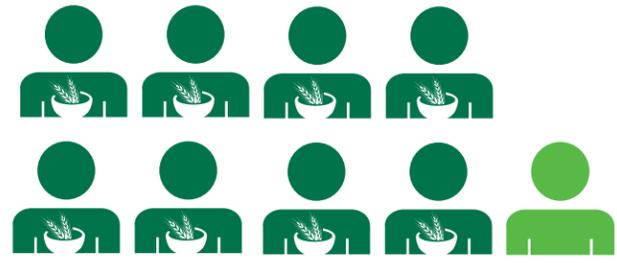
- 
- | | |
|--|----------------------|
| 1 Afghanistan | 14 Mozambique |
| 2 Bangladesh | 15 Nepal |
| 3 Burundi | 16 Niger |
| 4 Central African Republic | 17 Pakistan |
| 5 Chad | 18 Philippines |
| 6 Democratic Republic of Congo | 19 Republic of Sudan |
| 7 Ethiopia | 20 Rwanda |
| 8 Haiti | 21 Sierra Leone |
| 9 Kenya | 22 Somalia |
| 10 Democratic People's Republic of Korea | 23 South Sudan |
| 11 Lebanon | 24 Syria |
| 12 Liberia | 25 Tanzania |
| 13 Malawi | 26 Turkey |
| | 27 Uganda |
| | 28 Zambia |

Our year tackling hunger and poverty

Worldwide



Each day, **795 million** people in the world go hungry (roughly **1 in 9** of the world's population)



Poor nutrition causes **45% of deaths** in children under five... **3.1 million** children each year

More than **800 million** people live on less than **£1** per day



CONCERN worldwide

In 2015, we spent **£27.6 million** on our **livelihoods programmes**



We improved the **food security** and means of support of over **1.6 million** people

Concern aims to help eradicate extreme poverty and hunger around the world. Tackling hunger and malnutrition goes to the heart of addressing extreme poverty and our livelihoods programmes are designed to help people in poor countries to feed and support themselves sustainably.

We work with poor and vulnerable communities to grow more nutritious food, earn more and diversify their income sources so they are less vulnerable to shocks. In urban settings, our work focuses on creating new livelihood opportunities. In rural settings, our agriculture initiatives help subsistence and small-scale farmers to better cope with the impact of climate change and other shocks. Below are just some examples of our work in 2015.

We more than trebled the amount of land cultivated using conservation agriculture techniques in **Democratic People's Republic of Korea**. By using our portable and fixed irrigation systems, farmers managed to increase crop production despite severe drought. The extra rice produced was enough to feed 2,252 people for a year.

In **Republic of Sudan**, we have enabled 33,622 people including displaced people and nomads, to earn more by processing their crops using grinding mills, peanut peelers and oil pressing machines.

In **Kenya**, we helped vaccinate more than 1 million animals against foot and mouth disease, sheep and goat pox and other livestock diseases.

In **Somalia**, access to all basic services, including healthcare and education, depends on a family's ability to pay. When our Mogadishu urban livelihoods project began in 2012, only 5% of our beneficiaries had any savings. By 2015, this had grown to 51%.

Our annual outcome monitoring in **Bangladesh** indicated that 63,809 extreme poor households – 70% of households supported by Concern – had moved out of extreme poverty.

Our programme to reduce poverty among 14,000 extremely poor people in southern **Rwanda** has had a huge impact. Since 2012, the proportion of beneficiaries who no longer rely just on subsistence agriculture has increased by 64 %.

In **Zambia**, we taught 18 Ministry of Agriculture staff conservation agriculture techniques and how to teach others. These trainees have already trained 353 household representatives, helping to improve agricultural productivity and household income among Angolan refugees and poor Zambian families.

Case study

Uganda's keyhole gardens

Anatomy of a Keyhole Garden



In Uganda's Napak District there is a keyhole garden around every corner. These innovative kitchen gardens have dramatically changed the landscape here – as well as the fortunes of thousands of families.

In the past, this rural area has had some of the worst malnutrition rates in Uganda. Many people have had to borrow money to feed themselves and their families. So, in May 2015, Concern Worldwide began helping people plant keyhole gardens and grow themselves a better supply of nutritious food. By the end of the year, we had helped to supply 10,658 of these small gardens.

The gardens are raised and circular, about the size of a trampoline, with a thin section 'cut out' so people can get to a compost basket in the middle. When viewed from above they are shaped like a keyhole. Families put their everyday kitchen and garden waste in the compost basket. The nutrients and water in the compost nourish the garden and protect it from drought.



Volunteers called lead mothers have played a big role in the spread of the keyhole gardens in Napak. They set up the first gardens at their homes, and many other women have followed their example. Lead mother Agnes said:

"My keyhole garden has allowed me to work with less worry about what the children will eat while I am away from home. I go to Nabilatuk to look for casual work and leave the children at home. My children are now able to harvest cow-peas, onion and sukumawiki [local greens] direct from the keyhole garden and cook them."

Our year preparing for and responding to emergencies

Worldwide



Syria's civil war is the worst humanitarian crisis of our time. **7.6 million people** are displaced within Syria. There are **4.8 million refugees** the majority in the neighbouring countries of Lebanon, Turkey and Jordan

The earthquakes in Nepal in April and May 2015 devastated the already vulnerable country.

Over 8,700 people were killed, half a million

homes were destroyed and **2.8 million people** were left in need of humanitarian assistance

Concern responds to emergencies in countries where we have a long-term presence and in other countries that require international assistance in the wake of a crisis, providing essential food, water and shelter.

Rapid emergency responses save lives but we know that preparedness and disaster risk reduction activities save many more. That is why we work to prevent and prepare for potential emergencies and empower vulnerable communities to withstand future shocks. We collaborate with community-based, national and international partners to improve our effectiveness.

In **Syria, Turkey** and **Lebanon** we have reached over 365,000 men, women and children affected by the crisis in Syria. We quickly reacted to the changing and growing situation by scaling up our provision of drinking water, hygiene kits, food rations, financial assistance, winter kits, pest control and education.

We have built almost 10,000 shelters in **Bentiu camp, South Sudan**, improving the living situation of more than 100,000 displaced people.

In **Niger**, our emergency food security programme benefited 3,435 households through drought-resistant seeds and agricultural training. Now, beneficiaries can access a small-scale insurance scheme and 2,627 households have goats to milk and breed.

When **Zambezia province, Mozambique**, experienced the worst flooding for 40 years, we rapidly coordinated with other agencies and put our emergency plan into practice, assisting 32,269 people with items including blankets and shelter materials.

Working with local authorities in **Bangladesh**, we organised an earthquake and fire safety drill involving around 5,000 community members, police, fire service and local authority representatives.

Having essential items ready in **Republic of Sudan** enabled us to distribute 1,014 household kits to refugee families fleeing violence in South Sudan as soon as they arrived.

Working with Tufts University, we developed an early warning system in **Chad** that tracks rainfall, prices and coping strategies to help prevent disasters through timely interventions. We trained community action committees to implement local plans across 88 villages. We also established two early warning systems in **Democratic People's Republic of Korea**, which collate key data to advise cooperative farms on potential risks and enable appropriate preparation.

Nepal earthquake response



Photo : Crystal Wells/Nepal/2015

A 7.8-magnitude earthquake hit near the capital of Nepal on 25 April 2015. The country suffered from a series of aftershocks, including a major 7.3 magnitude tremor near Mount Everest on 12 May. Despite not working in the country since 2010, Concern responded within three days.

In the immediate aftermath, we supported around 70,000 people in the hardest-hit areas with essential items including solar lamps, blankets, water purification tablets and soap. In the longer term, we supported 6,500 people with tools and materials to build temporary shelters, built shelters for elderly and disabled people and Temporary Learning Centres at 47 schools so children could learn in a safe environment.

We also constructed 300 emergency latrines and 218 bathing units to prevent the spread of disease as well as laying 15,800 metres of water pipes so people had access to clean water.



Photo : Crystal Wells/Nepal/2015

CONCERN
worldwide

£57.6 million We spent on emergency response

42 We responded to emergencies in **24** countries, directly assisting **2.8 million** people

Case study

Ratna Khatri, Nepal

Ratna Khatri from Dolakha district had survived several earthquakes in her 88 years but, hard of hearing and partially sighted, her ability to cope when the April 2015 earthquake struck was more diminished than ever. Her extended family did not have the financial means to build a new home so they were living together in a small makeshift shelter when we met her.

She told us: "In this recent earthquake, everything in the house was destroyed. My grandson helped me; he dragged me out of the house. Life is a trouble. I can't walk, I can't see – it is a hard time."

Ratna and her family were some of the thousands of people in Dolakha that Concern Worldwide helped, supplying them with essential items to help them cope with the devastation caused by the earthquake.

“

Life is a trouble.
I can't walk, I can't see
– it is a hard time.

”

CONCERN
worldwide

ITEM	HYGIENE KITS (HK)
QUANTITY PER BOX	1 SET / BOX
WEIGHT PER BOX	8.70 KGS APPROX
VOLUME PER BOX	0.033 CBM APPROX
BOX NUMBER	(HK) 1452 / 2000

Our year campaigning for change

Worldwide



87% of disasters are climate related

Just 0.4% of Overseas Development Assistance

is spent on preventing and preparing for disasters

1 out of 6 children



in developing countries (roughly **100 million**) are **underweight**

CONCERN
worldwide

We published **four** reports focusing on



hunger and **nutrition**

We **more than doubled** the number of supporters who take actions for Concern (UK) over the course of the year to **over 30,000**

Throughout the year, Concern (UK) used evidence from our programmes, our on-the-ground expertise, our global network of partnerships and the dedication of our campaigners to raise awareness of the issues around poverty and hunger and to influence action towards ending them. Our priorities were focused on food and nutrition security, community resilience and humanitarian issues. Below are some of the activities we carried out:

We worked with overseas colleagues to promote good nutrition as one of the critical ways of improving people's health and life chances, collaborating with Concern Uganda and the Uganda SUN (Scaling Up Nutrition) network to produce a joint report, 'What works for Nutrition? Stories of success from Vietnam, Uganda and Kenya'.

We co-produced a report with Action Against Hunger and RESULTS UK called 'Increasing the UK's contribution to tackling malnutrition.' The report aimed to influence DFID as it reviews its own strategy on nutrition.

We published 'Barriers to Resilience', a report exploring the impact of gender inequality on food security as part of our ongoing work on building community resilience to hunger and other risks.

Following the General Election, we organised a round table event in Parliament, hosted by Jonathan Dimbleby and attended by Minister of State for International Development, Desmond Swayne, to discuss how to tackle natural disasters and other crises that prevent the world's poorest people lifting themselves out of poverty.

In October, we launched the 'Global Hunger Index 2015', a report examining the links between hunger and conflict at an event in Westminster.

Together with our supporters we played an important role with others in the sector in the Turn Up, Save Lives campaign asking for the UN recommended 0.7% of UK national income to be spent on development assistance. This was a huge win for the sector with the Bill signed into law at the end of March.



Case study Good Cop, Bad Cop campaign

Ahead of the UN Climate Negotiations at the end of November in Paris, COP21, we focused our Growing Resilience initiative on supporting the poorest to adapt to the impacts of climate change, which are already affecting them. We launched a petition, 'Good Cop, Bad Cop' calling on world leaders to agree a deal that provides support for the world's most vulnerable communities.

Using caricatures of world leaders as good and bad cops, we collected nearly 10,000 signatures urging David Cameron to be a 'good cop' and received a personal response from the Prime Minister stating that the UK government would encourage all countries to deliver their commitments under the Paris agreement. Alongside the petition, we produced a briefing paper detailing our policy recommendations and case studies of some of our most successful climate adaptation programmes.

Your support in 2015

Concern cannot fight poverty and hunger alone. Our achievements are built on generous donations and fundraising by thousands of individuals, groups, trusts, foundations and organisations. We are extremely grateful for all your support – it really makes a difference and we thank you all. In 2015 we:

Raised £703,660 for the Nepal emergency appeal following the devastating earthquake and aftershocks

Secured our second DFID Aid Match appeal, “Comeback from Crisis”, which reached an audience of 4,189,087 and raised **£1,675,428** to support vulnerable communities recovering from emergencies and disasters. The matched funding will go towards programmes to help communities affected by the Ebola crisis in Sierra Leone.

Welcomed a substantial gift of **£500,000** from Goldman Sachs Gives which is helping provide shelter packs for Syrian families in Syria and Turkey, water rehabilitation in northern Syria and education for Syrian child refugees in southern Turkey.

Encouraged supporters to sign up to Gift Aid, resulting in an additional 3,912 donors recruited to the scheme, worth an additional **£149,241** in 2015.

Started a new Ambassadors programme in Northern Ireland, recruiting and training 16 volunteer Ambassadors to support our community engagement and fundraising in 2016.

Benefited from the enthusiasm of 1,300 individuals and groups who organised, supported and took part in salsa nights, sponsored walks, climbs and cycles, collections, bakes sales, the London Marathon, the Concern Fast and a host of community fundraising activities raising a total of over **£215,000**.

Appreciated the tremendous support of our 15 Concern Groups who raised over **£90,000** through local events and collections across Northern Ireland.

Comeback from Crisis

A highlight of our DFID Aid Matched ‘Comeback from Crisis’ appeal was a major photo exhibition which was on display for almost three weeks in October outside King’s Cross station in London. Featuring photographs and stories from Sierra Leone, Uganda, Philippines, Malawi and Nepal, it raised awareness of how Concern helps people whose lives have been devastated by crisis to rebuild their lives.

The money raised from Comeback from Crisis will help people like Sallay Kargbo from Tonkolili District, Sierra Leone whose story you can read below.



Case study

Sallay Kargbo, Sierra Leone

When Sallay (right) displayed the signs of Ebola she was certain she had the disease because her husband had been a recent victim. As she had to travel 300 miles for treatment and had been gone for several weeks, her family had no idea of her condition. Presuming the worst, they held a funeral for her.

But Sallay managed to beat Ebola and returned to her shocked but delighted family. She was the only person in her village to contract the disease and recover. She now faces a new battle – to grow enough food and send her children to school.

“I am happy I am alive but equally sad because I lost my husband. I have too much burden. I have children – how can I feed and educate them?”

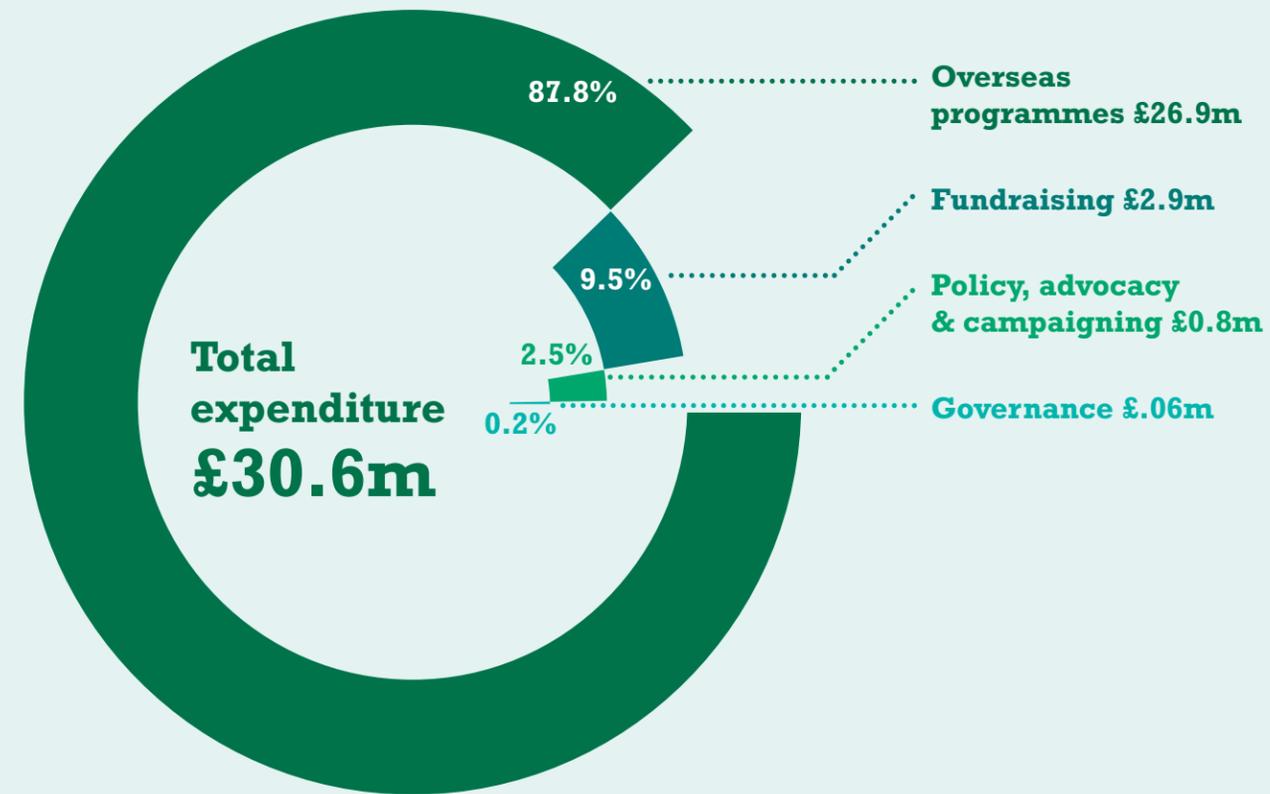
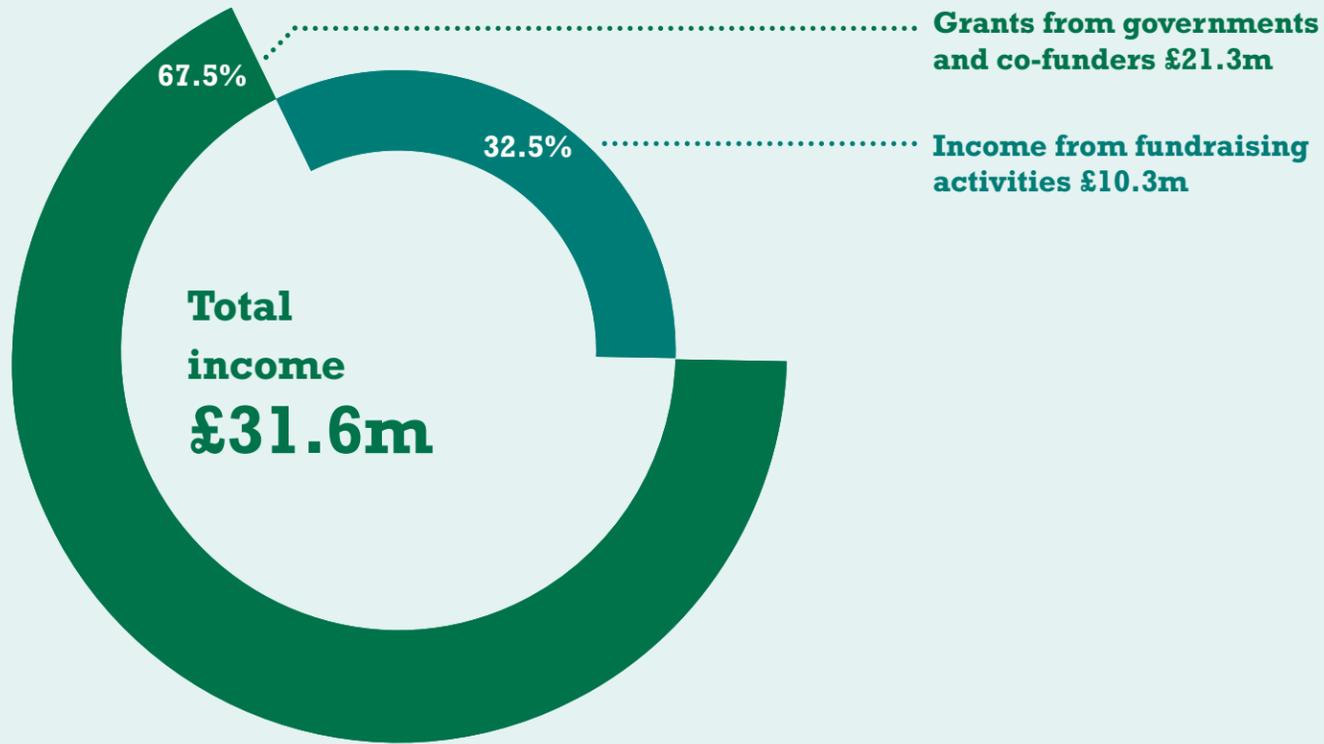
To support women like Sallay, Concern provided vouchers to buy food at the local market until they can grow their own crops again.

“
I am happy I am alive but equally sad because I lost my husband. I have too much burden. I have children – how can I feed and educate them?
”

**COME
BACK
FROM CRISIS**



Income and Expenditure



Trustees' Report and Financial Statements



Sita Gain, a participant in Concern's climate change adaptation programme in Satkhira, Bangladesh, now grows enough food to feed her family and has surplus to sell at market.

Photo: Shafiqul Alam Kiron/Bangladesh/2015

Legal and administrative information

Trustees of the charity

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

Julian Bennett – appointed 24th June 2015

Zamila Bunglawala

Ciunas Bunworth – appointed 27th June 2015

Donal D'Arcy – appointed 27th June 2015

Chris Elliott (Chair)

Sean Farren

Patrick Forbes

Tony Foster

Jemima Jewell

Laura Kelly

Rob McGrigor (Honorary Treasurer)

James Shaw Hamilton

Tom Levitt resigned as Trustee of the organisation on 14th April 2015.

Carlton Baxter and Denise Reid resigned as Trustees of the organisation on 9th May 2015.

Giles Pegram resigned as Trustee of the organisation on 19th May 2015.

Barbara O'Reilly and Mark Shinnick resigned as Trustees of the organisation on 27th June 2015.

Executive Team

Rose Caldwell – Executive Director

Peter Anderson – Northern Ireland Director

Natalie Lartey – Director of Advocacy (Nutrition)

Zoe Marshall – Director of Finance and Operations

Sarah Molloy – Director of Communications

Peter Reynolds – Director of Fundraising

Bob Ruxton – Director of International Support

Simon Starling – Director of Advocacy (Humanitarian and Resilience)

Company Secretary

Maeve Seery

Registered office

Calico House, Clove Hitch Quay, Plantation Wharf, London SW11 3TN

Other offices

47 Frederick Street, Belfast BT1 2LW

Auditor

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

Bankers

Barclays Bank plc, 1 Churchill Place, London E14 5HP

Bank of Ireland, Belfast City Branch, Belfast BT1 2BA

The Royal Bank of Scotland, Glasgow City Branch, 10 Gordon Street, Glasgow G1 3PL

Solicitor

Withers LLP, 16 Old Bailey, London EC2M 7EG

Trustees' Report

(Incorporating a Strategic Report and Director's Report)

The Trustees (who are also Directors of Concern Worldwide (UK) 'Concern (UK)' for company law purposes), have pleasure in submitting their annual report and audited financial statements of the company for the year ended 31 December 2015.

1. Structure, governance and management

1.1 Legal status

Concern Worldwide (UK) ('Concern (UK)') is a company limited by guarantee registered in England, not having a share capital, incorporated under the Companies Act 1985 (registered number 04323646). The company is registered as a charity with the Charity Commission for England and Wales (Charity Number 1092236) and with the Office of the Scottish Charity Regulator (Charity Number SC038107).

1.2 Organisation and related organisations

The company commenced operations on 1 January 2004 when it received a grant of the net assets and trade previously carried out by Concern Worldwide (Northern Ireland).

The activities of Concern (UK) are carried out in association with Concern Worldwide, a company registered in the Republic of Ireland which is registered as a Charity and is the sole member of Concern (UK).

1.3 Board of Trustees

As indicated above, Concern (UK) is a limited company and all of the Trustees are also full Directors of Concern (UK) for company law purposes.

Trustees, all of whom are non-executive, are drawn from diverse backgrounds in business and professional life, and bring a broad range of experience and skills to Board deliberations. The Trustees are appointed in accordance with the provisions of the Articles of Association for Concern (UK). All new Trustees appointed in the year receive a full induction so that they can familiarise themselves with their statutory responsibilities, their role as Board members, the governance framework within Concern (UK), Concern (UK)'s work and the risk environment. Ongoing training is arranged as and when a need is identified.

There are clear distinctions between the role of the Board and the executive management team to which day to day management is delegated. The principle that 'management proposes,' 'Board decides,' 'management implements,' 'Board monitors,' forms the basis of Board and the executive management team interaction. Matters such as policy, strategic planning and budgets are prepared by the executive management team for consideration and approval by the Trustees. The members of the Board cannot, under the governance regulations of the charity, receive remuneration for services to Concern (UK) and may only be reimbursed for incidental expenses claimed.

The Board meets at least four times a year. It has appointed an Audit and Finance Committee, which is made up of the Honorary Treasurer and two or more other Trustees with relevant experience. The Audit and Finance Committee operates under specific terms of reference, which include responsibility for the monitoring of the organisation's financial systems and policies, including the audit and risk management systems. It met five times during 2015.

2. Identity, vision and mission

Our identity – who we are

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

Our vision for change

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

Our mission – what we do

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

3. Public Benefit Statement

Concern (UK) works for the public benefit through its humanitarian and development work and through advocating for the rights of the very poorest people, specifically in the areas of hunger, emergencies and aid effectiveness. In contributing all surplus funds raised to Concern Worldwide, Concern (UK) fulfils its charitable duties through a focus on the following core organisational programmes:

Livelihoods – To assist poor households to achieve adequate and sustainable access to and control of resources so as to achieve their livelihood rights without undermining their natural resource base.

Health – To contribute to the achievement of health and nutrition security of the poor within the context of the health related Millennium Development Goals.

Basic education – To strengthen formal education provision among the poorer sections of society by addressing the obstacles that hinder access to and successful completion of formal primary education.

Emergency response and preparedness – To respond to emergencies in a timely manner appropriate to the context and where possible to prevent future vulnerability.

Concern Worldwide is committed to the participation by extremely poor people in decision-making and is morally accountable to its beneficiaries. To that end, the organisation has adopted the Core Humanitarian Standard on Quality and Accountability (CHS) which sets out Nine Commitments that organisations and individuals involved in humanitarian response can use to improve the quality and effectiveness of the assistance they provide. Concern Worldwide works with partners at different levels including community organisations, local government institutions, national level institutions, and international agencies. In responding to emergencies, we are also guided by international codes of conduct and practice, including the Code of Conduct of the International Red Cross and Red Crescent Movement and Non-Governmental Organisations in Disaster Relief.

The Trustees have complied with their duty to note and pay due regard to public benefit guidance published by the Charities Commission.

4. Strategic report

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

It does not implement its own overseas programmes, but does seek to address the root causes of poverty directly through its own advocacy work. In June 2011, the Trustees approved Concern (UK)'s five year strategic plan, 'Tackling hunger in an increasingly vulnerable world'. The plan sets out how Concern (UK) will contribute to the six goals set out in the Concern Worldwide global strategic plan. Below, the global organisational goals are set out, with Concern (UK)'s strategic objectives for 2015 detailed under each goal.

Strategic Goal 1: Focus on the poorest and most vulnerable countries and regions in those countries

Activities, achievements and performance

Concern (UK) engaged with the wider organisation to ensure delivery of this goal.

In 2015, Concern Worldwide worked in 28 of the world's poorest and most vulnerable countries, directly supporting 7.6 million beneficiaries through our development and emergency responses. We continued to target and support the most vulnerable communities who face severe challenges including escalating levels of conflict and the harsh impacts of climate change. Our country strategies are based on areas where we can make the biggest impact.

In line with our strategic shift towards working in more fragile, neglected countries as defined by our 'Poor-Vulnerable Index', we ceased operations in the Philippines at the end of 2015 and have also put into action plans to exit Tanzania in 2016. We made the decision, and started the process of registration, to begin operations in Yemen where conflict has spread to 20 of the country's 22 governorates, aggravating an already dire humanitarian crisis.

We take staff security extremely seriously; Security Management Plans are developed by countries on a one or two year cycle depending on the level of insecurity and we continue to work to raise staff capacity in this area. In 2015, 73 staff members were trained in five separate training sessions.

In addition, security workshops and security audits were completed in Lebanon, Turkey, South Sudan, Somalia, Kenya and Afghanistan.

Strategic Goal 2: Strengthened emergency response capacity and effectiveness

Strategic Objective 2: Concern (UK) will increase the organisation's ability to respond effectively, efficiently and appropriately to emergencies by mobilising popular support, raising funds and influencing key actors within the UK.

Activities, achievements and performance

During the year, Concern Worldwide responded to 42 emergencies in 24 countries, directly reaching 2.4 million people. Concern (UK) contributed £14.5m to help fund emergency programmes out of our total expenditure of £26.9m on overseas work.

Many countries and regions where Concern Worldwide works experience frequent natural disasters and in 2015 we responded, amongst others, to floods in Zambia, Mozambique and Bangladesh, droughts in Pakistan and Malawi and the effects of El Nino in Kenya and Ethiopia. We also returned to Nepal to support communities whose lives were wrecked by the earthquake in April and the subsequent aftershocks that destroyed large swathes of the country.

Concern (UK) helped fund the response to the latter through our continued membership of the DEC (Disasters Emergency Committee), playing an active part in the Nepal Earthquake Appeal. We received just over £1.9 million from the DEC and our generous supporters donated a further £703,660 enabling us to quickly reach vulnerable communities with vital emergency supplies and shelter materials.

Concern Worldwide's DEC funded programmes in Sierra Leone continued to benefit thousands of people affected by the Ebola crisis that tore through the county in 2014. The country was declared Ebola free in November 2015 but the effects will be felt for years to come; in 2015, we received £324,784 from the DEC towards our work helping communities rebuild their lives.

Conflict is a major driver in creating humanitarian crises and we worked with affected vulnerable communities in several of our countries of

operation. This included in Syria, Lebanon and Turkey where we scaled up our programmes in response to the growing and changing situation. We received £75,009 from the DEC to help fund this work as well as a major gift of £500,000 from Goldman Sachs Gives.

Now in its second year of operation, with pooled funds from various governments, the START Fund is managed by the leading humanitarian agencies, including Concern (UK), that make up the START Network membership. It deploys funding to small and forgotten crises within 72 hours of an alert from any member. In 2015, Concern (UK) responded to seven alerts, and won funding for six of them, amounting to £534,000.

The Start Network also manages a portfolio of projects under the DFID-funded Disasters and Emergency Preparedness Programme (DEPP). The projects are building local capacity to lead on future disaster responses, and Concern (UK) has been closely involved since 2014. In 2015, a new £650,000 project was launched under our leadership, aiming to enable the city government in Nairobi to react fast to any signs of rising levels of child malnutrition, and to put in place measures to prevent a shock from turning into a catastrophe.

We have worked closely with colleagues in our Emergencies Directorate and International Programmes Directorate to establish clear roles and responsibilities particularly in relation to UK funding applications and grant management. A first set of systems improvements has been put in place, bilaterally between Concern (UK) and Concern Worldwide, to enable the former to better fulfil its accountability obligation. More far-reaching change will follow as a fundamental review of Concern Worldwide's grant management processes unfolds, as set out in our new strategic plan.

Strategic Goal 3: Significantly improving the food security, nutrition security and health of extremely poor people.

Strategic Objective 3.1: By 2015, to position and significantly raise awareness of Concern Worldwide in the UK as a humanitarian and development agency with a specific focus on tackling hunger.

Activities, achievements and performance

Our DFID Aid Matched appeal 'Comeback from Crisis', focussing on Concern's long-term recovery work following major disasters such as the Ebola epidemic and the Nepal earthquake, ran from September to December and gave us a great opportunity to raise awareness of Concern (UK).

We worked with several communications partners to publicise our work and the appeal; these included Abbey Insurance, Irish News and NIPSA in Northern Ireland, and The Irish Post and King's Cross Estates. The latter donated us space outside King's Cross station in London to hold a major outdoor photographic exhibition which ran for two and a half weeks and allowed us to secure media coverage and test new ways of engaging the public through digital and social media initiatives. Altogether our Aid Match communications partners gave the public in excess of 1.8 million opportunities to learn about Concern Worldwide's work and contributed to the success of the appeal (see Strategic objective 6.1 for further details of the appeal).

Our digital work is a progressively more important part of our communications work, both for raising awareness of Concern Worldwide amongst our online audiences, and also for supporting the work of our fundraising and policy and campaigns teams.

2015 was a year of growth in the website with 13% increase in website visits from 2014. As expected, we saw peaks in traffic to the website at times of emergency, especially during the Nepal earthquake, which precipitated new records for web traffic and gave us the opportunity to run a fully integrated fundraising appeal, developing our online content in tandem with the off-line appeal with good results. Developing blog content was an important strategic factor in driving traffic to the website and we significantly upped the number of blogs posted from over the course of the year with an associated increase in views.

We also saw gains in the size of our social media audiences, exceeding our targets by a significant margin. We now have in excess of 20,000 Facebook and 8,000 Twitter followers. Although not in our plans for 2015, we gained 1,500 followers on Instagram, largely as a by-product of Comeback from Crisis. Social media has now

become an important channel to encourage people to our website and we will continue to grow this area.

Our use of digital communications dovetails in to our overall communications plans and during 2015 we started to lay the groundwork for our future communications strategy. To this end we carried out an audit of the communications function in August which will inform the development of a UK communications strategy in 2016.

Strategic Objective 3.2: By 2015 to increase our programme support function in the UK with a view to increasing programme quality, funding, accountability and engagement.

Activities, achievements and performance

Our target of increasing co-funding from key UK funders to £15 million per annum by the end of 2015 was exceeded by some margin, with grants from governments and other co-funders including DFID, Jerseys Overseas Aid Commission and Guernsey Overseas Aid Commission, standing at in excess of £21million.

During the year, Concern Worldwide launched two three-year programmes, in Chad/Sudan and South Sudan, under DFID's Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED) portfolio. Solid foundations for the work are in place, and already communities are building their ability to come back from shocks – be it flood, drought, or even a level of conflict – with much less damage than before to their livelihoods, assets and wellbeing.

In Democratic Republic of Congo, Concern Worldwide is leading the DRC WASH consortium which aims to promote good practices in hygiene, sanitation, and management of access to water within communities. In partnership with ACF, ACTED, CRS and Solidarités International, and with funding from DFID, we aim to support more than 500,000 people with improved access to safe water and sanitation facilities across the country by 2017.

After many months of work on the tender process, Concern (UK) was informed at the end of 2015 that it was DFID's 'preferred bidder' for a five year £60m programme in Pakistan to build community resilience to disasters. Assuming that contract negotiations are brought to a successful

conclusion, work on the ground will start in mid-2016.

Concern (UK) supported our colleagues in the countries where Concern Worldwide runs and fund programmes through UK-based Technical Advisers in education, social protection, water engineering, and mother and newborn child health. Further support was given in managing work contracted locally with DFID.

Strategic Goal 4: Consistently addressing the root causes of extreme poverty through programming and increased influence

Strategic Objective 4.1: By 2015, Concern (UK) will have increased its influence on emergencies, hunger, health and aid through improved advocacy, communications and public engagement.

Activities, achievements and performance

2015 was a busy and successful year for Concern (UK). We led an organisation-wide review of the advocacy function which assessed existing capacities and approaches and made recommendations to improve the effectiveness of Concern Worldwide's global advocacy function. This included a recommendation around humanitarian advocacy and to this end, we were highly involved in the development of Concern Worldwide's Syria advocacy strategy to direct our campaigning and influencing to help tackle the causes and consequences of this complex crisis. At the beginning of 2016 we produced a report 'Paying the Price', highlighting the need for a step change in the humanitarian response to the crisis, and took our key messages to the UK Government hosted London Conference on Syria in February 2016. At the conference, world leaders committed over £11bn to the humanitarian response over the next few years and made important commitments to help millions of Syrian refugees in neighbouring countries.

We also continued our advocacy focus on addressing hunger, specifically around nutrition and community resilience. In the area of nutrition, we worked with overseas colleagues to promote good nutrition as one of the critical ways of improving people's health and life chances. We collaborated with Concern Uganda and the Uganda SUN (Scaling Up Nutrition) network to

produce a joint report, 'What works for Nutrition? Stories of success from Vietnam, Uganda and Kenya' identifying the successes and challenges to scaling up nutrition in different contexts. The report was launched in both the UK and Uganda with government officials, donors and civil society.

In Zambia, working with colleagues and civil society, we analysed the government's budget allocations to nutrition. This data supported ongoing advocacy efforts to increase government spending on nutrition in a country chronically affected by undernutrition. We also co-produced a report with Action Against Hunger and RESULTS UK called 'Increasing the UK's contribution to tackling malnutrition.' The report aimed to influence DFID as it reviewed its own strategy on nutrition.

Our ongoing work on building community resilience to hunger and other risks saw us publish 'Barriers to Resilience', a report exploring the impact of gender inequality on food security. Using research from Chad and Sudan and drawing on our learning from Niger, Tanzania and Ethiopia, we stressed the importance of making gender core to resilience programming and policy. Further work around resilience included a round table event in Parliament, hosted by Jonathan Dimbleby. This was well attended by MPs and Peers, including Minister of State for International Development, Desmond Swayne, civil servants and sector colleagues who discussed how to tackle natural disasters and other crises that prevent the world's poorest people lifting themselves out of poverty

Ahead of the UN Climate Negotiations in Paris, COP21, we focused our Growing Resilience initiative on supporting the poorest to adapt to the impacts of climate change, which are already affecting them. We launched a petition, 'Good Cop, Bad Cop' calling on world leaders to agree a deal that provides support for the world's most vulnerable communities. We collected nearly 10,000 signatures urging David Cameron to be a 'good cop' and received a personal response from the Prime Minister stating that the UK Government would encourage all countries to deliver their commitments under the Paris agreement. Alongside the petition we produced a briefing paper detailing our policy recommendations and case studies of some of our most successful climate adaptation programmes.

In October, we launched the Global Hunger Index 2015 at an event in Westminster. The report examines the links between hunger and conflict and with the help of a distinguished panel, including Professor Alex De Waal, and an expert audience of MPs, academics, DFID, and NGOs, we discussed the most important issues for actors working on these issues. The event helped build our relationship with UK advocacy targets and our profile as a key organisation working on hunger.

Another significant moment was the launch in September of the new Global Goals which replace the Millennium Development Goals and will contribute to defining the development agenda for the next 15 years. In line with our advocacy priorities, we will focus on the goal to end hunger and malnutrition by 2030. We engaged our supporters around the launch asking them to share infographics with their MPs with the message that it is possible to end the scourge of hunger by 2030 – if the political will is there.

Strategic Objective 4.2: By 2015, we will have significantly increased long-term, sustainable support for Concern (UK)'s mission.

Activities, achievements and performance

Our work would not be possible with the support of our generous donors and committed campaigners and during 2015 we carried out a number of initiatives to deepen engagement with them. This included a survey in July/August which gauged supporter satisfaction, awareness of our hunger brand repositioning work and developed baseline information on campaigners. We were pleased to have confirmed that our supporters feel very positive about our work – satisfaction levels are generally high and there are strong motivations to support us, including tackling hunger. There are some areas that we need to work on, for example, it is difficult to distinguish us from other charities working in similar areas, and we will use these results to inform our ongoing work to develop our relationships with supporters.

Much work around improving supporter stewardship was carried out in 2015. A new donor welcome programme for all new regular monthly givers was introduced to improve the feedback we provide them on the difference their support is making. The programme has been well received by supporters – initial indications are that our donors

are maintaining their support for longer as a result of the improved communications they are receiving. We also introduced a new welcome programme for new supporters who make a single donation to Concern (UK).

Improving the quality of our communications with supporters and the service we provide to them was a priority for us in 2015. We re-introduced a monthly programme of emails about Concern Worldwide's work to supporters and we continue to send donors a newsletter twice a year. We also signed up to a new external evaluation programme that tests the quality of our communications to supporters. This has already provided useful feedback on how we can improve the service we provide and we have introduced changes to our communications as a result.

We continued to improve stewardship of our existing support groups in Northern Ireland through regular meetings and regional road shows in 2015. Priority was given to launching our Ambassador programme, including recruiting and training 16 volunteer Ambassadors to support our Community engagement in 2016, and implementing our new Community fundraising strategy. Following the successful pilot of the Concern School Debates programme in 2014/15, the debates were rolled out on an all-Ireland basis in 2015/16.

As noted above, campaigners have become an important part of our supporter base over the last few years. During 2015, we have successfully developed and deepened this supporter base, through a series of public engagement opportunities. These included a petition on hunger and climate change and a fun election swing-o-meter and scorecard where Concern (UK) supporters tweeted or emailed their MPs on development issues. We have more than doubled the number of supporters who take a number of campaign actions for Concern (UK) over the course of a year.

Our work with media is an important element in our efforts to increase support for Concern Worldwide. 2015 saw some significant successes for us in both on and offline media, with coverage of our work from numerous countries including Syria, Nepal and Sierra Leone appearing in a number of our target publications and on associated websites. There was also notable broadcast

coverage including on BBC One and BBC Two in Northern Ireland when Panorama reporter Declan Lawn travelled to Lebanon to report on our work with Syrian refugees for the current affairs programme 'Spotlight'.

Strategic Goal 5: Increasing programme quality and impact through strengthened accountability and demonstrated results

Strategic Objective 5.1: Concern (UK) will engage in and ensure UK specific accountability.

Activities, achievements and performance

Priority had not been given to this during the year. We have been assessing how we will implement the new Core Humanitarian Standards which Concern Worldwide has now adopted.

Objective 5.2: Concern Worldwide (UK) recognises the need to fill gaps in the evidence base of our programming impact in order to support our ability to influence.

Concern (UK) is working with our research partners in the BRACED consortium to map out areas where their research agenda aligns with our advocacy objectives. Together, we have identified projects for the year ahead that can supply issues and evidence for country-level advocacy. We will be working with country programmes to build advocacy strategies around these.

Strategic Goal 6: Greater organisational effectiveness.

Strategic Objective 6.1: By 2015, Concern (UK) will have further optimised and diversified its funding.

Activities, achievements and performance

Despite a challenging fundraising environment, we had a successful year raising an impressive £10.3 million in voluntary income.

We secured our second DFID Aid Match appeal, Comeback from Crisis, which launched in September 2015. Once again, our supporters responded enthusiastically to the UK government's pledge to match all donations made to the appeal pound for pound. We exceeded our targets for the appeal, reached an audience of over 4.1 million surpassing our target audience reach and raising £837,714, which will be matched to make a total of

£1,675,428. The money raised will support Concern Worldwide's work with crisis-affected communities globally with the DFID matched funding being directed specifically to helping communities in Sierra Leone recover from Ebola.

The Gift Aid scheme, which allows Concern (UK) to reclaim tax already paid by donors at no additional cost to them, remains a vital source of income. In 2015, we invested significant time in ensuring that we maximise the value of Gift Aid claims we could make and in encouraging as many of our supporters as possible to sign up to the scheme. As a result, an additional 3,912 Concern (UK) donors signed, increasing income by £149,241 in 2015. Further work to maximise Gift Aid income led to total income of £1,476,670, an increase of 79%. While much of this increase will apply in 2015 only, this remains a highly valuable source of income.

Gifts in Wills remain a vital form of long term support for Concern (UK). Our supporters donated just under £490,000 in legacies this year. We organised events in London and Belfast to explain the value of legacy giving to our supporters, which were well attended. We also responded to feedback from supporters by launching a new 'free Wills' service.

Concern (UK) was awarded a grant of £500,000 by Goldman Sachs Gives to fund our work supporting Syrian refugees. The funding is being directed towards the provision of shelter packs for Syrian families in Syria and Turkey, water supply rehabilitation in northern Syria and the provision of education for Syrian child refugees in southern Turkey. We would like to express our thanks to all those employees at Goldman Sachs for their generosity in making this grant possible.

In 2015 we secured funding for an additional trusts fundraising post in our London office through a successful bid to our Head Office-held central investment fund. This has already delivered results and we expect further growth in trusts support for our ongoing development programmes in 2016 and beyond.

We also secured funding to expand our retail operations in Northern Ireland, adding to the two existing shops we have. Plans were developed and the necessary work undertaken in 2015 enabling Concern (UK) to open a new fundraising shop in Derry in March 2016.

Strategic Objective 6.2: By 2015 Concern (UK)'s impact will increase through an efficient HR function contributing to the timely recruitment, development and retention of skilled staff.

Activities, achievements and performance

We have continued to implement the action plans developed in response to the last staff survey. Key developments in 2015 include the introduction of:

- season ticket loans
- an employee discount scheme
- a new core hours policy that enables staff to work more flexibly

We also launched a revised staff handbook in April 2015 and made this more accessible via our intranet site.

Strategic Objective 6.3: By 2015, Concern (UK) will increase its effectiveness through improved internal coherence, communications and management systems.

Activities, achievements and performance

We continue to work closely with Concern Worldwide.

Within Concern (UK) we ran a successful integrated campaign 'Comeback from Crisis' and worked collaboratively across all teams. As we grow, we will ensure that we maintain our ability to work effectively across the organisation, using existing tools and procedures.

Strategic Objective 6.4: By 2015, Concern (UK) will be a significantly greener organisation.

Activities, achievements and performance

This is no longer an organisational objective but will be a staff initiative.

4.2. Financial review

The financial outcome for 2015 is set out in the Statement of Financial Activities on page 38.

Concern (UK) had another very successful year in 2015, raising more money than ever before – primarily as a result of increased funding from DFID. The final position for the year shows a net surplus of just over £1 million, increasing total reserves to £4.6 million. A more detailed commentary on the financial results reflected in the 2015 Annual Report, is set out below:

Income

Following the requirements of FRS102 and the new Charities SORP, the Statement of Financial Activities splits income between 'donations and legacies' and 'grants from governments and other co-funders' according to the nature of the donor and the characteristics of the grant and in accordance with Concern (UK)'s updated income recognition policy.

Concern (UK) raised a total income of £31.6 million in 2015, which represents a 33% year on year increase for the second year running. This overall increase in income is derived from our success in securing grants from governments and other co-funders. Income of this nature has increased by almost 50% from £14.3 million in 2014 to £21.3 million in 2015. Income from donations and legacies also increased by approximately 10% (£0.9 million) in 2015.

Grants

Concern (UK) received a total of £21.3 million from governments and other institutional donors in 2015. This represents a 49% increase from 2014 levels. The Department for International Development (DFID) was the single largest donor, donating £20.8 million or 97.7% of total co-funding income, with grants for projects in 18 of the countries in which we work. We have continued to receive money from the Scottish government and in 2015 we recognised income in relation to grants for Malawi and Pakistan. An analysis of grant income by donor is shown in note 2(a) to the accounts.

Voluntary income

We received £10.3 million in donations and legacies in 2015, representing a £0.9 million increase from the amount received in 2014. The most significant increase in this category of income was in donations provided by the Disaster Emergency Committee (DEC). This income was £1.9 million in 2015 compared with £1 million in 2014. DEC income in 2015 related to the Nepal earthquake as well as our Ebola response in Sierra Leone and our ongoing work in Syria / Turkey.

Committed giving remained broadly in line with 2014 levels, reflecting the stability of our donor base. This is a vital source of income that allows us to plan our ongoing activities.

An analysis of voluntary income by source is in note 2(a) to the accounts.

Expenditure

Our total expenditure in 2015 of £30.6 million was made up as follows:

	£m	%
Charitable activities	27.2	91
Raising funds	2.9	9
	30.6	100.0

Total expenditure in 2015 increased by £7.2 million, or 31% compared to 2014. As can be seen in note 3, most of the increase has been seen within the emergency programmes line, which increased from £8.5 million in 2014 to £14.5 million in 2015. During 2015, we delivered emergency responses in a total of 24 countries. The largest Concern (UK) funded emergency programmes were located in the Sierra Leone, Somalia, Kenya, Nepal and Pakistan (listed in order of spend).

The cost of raising funds fell slightly from £3.3 million in 2014 to £2.9 million in 2015 reflecting the difficulty we experienced in securing and retaining agencies to carry out effective donor recruitment campaigns on our behalf. We remain committed to maintaining and growing our base of committed givers.

The Board adopts a number of key performance indicators in order to measure the charity's financial efficiency. The most important of these relates to efficiency of fundraising. Return on fundraising expenditure is benchmarked against standards in the sector for each major type of fundraising activity. Long term targets are set and performance is evaluated against the same. In addition, considerable attention is paid to the level of support costs relative to charitable spend. The Board is satisfied that the efficiency of fundraising and the level of support costs are both in line with the agreed strategic direction.

Concern (UK) is succeeding in expending a significant proportion of its resources on charitable activities. This is shown in the table below that sets out the trend over the last eight

years. In 2015 the proportion spent on charitable activities increased to 91% (2014: 86%).

	Expenditure on charitable activities	Percentage of total expenditure on charitable activities
Year	£'000	%
2015	27,724	91%
2014 (restated)	20,136	86%
2013	13,812	82%
2012	14,732	84%
2011	21,275	88%
2010	19,179	87%
2009	11,891	81%
2008	10,656	78%

The Trustees are confident that future incoming resources to the charity will be adequate to support the continuation of existing projects and activities and also to meet other needs which may arise.

Reserves and financial position

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

The total reserves of £4.6 million at 31 December 2015 are detailed in note 14 to the financial statements and fall into two categories:

Restricted reserves (£1.8 million): These are funds that can only be used for purposes specified by the donors. It is Concern (UK)'s policy to apply the funds for the purposes for which they were donated as soon as possible. The Trustees' plan that all of the restricted funds held at that date will be fully utilised during 2016.

Unrestricted reserves (£2.8 million): These funds fall into two categories:

- Designated reserves (£1.5 million): represent unrestricted funds set aside by the Board of Trustees for specific purposes. At the end of

2015, funds had been designated for two specific purposes as follows:

- To ensure the continuity of operations in the event of a temporary downturn in income.
- To recognise that a portion of reserves is invested in the charity's fixed assets and is not therefore available for other purposes.

The Trustees have adjusted the level of designated reserves at 31 December 2015 in order to ensure that amounts held are adequate for both of these purposes (see note 14(b)).

- General unrestricted funds (£1.3 million): represent unrestricted funds which are held temporarily pending their application for the general purposes of the charity.

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

4.3 Plans for Future Periods

Over the next five years, we will be working to achieve the goals set out in our new Strategic Plan 2106 – 2020 'Tackling hunger, crises and extreme poverty in the toughest parts of the world'. These goals are set out below and progress against them will be monitored on an annual basis.

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

Concern (UK) will continue to support our long term development work by deepening our relationship and understanding of UK funders with an aim of securing £35m per annum by 2020. We seek to become established as an expert practitioner on community resilience.

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

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

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

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

Goal 3: Grow the engagement, loyalty and value of our supporters and funders, by understanding their motivations and exceeding their expectations

The fundraising environment in the UK is currently undergoing significant change. Concern (UK) will embrace and respond to this change in order to maximise net income and return on investment from fundraising and will review our objectives annually to this end. Given the uncertainty, we feel that an appropriate timeframe to carry out indicative forecasting is for a three year period only (2016-2018).

Goal 4: Raise awareness, build brand and increase visibility

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

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

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

Concern (UK) will continue to attract and retain high quality staff and volunteers, offering a working environment that enables staff to develop. We will continue to deliver strong financial management and will conduct a review of Concern (UK)'s regulatory compliance and organisational management of policy, accountability and transparency and implement any improvements required. We will also engage in the organisational review of governance.

4.4 Principal risks and uncertainties

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

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

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

1. Funding and economic instability: Like all organisations Concern (UK) has been affected by the global economic downturn. Concern (UK) continues to react by carefully adjusting its budgets and expenditure to reflect likely levels of available income. In order to reduce the risk of significant fluctuations in income, the organisation aims to maintain diverse sources of income, foster public commitment to the developing world and maintain good relations with institutional donors while maintaining appropriate reserves. Concern (UK) will continue to build on the rebranding exercise that took place in 2012 in order to strengthen relationships with existing supporters as well as reaching out to new audiences in order to generate growth.

2. Contractual compliance: The organisation receives a significant amount of funding from institutional donors. The management of the corresponding donor requirements, which are increasingly complex and prescriptive in nature, is challenging both in the UK and at field office level. Concern (UK) addresses this issue through staff training, publication of relevant guidance and frequent reviews of activities.

3. Staff recruitment and retention: Concern (UK) achieves its results through its staff. Being able to attract and retain appropriate staff is a key ongoing challenge for the organisation. The organisation has developed and frequently reviews its human resources policies and procedures to address this risk.

4. Fraud, corruption and inappropriate behaviour: Significant fraud or incidences of corruption could severely damage the organisation's reputation as well as resulting in the loss of resources. The organisation has developed detailed financial management and reporting systems to mitigate these risks which are reviewed on a regular basis. In addition a comprehensive internal audit programme is in place. Furthermore, a rigorous Code of Conduct for staff is proactively implemented to mitigate against any inappropriate behaviour which could potentially impact upon the communities with whom we work.

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

6. Staff safety, well-being and security: Concern Worldwide operates in regions where the political and social circumstances make the personal security of staff a major potential hazard. The security of staff is of paramount importance and in order to ensure that this risk is appropriately managed the organisation has comprehensive security management policies in place.

7. Public perception of the sector: Concern (UK) recognises that the sector has been the subject of increased public and media scrutiny. The organisation seeks to be open and transparent in

the way that it operates as well as working with others to help inspire renewed public confidence in the sector. The importance of IT security and of compliance in relation to data protection is an area of particular focus in seeking to retain the confidence of our supporters.

5. Staff and volunteers

The organisation acknowledges with gratitude the work of its staff and that of its volunteers in 2015. The major achievements during the year are due to the dedication and belief of all of these people.

Concern (UK) is an equal opportunities employer. The aim of its equal opportunities policy is to ensure that all people receive equality of opportunity regardless of gender, race, religion, disability, nationality, marital/family status or sexual orientation.

6. Political donations

No political donations were made during the year (2014 – £nil).

7. Post balance sheet events

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

8. Auditor

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

9. Subsidiary undertaking

Details of the subsidiary undertaking are set out in note 20 to the financial statements. The subsidiary is not consolidated into these financial statements. The subsidiary is dormant and does not hold material assets or liabilities at the balance sheet date.

By order of the Board



Chris Elliott
Trustee



Rob McGrigor
Trustee

26 April 2016

Statement of Trustees' responsibilities in respect of the Strategic Report, the Trustees' Annual Report and Financial Statements

The Trustees are responsible for preparing the Strategic Report, the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

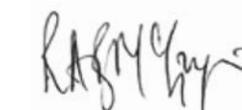
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board



Chris Elliott
Trustee



Rob McGrigor
Trustee

Independent auditor's report

to the members of Concern Worldwide (UK)

We have audited the financial statements of Concern Worldwide (UK) for the year ended 31 December 2015. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at

www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information in the Trustees' Report, (which constitutes the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Trustees' Report:

- we have not identified material misstatements in that report; and
- In our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if in our opinion:

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

Caroline Flynn

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

27 April 2016

Financial Statements



Sunday Gar T. Kpeleh of Kobidu Town, Grand Bassa County, Liberia, has completed a 12 month vocational training course with Concern in Buchanan and is now working for a private electrical supply company.

Photo: Kieran McConville/Concern/Liberia/2015

Statement of Financial Activities for the year ended 31 December 2015

	Notes	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2015 Stg£	Total 2014 Stg£
Incoming resources:					
Donations and legacies	2a	3,972,162	6,312,905	10,285,067	9,376,975
Charitable activities					
– grants from governments and other co-funders	2b	21,348,396	–	21,348,396	14,317,453
Other Income		–	2,901	2,901	1,696
Total income		25,320,558	6,315,806	31,636,364	23,696,124
Expenditure on:					
Charitable activities	3	25,186,048	2,538,800	27,724,848	20,136,012
Raising funds	4	172,597	2,734,622	2,907,219	3,277,109
Total expenditure		25,358,645	5,273,422	30,632,067	23,413,121
Net expenditure / (income) for the year		(38,087)	1,042,384	1,004,297	283,003
Transfers between funds	14 (b)	(148,089)	148,089	–	–
Net movement in funds		(186,176)	1,190,473	1,004,297	283,003
Reconciliation of funds:					
Total funds brought forward		1,972,562	1,636,156	3,608,718	3,325,715
Total funds carried forward	14	1,786,386	2,826,629	4,613,015	3,608,718

The company had no recognised gains and losses in the financial year or preceding year other than those dealt with in the Statement of Financial Activities.

These are the first financial statements prepared under the *Financial Reporting Standard 102* and the *Charities SORP Financial Reporting Standard 102*. The 2014 comparative numbers have been restated to conform with the new framework – please refer to Note 15 for details of the impact of this transition. The accompanying notes form an integral part of these financial statements.

Balance Sheet as at 31 December 2015

	Notes	2015 Stg£	2015 Stg£	2014 Stg£	2014 Stg£
Fixed assets					
Tangible assets	9		179,566		83,241
Total fixed assets			179,566		83,241
Current assets					
Debtors and prepayments	10	8,098,282		4,490,683	
Cash at bank and in hand	11	813,985		3,424,591	
Total current assets		8,912,267		7,915,274	
Creditors:					
amounts falling due within one year	12	(4,478,818)		(4,389,797)	
Net current assets			4,433,449		3,525,477
Total net assets			4,613,015		3,608,718
The funds of the charity:					
Restricted funds	14		1,786,386		1,972,562
Unrestricted funds	14		2,826,629		1,636,156
Total charity funds			4,613,015		3,608,718

These are the first financial statements prepared under the *Financial Reporting Standard 102* and the *Charities SORP Financial Reporting Standard 102*. The 2014 comparative numbers have been restated to conform with the new framework – please refer to Note 15 for details of the impact of this transition. The accompanying notes form an integral part of these financial statements.

On behalf of the Board


Chris Elliott
 Trustee


Rob McGrigor
 Trustee

26 April 2016

Notes forming part of the Financial Statements

Statement of accounting policies

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of Concern Worldwide (UK).

Basis of preparation

The financial statements are prepared in accordance with Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") having transitioned from old UK GAAP. The transition date is 1 January 2014. An explanation on how the transition to FRS102 has affected the financial position and performance of the charity is provided in note 15. The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policy notes and on a going concern basis.

The financial statements have applied the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102 ("Charities SORP").

Concern (UK) is a company limited by guarantee (registered number 04323646) and is a registered as a charity with the Charity Commission for England and Wales (charity number 1092236) and with the Office of the Scottish Charity Regulator (charity number SC038107). Concern (UK) meets the definition of a public benefit entity under FRS102.

Joint arrangements

Income receivable and resources expended by Concern (UK), as a member of a consortium, are reflected in the Statement of Financial Activities only to the extent that the organisation is directly responsible for the management and utilisation of the funds. Amounts received by the company, as an agent for other consortium members, are not recorded as income.

Income

Income is recognised by inclusion in the statement of financial activities only when the charity is legally entitled to the income, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by Concern (UK).

Donations and legacies

Income consists of monetary donations from the public and from corporates, trusts and major donors (including Disasters Emergency Committee (DEC) appeals), together with related Gift Aid and legacies and non-performance related grants from corporate and other donors.

Monetary donations from the public (including legacies), together with related gift aid are recognised in the period in which the organisation is entitled to the resource, receipt is probable and when the amounts

can be measured with sufficient reliability. In the case of monetary donations from the public, this is generally when the donations are received; with legacies it is when we establish unconditional entitlement to the bequest; whereas with Gift Aid the claim is based on the period in which donations are received.

Grants from corporates, trusts and major donors are recognised on the same basis as Grants from governments and other co-funders (see below).

Grants from governments and other co-funders

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

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

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

Expenditure

Resources expended are analysed between costs of charitable activities and cost of raising funds. The costs of each activity are separately accumulated, disclosed and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefit is required in settlement and the amount of the obligation can be measured reliably.

Support costs, which cannot be attributed directly to one activity, are allocated in proportion to estimated staff time spent on each activity.

The costs of public campaigns – together with related salary costs – which are undertaken to meet the dual purposes of raising funds and of promoting awareness of issues in the developing world, are split between costs of raising funds and costs of charitable activities on the basis which seem the most reasonable and appropriate for each type of campaign.

Costs of Charitable Activities

The cost of charitable activities comprises costs of overseas programmes and of policy, advocacy and

Notes forming part of the Financial Statements

Statement of accounting policies (continued)

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

Costs of raising funds

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

Cash flow statement

Concern (UK) is a qualifying entity, and has chosen to take the exemption allowed by FRS 102 from the requirements to produce a cash flow statement as part of its financial statements because the cash flows are included in the consolidated cash flow statement prepared by Concern Worldwide which can be obtained from the website www.concern.net

Funds

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

Restricted funds

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

Unrestricted funds

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

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

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

Tangible fixed assets

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

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

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

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

Pensions

Concern (UK) makes payments into individual externally administered defined contribution pension schemes for qualifying members of staff. Annual payments to the schemes are charged to the statement of financial activities in the year to which they relate.

Foreign currencies

The financial statements are prepared in sterling (Stg£). Transactions denominated in other currencies are translated into sterling at the rate of exchange prevailing at the transaction date or at a contracted rate. Monetary assets and liabilities denominated in other currencies have been translated into sterling at the exchange rates ruling at the balance sheet date or the contracted rate, and any resulting gains or losses are taken to the statement of financial activities.

Taxation

To the extent that they are applied to its charitable objectives, Concern (UK), as a registered charity, is exempt from taxation on its income and gains falling within Part II of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992. Irrecoverable value added tax is expensed as incurred.

Notes forming part of the Financial Statements (continued)

2. Incoming resources

(a) Incoming resources from donations and legacies

	Total 2015 Stg£	Total 2014 Stg£
Committed giving	3,620,962	3,670,947
Legacy income	489,100	616,782
Public appeals and events	2,975,675	2,363,391
Trusts, corporates and major donors	1,276,087	1,732,657
Disasters Emergency Committee (DEC)	1,923,243	993,198
Total	10,285,067	9,376,975

In 2015 income of £3,972,162 from donations and legacies was restricted (2014: £2,741,285).

(b) Incoming resources from charitable activities – grants from governments and other co-funders

	Total 2015 Stg£	Total 2014 Stg£
Department for International Development	20,796,281	13,564,357
Scottish Government	372,122	225,388
Isle of Man Overseas Aid	–	100,000
Jersey Overseas Aid	100,000	387,954
Guernsey Overseas Aid	79,993	39,754
Total	21,348,396	14,317,453

Income from government grants comprises grants to fund the charitable activities of Concern (UK). All grant income from governments and other co-funders was restricted in both the current and prior year.

(c) Other income

	Total 2015 Stg£	Total 2014 Stg£
Deposit interest	2,901	1,696
Total	2,901	1,696

All deposit interest was unrestricted in both the current and prior year.

Notes forming part of the Financial Statements (continued)

3. Expenditure on charitable activities

Expenditure on charitable activities can be analysed as shown below. Expenditure on overseas programmes represents contributions by Concern (UK), to the overseas programmes of Concern Worldwide. Many of these programmes achieve results in more than one of these categories, but are analysed for these purposes under the principal category only.

	Direct costs Stg£	Support costs (see note 6) Stg£	2015 Total costs Stg£	2014 Total costs Stg£
Overseas programmes				
Health	5,000,681	70,057	5,070,738	4,594,803
Education	1,981,501	21,888	2,003,389	1,432,498
Livelihoods	5,242,473	70,155	5,312,628	4,591,384
Emergency	14,378,411	130,969	14,509,380	8,571,439
	26,603,066	293,069	26,896,135	19,190,124
Policy, Advocacy and Campaigning	639,429	123,774	763,203	869,208
Governance	19,213	46,297	65,510	76,680
Total charitable expenditure	27,261,708	463,140	27,724,848	20,136,012
2014 – Total	19,667,032	468,980	N/A	20,136,012

4. Cost of raising funds

	Campaign costs Stg£	Staff costs Stg£	Occupancy & other direct costs Stg£	Total direct costs Stg£	Support costs (see note 6) Stg£	2015 Total costs Stg£	2014 Total costs Stg£
Committed giving	564,625	446,916	86,186	1,097,727	44,426	1,142,153	1,298,777
Public appeals and events	487,261	570,424	211,522	1,269,207	103,415	1,372,622	1,586,877
Trusts, corporates and major donors	69,556	244,311	72,320	386,187	6,257	392,444	391,455
Total	1,121,442	1,261,651	370,028	2,753,121	154,098	2,907,219	3,277,109
2014 – Total	1,384,831	1,279,447	463,223	3,127,501	149,608	N/A	3,277,109

Notes forming part of the Financial Statements (continued)

5. Governance costs

	Support costs		2015 Stg£	2014 Stg£
	Direct Stg£	(see note 6) Stg£		
Staff costs	–	31,180	31,180	30,234
Legal & professional fees	11,563	2,066	13,629	20,229
Office & other costs	7,650	13,051	20,701	26,217
Total	19,213	46,297	65,510	76,680
2014 – Total	30,865	45,815	N/A	76,680

6. Support costs

Where support costs are attributable to a particular activity they are allocated directly to it. Where support costs are incurred to further more than one activity they are apportioned between the relevant activities based on the amount of staff time that each activity absorbs. The allocation of the main types of support costs is detailed below.

	Overseas programmes Stg£	Policy, Advocacy & Campaigning Stg£	Fundraising Stg£	Governance Stg£	2015 Total Stg£	2014 Total Stg£
Administration and finance	143,000	70,860	129,909	46,297	390,066	385,219
Other support costs	150,069	52,914	24,189	–	227,172	233,369
Total support costs	293,069	123,774	154,098	46,297	617,238	618,588
2014 – Total	301,114	122,051	149,608	45,815	N/A	618,588

7. Other Information

	2015 Stg£	2014 Stg£
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The surplus / (deficit) for the year is after charging the following items:

Depreciation of tangible fixed assets	28,251	21,321
Auditor's remuneration (including expenses)	18,000	18,000
Direct reimbursement of expenses to Trustees	354	875
Payments under operating leases for premises	99,502	102,502

Notes forming part of the Financial Statements (continued)

8. Staff

(a) Numbers and costs

The aggregate payroll costs of employees were as follows:

	2015 Stg£	2014 Stg£
Wages and salaries	1,845,280	1,730,017
Social welfare costs	217,692	196,985
Other pension costs	81,253	58,365
	2,144,225	1,985,367

Other pension costs include employer contributions to individual staff member pension schemes of £78,665 (2014: £56,743) as well as the cost of insurance policies that provide benefits in the event of the death or ongoing incapacity of staff members totalling £2,588 in 2015 (2014: £1,622).

The staff numbers and costs reflected above include 17 staff (2014: 20), who have contracts of employment with another group company (Concern Charity Trading Limited) but who work exclusively on fundraising for Concern (UK). Their salary costs which amounted to £303,594 (2014: £311,616), are recharged to Concern (UK) as they are incurred.

Remuneration, including pension contributions, paid to the key management of Concern (UK) (the executive management team as detailed on page 22 of the annual report) amounted to £458,581 in 2015 (2014 £400,312).

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

	2015 No.	2014 No.
Management	8	8
Development	7	5
Marketing	47	51
Administration	6	5
	68	69

(b) Salary range

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

	2015 No. employees	2014 No. employees
£60,001 to £70,000	1	1
£70,001 to £80,000	1	1

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. No contributions were made to defined benefit schemes for employees whose remuneration was greater than £60,000. Contributions to defined contribution schemes amounted to 7.5% of salary in 2015 (2014: 7.5%).

Concern (UK) has a remuneration policy that has been agreed by the Board. This policy states that the charity seeks to be competitive within each market in which it operates. As a principle this means that Concern (UK) has pitched its salaries at the median of the market place. A salary grading structure has been in place for a number of years and has been approved by the Board.

(c) Remuneration of Board members

None of the Trustees of the Concern (UK) received remuneration for their services. Total costs of £1,922 (2014: £2,702) were incurred by Trustees in travelling to meetings of the Board and were paid by either directly reimbursing the Trustees or making payments to third parties.

Notes forming part of the Financial Statements (continued)

9. Tangible fixed assets

	Leasehold premises Stg£	Furniture & equipment Stg£	Computer equipment Stg£	Total Stg£
Cost				
At beginning of year	192,285	200,370	317,331	709,986
Additions in year	–	121,561	3,015	124,576
At end of year	192,285	321,931	320,346	834,562
Depreciation				
At beginning of year	124,428	190,668	311,649	626,745
Charge for year	5,769	17,730	4,752	28,251
At end of year	130,197	208,398	316,401	654,996
Net book value				
At 31 December 2015	62,088	113,533	3,945	179,566
At 31 December 2014	67,857	9,702	5,682	83,241

10. Debtors and prepayments

	2015 Stg£	2014 Stg£
Amounts due from governments and other co-funders	6,429,776	3,120,826
Amounts due from Disasters Emergency Committee (DEC)	836,435	785,038
Gift Aid receivable	782,657	445,131
Sundry debtors	32,226	131,438
Prepayments	17,188	8,250
Amount due from parent company	–	0
	8,098,282	4,490,683

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

11. Cash at bank and in hand

	2015 Stg£	2014 Stg£
Funds held in UK banks	813,985	3,424,591

Notes forming part of the Financial Statements (continued)

12. Creditors: amounts falling due within one year

	2015 Stg£	2014 Stg£
Trade creditors	288,774	452,906
Accruals	58,539	83,684
Bank overdraft	628	978
Balances with co-funders	2,468,806	2,634,640
Amount owed to parent company	1,662,071	1,217,589
	4,478,818	4,389,797

- (i) Balances with co-funders comprises amounts received from donors that do not yet meet the criteria for recognition of income.
(ii) The bank overdraft is repayable on demand.
(iii) The amounts owed to the parent company comprise of operational expenses paid on behalf of Concern (UK) by the parent company and is repayable on demand.

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

	Opening Balance 2015	Movement during the year	Closing Balance 2015
Amounts due from governments and other co-funders (note 10)	3,120,826	3,308,950	6,429,776
Amounts due from Disasters Emergency Committee (DEC) (note 10)	785,038	51,397	836,435
Amounts advanced by governments and other co-funders (note 12)	(2,634,640)	165,834	(2,468,806)
	1,271,224	3,526,181	4,797,405
Analysis of movement:			
Cash received during the year			(20,307,736)
Income earned during the year			23,833,917
			3,526,181

14. Funds

(a) Reconciliation of funds

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total 2015 Stg£	Total 2014 Stg£
Total funds at beginning of year (as restated)	1,972,562	1,636,156	3,608,718	3,325,715
Net movement in funds for the year	(186,176)	1,190,473	1,004,297	283,003
Total funds at end of year	1,786,386	2,826,629	4,613,015	3,608,718

Notes forming part of the Financial Statements (continued)

(b) Movements in funds

	Opening balance 1 January 2015	Income	Expenditure	Transfers	Closing balance 31 December 2015
	Stg£	Stg£	Stg£	Stg£	Stg£
Restricted funds					
Afghanistan	20,590	381,045	(377,009)	(950)	23,676
Bangladesh	10,761	1,322,109	(1,326,535)	(6,335)	–
Burundi	–	125,404	(125,404)	–	–
Chad	33,496	537,544	(571,040)	–	–
DPR Korea	–	-401	401	–	–
DR Congo	–	1,547,839	(1,547,839)	–	–
Ethiopia	15,727	127,516	(127,516)	(15,727)	–
Haiti	164,588	100,955	(138,723)	(366)	126,454
Kenya	20,000	2,479,531	(2,479,531)	(20,000)	–
Lebanon	87,624	–	(87,624)	–	–
Liberia	259,252	122,991	(300,081)	(18,763)	63,399
Malawi	15,999	332,580	(332,580)	(15,999)	–
Mozambique	37,949	705,817	(744,435)	669	–
Nepal	–	2,227,120	(1,363,825)	–	863,295
Niger	88,115	593,540	(671,683)	–	9,972
Pakistan	118,538	1,748,641	(1,795,549)	(2)	71,628
Philippines	–	354	(354)	–	–
Republic of Sudan	–	471,941	(471,941)	–	–
Rwanda	62,415	106,227	(106,227)	(62,415)	–
Sierra Leone	538,806	6,551,989	(6,764,317)	–	326,478
Somalia	110,373	3,441,822	(3,543,745)	(8,450)	–
South Sudan	–	931,485	(931,485)	–	–
Syria/Turkey	387,050	211,576	(316,925)	1,528	283,229
Tanzania	–	289,844	(289,844)	–	–
Uganda	–	57,726	(39,471)	–	18,255
Zambia	–	516,133	(516,133)	–	–
HQ Projects	1,279	389,230	(389,230)	–	–
Total restricted funds	(i) 1,972,562	25,320,558	(25,358,645)	(148,089)	1,786,386
Unrestricted funds					
General funds	(ii) 322,104	6,315,806	(5,273,422)	(93,890)	1,270,598
Designated funds:					
Tangible fixed asset fund	(iii) 187,588	–	–	139,786	327,374
Programme continuity fund	(iv) 1,126,464	–	–	101,833	1,228,297
Total unrestricted funds	1,636,156	6,315,806	(5,273,422)	148,089	2,826,269
Total funds	3,608,718	31,636,364	(30,632,067)	–	4,613,015

Transfers from unrestricted to restricted reserves arise when overseas expenditure is pre-financed from the unrestricted reserves of the charity prior to income recognition criteria being met. Resources are transferred back from restricted to unrestricted reserves once income recognition criteria are met.

Notes forming part of the Financial Statements (continued)

14. Funds (continued)**(b) Movements in funds (continued)**

The above funds carried forward at 31 December 2015 represent:

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

	Restricted Funds Stg£	Unrestricted Funds Stg£	Total Funds Stg£
Funds balances at 31 December 2015 are represented by:			
Tangible fixed assets	–	179,566	179,566
Current assets	1,786,746	7,125,521	8,912,267
Current liabilities	–	(4,478,818)	(4,478,818)
	1,786,746	2,826,269	4,613,015

15. Transition note to charities SORP FRS102

As stated in Note 1, these are the company's first financial statements prepared in accordance with FRS102 and the new Charities SORP. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014.

The transition to the Charities SORP FRS102 has resulted in the following changes:

(1) Income recognition

Previously, income was recognised only when the company was legally entitled to the income, was virtually certain of receipt and the amount could be measured with sufficient reliability.

In line with the relevant provisions of the Charities SORP FRS 102 the accounting policy has been changed so that grant income is now recognised when receipt is probable. This has the effect of accelerating income recognition.

(2) Governance

Previously, governance costs were separately disclosed in the statement of financial activities. The Charities SORP prescribes that they are disclosed within charitable activities.

The table overleaf quantifies the impact of these change to the Statement of Financial Activities for the year ended 31 December 2014:

Notes forming part of the Financial Statements (continued)

Table A: Impact of the transition to FRS102 on the 2014 Statement of Financial Activities:

	31 December 2014		
	Old UK GAAP / SORP 2005 to FRS102 Stg£	Effects of transition Stg£	As restated Stg£
Income			
Donations and legacies (a)	9,720,111	(343,136)	9,376,975
Charitable activities			
– grants from governments and other co-funders (a)	13,789,745	527,708	14,317,453
Other income	1,696	–	1,696
Total income	23,511,552	184,572	23,696,124
Expenditure			
Charitable activities (b)	20,059,332	76,680	20,136,012
Raising funds	3,277,109	–	3,277,109
Governance costs (b)	76,680	(76,680)	–
Total expenditure	23,413,121	–	23,413,121
Net income for the year	98,431	184,572	283,003
Net movement in funds for the year	98,431	184,572	283,003

Table B: impact of the transition to FRS102/Charities SORP on the Balance Sheet

	1 January 2014			31 December 2014		
	Old UK GAAP / SORP 2005 Stg£	Effects of transition to FRS102 Stg£	As restated Stg£	Old UK GAAP / SORP 2005 Stg£	Effects of transition FRS102 Stg£	As restated Stg£
Fixed assets	97,963	–	97,963	83,241	–	83,241
Current assets						
Grant income receivable (c)	1,148,048	313,115	1,461,163	2,623,139	497,687	3,120,826
Other current assets	3,074,135	–	3,074,135	4,794,448	–	4,794,448
Total current assets	4,222,183	313,115	4,535,298	7,417,587	497,687	7,915,274
Creditors:						
falling due within one year	(1,307,546)	–	(1,307,546)	(4,389,797)	–	(4,389,797)
Net assets	3,012,600	313,115	3,325,715	3,111,031	497,687	3,608,718
Funds						
Restricted funds	1,748,898	313,115	2,062,013	1,474,875	497,687	1,972,562
Unrestricted funds	1,263,702	–	1,263,702	1,636,156	–	1,636,156
Total funds	3,012,600	313,115	3,325,715	3,111,031	497,687	3,608,718

(a) An decrease of £343,136 of donations and legacies income and a increase of £527,708 of income from grants from governments and other co-funders, arose from the change in the recognition criteria for grant income (as previously outlined).

(b) A reclassification of £76,680 has been recorded to present governance costs as a component of charitable activities.

(c) An increase in grant income receivable of £313,115 and £497,687 at the transition date and 31 December 2014 respectively, relate to adjustments arising from the change in the income recognition policy (as previously outlined) and represent an acceleration of income recorded in both periods.

Notes forming part of the Financial Statements (continued)

16. Pensions

The company contributes to individual pension schemes for eligible staff. The total pension contributions charged to the statement of financial activities amounted to £78,665 (2014: £56,743). An accrual of £10,665 (2014: £8,211), in respect of pension costs is included in creditors at 31 December 2015.

17. Related party disclosure

The company has availed of the exemption under Financial Reporting Standard No. 8 – Related Party Disclosures, not to give details of related party transactions with group companies, as it is a wholly owned subsidiary of Concern Worldwide, a company incorporated in the Republic of Ireland, which is preparing consolidated financial statements which include this company, and such financial statements are publicly available.

In order to achieve its mission, Concern (UK) supports the overseas programmes of Concern Worldwide. During 2015 Concern (UK) provided total funds of £26,603,066 (2014: £18,889,010) to Concern Worldwide for those programmes. Details of the activities funded are set out in appendix 1.

18. Commitments and contingencies

- (i) The 2016 Annual Plan, as approved by the Trustees, allows for overseas expenditure in 2016 of £20,710,715. Any increases over this amount requires the approval of the Board. Concern (UK) is also committed to assisting certain overseas projects for periods in excess of one year.
- (ii) Annual commitments under operating lease agreements in respect of premises for use by the charity are as follows:

	Stg£
Payable on leases in which the commitment expires within :	
– one year	–
– two to five years	–
– more than five years	95,302
	95,302

- (iii) During 2015 the Concern (UK) was the lead agency in two consortia of non governmental organisations (2014 – one), that were awarded grants from institutional co-funders to fund programme activities. The total value of these grants is £38.9 million (2014 – £23.9 million). Of this amount £15.4 million is expected to be spent by Concern (UK) (2014 – £6.8 million) and the balance will be utilised by the other consortia members.

In 2015, expenditure on these grants totalled £8.5 million (2014 – £6 million). Of this amount £2.9 million (2014 – £1.4 million) was utilised by Concern (UK) and the remainder was utilised by the other consortia members.

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

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

Opening Balance	Funds received during the year	Funds Transferred to consortia members	Closing Balance
Stg£	Stg£	Stg£	Stg£
–	2,910,087	2,227,515	682,572

19. Ultimate parent undertaking

The company is consolidated into its ultimate parent undertaking, Concern Worldwide, a company incorporated in the Republic of Ireland. The group accounts are available to the public at 52-55 Lower Camden Street, Dublin 2, Ireland.

20. Subsidiary undertakings

The company is the sole member of and controls Concern Worldwide (Northern Ireland) which has its registered office at 47 Frederick Street, Belfast, Northern Ireland and is dormant.

21. Subsequent events

No significant events have taken place since the year end that would result in adjustment to the 2015 financial statements or inclusion of a note thereto.

22. Approval of financial statements

These financial statements were approved by the Board of Trustees on 26 April 2015.

Appendix 1

Expenditure on overseas programmes

In order to achieve its mission, Concern (UK) supports the overseas programmes of Concern Worldwide. During 2015 Concern (UK) funded Concern Worldwide operations in the following countries:

	2015 Stg £	2014 Stg £
Afghanistan	404,053	274,670
Bangladesh	1,326,535	869,460
Burundi	208,105	119,678
Central African Republic	10,906	91,137
Chad	721,271	79,805
DPR Korea	-401	7,813
DR Congo	1,766,537	1,577,732
Ethiopia	228,283	330,986
Haiti	276,961	182,126
India	–	10,441
Kenya	2,502,805	1,226,418
Lebanon	89,978	205,325
Liberia	367,969	508,978
Malawi	332,079	361,361
Mozambique	728,112	733,153
Nepal	1,328,641	–
Niger	668,483	174,042
Pakistan	1,916,288	1,678,777
Philippines	283	1,397,976
Republic of Sudan	599,257	149,215
Rwanda	106,207	116,291
Sierra Leone	6,745,993	2,732,064
Somalia	3,584,060	2,744,338
Sudan South	1,264,222	1,901,886
Syria/Turkey	304,612	114,302
Tanzania	287,496	949,482
Uganda	74,820	285,364
Zambia	515,810	56,359
Other projects	243,701	9,831
Total direct overseas programme costs	26,603,066	18,889,010
Support costs	293,069	301,114
Total overseas programme costs	26,896,135	19,190,124



A heartfelt thank you to our supporters

We would not be able to carry out our work without the support of all those who donate to Concern (UK). Below are just some of the generous individuals, organisations, trusts and foundations who have helped us achieve so much in 2015.

BP McKeefry Trust

Bliss Family Charity

Brian Woolf Trust

Capital Group

**Carmela & Ronnie Pignatelli
Foundation**

Classic Marble

Fondation Ensemble

Goldman Sachs Gives

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Stanley Thomas Johnson Foundation

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The Linda Norgrove Foundation

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Concern Worldwide (UK) registered charity numbers 1092236 (England and Wales) and SC038107 (Scotland).
Charitable company limited by guarantee, registered in England and Wales under company no. 4323646.