



**Plan**  
Be a part of it.



Plan UK **ANNUAL REPORT  
AND ACCOUNTS 2008**

## Contents

A report from Plan UK Children's Advisory Panel	4
A Message from Plan UK Chair	5
Chief Executive's Report	6
Our vision and mission	7
Our structure	7
Our vision	7
Our mission	7
Our objectives	8
Plan's Programme Activities	9
In Asia	10
In Africa	14
In the Americas	20
Plan UK's activities	24
Fundraising	25
Development Education	27
Advocacy and Communication	28
Managing disasters	30
Mobilising young citizens for better governance	38
Governance and Management of Plan UK	40
How Plan UK is managed	40
Responsibilities of Plan UK's Directors	40
Risk Management	41
Financial Review	42
Year to 30 June 2008	42
Reserves	45
Subsidiary companies	45
Taxation status	45
Human resource	45
Legal and administrative information	46
Auditors	46
Independent auditors' report to the members of PLAN International (UK)	47
Consolidated Statement of Financial Activities	48
Consolidated and Charity Balance Sheets as at 30 June 2008	49
Consolidated Statement of Cash Flows for the year ended 30 June 2008	50
Notes forming part of the financial statements for the year ended 30 June 2008	51
1. Organisation and purpose	51
2. Accounting policies	51
3. Income analysis	52
4. Expenditure	53
5. Staff costs	54
6. Directors' remuneration	54
7. Tangible fixed assets	55
8. Debtors	55
9. Creditors	56
10. Statement of funds	56
11. Analysis of assets and liabilities between funds	57
12. Investments - Subsidiary undertakings	58
13. Exceptional Item: Transfer of Assets to Plan Ireland	58
14. Related Parties	58

# About Plan

PLAN International UK ("Plan UK<sup>1</sup>") is a child-centred community development organisation with no religious or political affiliations. We make long-term commitments to children in poverty and assist as many children as possible, by working in partnerships and alliances with them, their families, communities, civil society and government, building productive relationships and enabling their voices to be heard and recognised in issues that affect them.

<sup>1</sup> In this report, PLAN International UK is to be referred to as Plan UK, and Plan International Inc. and the 17 national organisations as Plan or Plan Worldwide.



Children receive hygiene training in an IDP camp in Dili, Timor-Leste.

# Where we work



## ASIA

**PROGRAMME COUNTRIES**

- 1 [Bangladesh](#)
- 2 [Cambodia](#)
- 3 [China](#)
- 4 [East Timor](#)
- 5 [India](#)
- 6 [Indonesia](#)
- 7 [Laos](#)
- 8 [Nepal](#)
- 9 [Pakistan](#)
- 10 [The Philippines](#)
- 11 [Sri Lanka](#)
- 12 [Thailand](#)
- 13 [Vietnam](#)

**NATIONAL ORGANISATIONS**

- 14 [Australia](#)
- 15 [Japan](#)
- 16 [Republic of Korea](#)



## AFRICA

**PROGRAMME COUNTRIES**

**Eastern Europe**

- 17 [Albania](#)

**Africa**

- 18 [Benin](#)
- 19 [Burkina Faso](#)
- 20 [Cameroon](#)
- 21 [Egypt](#)
- 22 [Ethiopia](#)
- 23 [Ghana](#)
- 24 [Guinea](#)
- 25 [Guinea Bissau](#)
- 26 [Kenya](#)
- 27 [Liberia](#)
- 28 [Malawi](#)
- 29 [Mali](#)
- 30 [Mozambique](#)
- 31 [Niger](#)
- 32 [Rwanda](#)
- 33 [Senegal](#)
- 34 [Sierra Leone](#)
- 35 [Sudan](#)
- 36 [Tanzania](#)
- 37 [Togo](#)
- 38 [Uganda](#)
- 39 [Zambia](#)
- 40 [Zimbabwe](#)

**NATIONAL ORGANISATIONS**

- 41 [Belgium](#)
- 42 [Denmark](#)
- 43 [Finland](#)
- 44 [France](#)
- 45 [Germany](#)
- 46 [Ireland](#)
- 47 [The Netherlands](#)
- 48 [Norway](#)
- 49 [Spain](#)
- 50 [Switzerland](#)
- 51 [Sweden](#)
- 52 [United Kingdom](#)



## THE AMERICAS

**PROGRAMME COUNTRIES**

- 53 [Bolivia](#)
- 54 [Brazil](#)
- 55 [Colombia](#)
- 56 [Dominican Republic](#)
- 57 [Ecuador](#)
- 58 [El Salvador](#)
- 59 [Guatemala](#)
- 60 [Haiti](#)
- 61 [Honduras](#)
- 62 [Nicaragua](#)
- 63 [Paraguay](#)
- 64 [Peru](#)

**NATIONAL ORGANISATIONS**

- 65 [Canada](#)
- 66 [United States](#)

# A report from Plan UK Children's Advisory Panel



Members of Plan UK's Children's Advisory Panel during the Global CAB conference last Spring.

**Last year we continued to build our knowledge of Plan and development issues and established global relationships with our peers across the globe. We contributed to increase Plan's profile in our local communities, by leading assemblies in our schools and running workshops focusing on Plan's 'Because I am a Girl' campaign for girls' rights and on how climate change affects the lives of young people here in the UK and in developing countries.**

Some of the highlights from last year included our participation to key events, including:

- The parliamentary launch of Plan's 'The State of the World's Girls 2008', where we had the opportunity to question the UK under-secretary of state for international development, Shahid Malik, about youth participation in development;
- The United Nations meeting in New York on Global Youth Day to represent youth perspective;
- The launch of the 'Children in a Changing Climate' project at the UN climate change talks in Bonn to voice our concern over climate change.

We also had the chance to present our activities to the Board and members of the speakers network of Plan UK, sharing our ideas on how to involve young people in Plan's work.

We hosted the Global Children's Advisory Board (CAB) Conference, bringing together young people and staff from different Plan offices, including Belgium, Canada, Denmark, Germany, Netherlands, Norway, Sweden, UK and the U.S.

Leon, 15, explains what the conference meant to him and to the members of Plan UK's Children's Advisory Panel.

"The conference was an extraordinary event. The people I met were truly inspirational. Even though many of the young people did not have English as their first language we all managed to communicate; we also discovered that our shared ideas were extremely similar. Throughout the event we participated in great interactive workshops and came up with a huge amount of ideas. It was fantastic to see so many people working together.

"It was great to learn more about Plan International's global agenda for youth participation and engagement. The delegates had the chance to interact with one another, relax and chat about our countries and our different experiences; we have learnt so much about one another.

"I was the lead youth facilitator during the conference, which was an amazing experience and allowed me to develop my personal skills and gain new ones as a facilitator. It was hard work and did take its toll throughout the conference, but it was important the young people had somebody to talk to and that the conference was youth lead."

The conference provided an opportunity for the different groups to connect, share and contribute to Plan's strategy of involving young people.

During the event we worked together to establish what makes the groups successful, learn about each other's activities and how we can work together on global campaigns as well as planning for future campaigns.

One of the most beneficial outcomes has been the relationships built between us across countries for the global promotion of children rights. Many of us are still in touch via email and social networking sites.

**Colette, Durgha, Elly, Kate, Katie, Kurtis, Leon, Nia, Maurice, Rina and Sarah**

# A Message from Plan UK Chair

Below Left: Plan UK Chair Nigel Chapman  
Below: Girls in Nepal attending class. Educated girls are more likely to marry later, raise fewer children and make important contributions to family income.



Photo: Annie Heslop

**Last year was an important year, not only did Plan celebrate its 70th anniversary of working with children, but it was also the second year of our flagship report and campaign 'Because I am a Girl,' looking at the status of girls in developing countries and gathering support for their rights worldwide.**

Last year's report – 'In the Shadow of War' – looked at the lives of girls and young women in countries which have experienced civil unrest or are teetering on the brink of war. The research highlights that girls and young women's education tends to be overlooked in situations of conflict.

Educated girls and women are less vulnerable to HIV infection, human trafficking and other forms of exploitation, are more likely to marry later, raise fewer children who are more likely to go to school, and make important contributions to family income. Cultural attitudes may however disapprove of girls' education or not give it enough value; they are more likely to be kept at home to care for younger siblings and to do household chores even when the situation has stabilised.

As a husband and father of two daughters – one a teacher – I feel sad to see the unfair treatment girls receive. Within the same level of poverty, girls are kept from school while boys stay on. It is disappointing to know that some parents find they must save money for their daughter's dowry instead of paying for her schooling. It is frustrating to learn that despite the fact that basic education is now compulsory in most countries, many girls still do not go to school.

Children everywhere have the right to a good quality education. This right is at the heart of all that Plan does – from raising parental awareness and engaging with school and community leaders to advocacy with local and central governments. Working in the poorest communities Plan concentrates on the education of the most disadvantaged children, including during and after disasters.

It was in fact in the shadow of war 70 years ago, in 1937, that John Langdon-Davies, a war correspondent, assisted the many children orphaned by the Spanish Civil War.

John Langdon-Davies witnessed conflicts and saw how these disrupt normal life, forcing families to flee their homes, separating children and reducing schools and any social infrastructure to rubble. He and Plan's founders understood the importance of education and, with the support of sponsors from all over the world, contributed to make a difference to the education of the children in their care. The children were sheltered, fed, given an education and support to grow into confident adults capable of facing life ahead of them.

Education was an important focus of Plan's work 70 years ago – and it remains so today. Education is in fact the largest sector of Plan's investment globally since 2004.

But if we wish to rectify the divide between boys' and girls' education, make up for the years of neglect suffered by girls and meet

the Millennium Development Goals by 2015, we need to continue investing in education, primary and secondary. Thanks to education young girls would have the chance to improve their families' income, and ensure better livelihood for their children and their siblings for generations to come.

As part of this commitment to education, Plan last year successfully expanded our school linking programme, enabling UK schools to link to form a relationship with schools in Africa and Asia. Like our sponsorship programme, our school linking project is based on the ability to connect people, and through those personal connections enable a better world for children.

The programme is about building friendships across the globe and learning from one another, allowing teachers to exchange notes on curriculum and teaching methods and encouraging students to work hard, making the programme not only instrumental in educating students, but also in securing support for educational projects.

Thank you to everyone who supported this vital work last year. You have helped change the lives of millions of children for the better.

**Nigel Chapman**<sup>2</sup>  
Plan UK Chair

<sup>2</sup> Nigel Chapman was awarded the C.M.G. (Companion of the Most Distinguished Order of St. Michael and St. George) in the 2008 Queen's Birthday Honors List for his services to international broadcasting. Nigel is the Director of the BBC World Service and Chair of the BBC World Service Trust.

# Chief Executive's Report

Below Left: Marie Staunton showing Planet – Plan UK's magazine for young people – to children on her recent visit to Togo.  
Below: Children from East Holdibari, Bangladesh, actively protecting their flood-prone community.



## The lives of Plan supporters in the UK and those of communities we work with in the global south are increasingly interconnected. Last year gave clear evidence of this.

We marked the 70th anniversary of Plan with an exhibition and short film re-enacting the dramatic story of our beginning – rescuing children from the carnage of the Spanish Civil War. Plan's early supporters were of all political persuasions, from JB Priestley to Eleanor Roosevelt, but they all believed that they had a duty to children they had never met in countries they had never visited. Faster and cheaper travel means that supporters can and do visit the children and communities they help – over 100 did so last year. They included actor Tom Graham – Tom in the Archers – who saw for himself the impact of rising food prices on poor families in Sierra Leone. This is a worry for families in Britain but disastrous for the family of Tom's sponsored child. Plan sponsor Fiona Phillips also visited the child she sponsors in Tanzania. She took a GMTV film crew to follow the rehabilitation of a local school so that children with disabilities can get an education.

The personal connection sponsors feel with communities is very apparent when a disaster strikes. After the earthquake in China, floods in West Africa, storms in the Philippines and during the post-election violence in Kenya, many sponsors phoned to find out who had been affected and how they could help. Plan was on the ground rebuilding schools and helping children and families get back on their feet. These were part of the calls we received last year from sponsors who have a real link to the world's poorest communities through our work.

Just as people in the UK worry about climate change, communities where we work are increasingly having to adapt their lifestyles and

livelihoods to cope with emergencies associated with erratic and extreme weather. Last year our work in training children and their communities to be prepared for disasters expanded, from four to eight countries. In Sierra Leone I saw for myself children mapping the risks in a community in Moyamba, identifying fire – which had already destroyed one local schoolroom – and river floods – which had caused one child to drown. The young people spent two days creating a fire break between their school and the forest and petitioned for a safe river crossing.

To spread the word about children's vital role in reducing the risk of disasters beyond Plan communities, we made four documentaries which were broadcast on the BBC. They showed children in the Philippines successfully campaigning to move their school away from the threat of landslides and school children in El Salvador showing people how to stop mosquitoes breeding. The programmes will now be used in training sessions as we work towards every community being prepared to save lives and livelihoods when disaster strikes.

This learning is being shared with children in the UK and in 11 other countries. Some 3,000 schoolchildren are working together sharing information about the risks they face and how, together, they can mitigate them and adapt their life in a changing climate. Their work will culminate in the creation of a curriculum resource for many other children, and 20 of them will be attending the Copenhagen world summit on climate change in December 2009 to share their findings with decision-makers. Young people have very clear views about the world they inhabit, and can be very influential, especially on global issues. The work we are doing with children on climate change reflects the experience of our partnership with National

Museums Liverpool on anti-slavery which won the Museums and Heritage Award for the Best International Project. Through the anti-slavery project, we linked school pupils in slave producing countries in Africa with Liverpool, a transit port, and slave receiving countries in Latin America. We built understanding of development in the UK through a national competition for young journalists and Shoot Nations, a photography competition that attracted entries from young people from 106 countries.

Last year we piloted a new social enterprise and self-funding charitable school linking scheme involving 130 schools in Africa and UK through school projects facilitated by Plan teachers. The Evening Standard Christmas Appeal enabled London schools to join.

Generous donations from Plan's sponsors, corporate supporters, trusts, and grants from DfID and the EU and support for our appeals, including the Daily Telegraph Christmas Appeal meant that Plan UK was able to spend a record amount on programme last year. This supported long-term work with some of the world's poorest communities ensuring that children have access to their rights – health care, education, and water so that they can realise their potential.

New technology and modern transport has made linking people across the world much simpler today than in 1937 when Plan was founded. Yet the basic human impulse to reach out across the world to provide support for all children to survive and thrive still drives Plan.

## Thanks for your continued support.

**Marie Staunton**  
Plan UK Chief Executive

# Our vision and mission



Children at a child rights conference in Togo.

## Our structure

Plan UK is a registered charity in the United Kingdom, number 276035 and is constituted as a company limited by guarantee, registered number 1364201.

One of 17 national organisations<sup>3</sup> working for the rights of children, families and communities in some of the world's poorest countries, Plan UK is internationally associated with Plan International, Inc. ("Plan Inc")

The funds raised through Plan UK and the other 16 national organisations are pooled and allocated by Plan Inc to the management of development programmes in 49 developing countries<sup>4</sup>. An International Headquarters is located in the United Kingdom and supervises the programme operations.

This structure allows Plan to invest as much of our funds in development projects as possible, which directly supports the beneficiary children, their families and communities, whilst keeping costs at a minimum and reducing the risk of duplication.

The management and operations of Plan's central organisation have been independently assessed by the ICFO (International Committee on Fundraising Organisations) and found to be in compliance with their standards.

**3 National organisations:** Australia, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Japan, Korea, the Netherlands, Norway, Spain, Sweden, Switzerland, United Kingdom and the United States.

**4 Programme countries:** Albania, Bangladesh, Benin, Bolivia, Brazil, Burkina Faso, Cameroon, Cambodia, China, Colombia, Dominican Republic, East Timor, Ecuador, Egypt, El Salvador, Ethiopia, Ghana, Guatemala, Guinea, Guinea Bissau, Haiti, Honduras, India, Indonesia, Kenya, Laos, Liberia, Malawi, Mali, Mozambique, Nepal, Nicaragua, Niger, Pakistan, Paraguay, Peru, Philippines, Rwanda, Senegal, Sierra Leone, Sri Lanka, Sudan, Tanzania, Thailand, Togo, Uganda, Vietnam, Zambia, Zimbabwe.

## Top performer on accountability

Plan has been named one of the top performers in the One World Trust global accountability report 2008.

The global report measures organisations' policies on transparency, participation, evaluation and complaints and response procedures using a unique global accountability framework, developed by One World Trust.

The report is compiled using data collected from a variety of sources, including publicly available information, documents provided by participants and interviews with key members of staff. The independent report ranks 30 of the world's influential corporations, intergovernmental and non-governmental organisations (NGOs) on accountability and transparency every year.

Plan scored 69%, coming second in the NGO section and third overall. The high score

recognises Plan's focus on accountability and transparency across the organisation.

## Our vision

Plan's vision is of a world in which all children realise their full potential, in societies which respect people's rights and dignity.

## Our mission

Plan strives to achieve lasting improvements in the quality of life of deprived children in developing countries through a process that unites people across cultures and adds meaning and value to their lives by:

1. Enabling poor children, their families and their communities to meet their basic needs and to increase their ability to participate in and benefit from their societies;
2. Fostering relationships to increase understanding and unity among people of different cultures and countries;
3. Promoting the rights and interests of the world's children.



## Conforming to International Fundraising Standards

To give the public reassurance that they can make donations with confidence, many countries have developed national accrediting bodies for charities and non-governmental organisations and, if they meet high standards of probity and integrity, will award a public certificate confirming that the organisation is well-run and deserving of support. ICFO helps to harmonise accreditation procedures and standards across boundaries and has developed a set of international standards for good governance and management covering areas, including the responsibilities of the governing body, fulfilment of public benefit goals, fiscal control, management, reporting, fundraising practices and the provision of information.



# Our objectives

Originally Plan worked with the adults of its partner communities to implement development programmes aimed at addressing the needs of disadvantaged children.

With an increased focus on children's rights, Plan has seen how children's participation and putting children's interests at the centre of their own development helps break the cycle of child poverty. For this reason, at the beginning of the 2000s Plan further defined and expanded its identity

and role as a 'child-centred community development organisation', approving Strategic Directions reflecting this approach and adopting the following as its objectives:



Photo: Plan

### To practise a child-centred approach to community development.

Plan believes children, together with their families and communities should be active participants in their own development; from programme inception through to implementation, monitoring and evaluation. Children's realities, hopes and aspirations are guidelines for our work and thanks to their participation Plan can learn more about their realities and thereby help create a more child-friendly world in the future.



Photo: Alf Berg

### To make long-term commitments to children living in poverty.

Plan's development programme aims to benefit the poorer population groups within the poorer areas of some of the world's poorest countries. Within these groups Plan works with children and families in especially difficult circumstances, including street children, AIDS orphans and working children and those affected by disasters and emergencies.

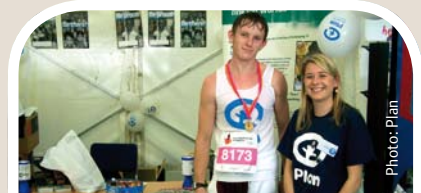


Photo: Plan

### To mobilise resources to assist as many children as possible.

Plan works to maximise its income in the UK in order to assist more children and facilitate the generation of local resources in the countries where we work, assisting communities and local organisations in mobilising and managing them.



Photo: Plan

### To build relationships.

Plan aims to enable children and adults across the world to communicate, to develop mutual understanding and to work together to address the needs and rights of children living in developing countries. Plan is investing in development education programmes in the UK and in programme countries to raise awareness of children, families, communities, partners and supporters of development issues and facilitate opportunities for children to engage in action to address their needs and rights.

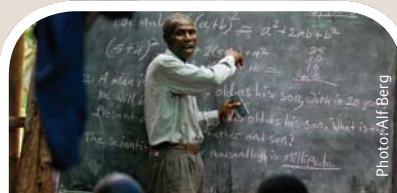


Photo: Alf Berg

### To work in partnerships and alliances.

Plan works with local partners and governments in providing communities with the skills and resources necessary to implement their development plan, linking them to stakeholders in the UK – through partnerships and alliances – and work together on issues preventing children from realising their potential.



Photo: Alf Berg

### To ensure the voices of children are heard.

Plan builds the competence of children, communities, sponsors and other partners to influence decisions and priorities of institutions at local, national and international levels on poverty and wellbeing of children, and develops policies to guide our supporters in the UK in policy debates.

**Plan UK's objectives, together with other constitutional matters, are set out in our Memorandum and Articles of Associations.**

These are:

- To provide for the care, maintenance, education, training and wellbeing of deprived children in some of the world's poorest countries;
- To strengthen the capacities of children, their families and communities in providing for their life;
- To interest people throughout the world in Plan's work and to obtain their support and assistance.



# Plan's Programme Activities

Last year Plan increased its global annual income from €459 million to €473 million reaching more children and their families in countries around the world.

Plan's global income represents the funds raised through Plan UK and the other 16 national organisations pooled together. The funds are allocated to Plan Inc for the management of Plan's development programmes in 49 developing countries, so reducing overall costs and avoiding the risk of duplication.

Plan's programme countries are grouped in this report under the following regions:

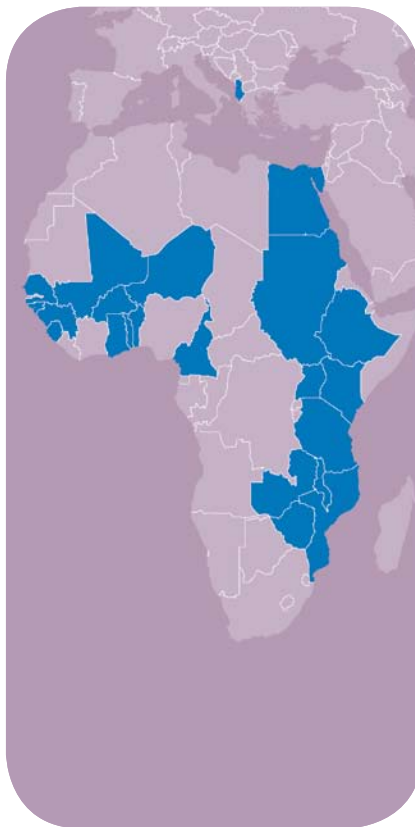
## ASIA



**In these regions, Plan's programme activities are broadly based around the following objectives:**

- We want all children, adolescents and adults to acquire basic learning and life skills, and understand the importance of education so they can contribute to the development of their communities;

## AFRICA



- We work to ensure children's survival, protection and healthy development;
- We work with children, their families and communities to focus and act on children's needs, from home construction to safe drinking water and waste disposal;
- We address the root causes of poverty to improve the financial position of families through strategies that help parents,

## THE AMERICAS



- especially mothers, with loans and small business development programmes;
- We promote understanding around development issues among people of different cultures and countries.

# In Asia



In Plan communities in India 2,709 teachers received training on new participatory teaching methods last year.

## In Asia, Plan works in Bangladesh, Cambodia, China, East Timor, India, Indonesia, Laos, Nepal, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam.

### The situation

The Asian region is on track to achieve or has achieved a number of Millennium Development Goals targets (see box on MDGs on page 12), including halving poverty and hunger, achieving universal primary education and eliminating gender disparity at all levels of education. The region has recorded impressive progress compared to the sub-Saharan Africa and the Latin America regions<sup>5</sup>.

The regional results are however heavily influenced by the remarkable achievements of China and India in poverty reduction and are in fact contrasting with the absolute size of social and economic deprivation in the region – two thirds of Asians, a total of 1.5 billion people are still without access to basic sanitation; the region is home to roughly three times as many underweight children and people living on less than \$1 a day as sub-Saharan Africa and Latin America combined, and despite lower prevalence rates, the region has more TB patients and deaths than the other two regions. In their latest report, the United Nations confirms that the region is not progressing fast enough to meet some important targets, including infant mortality and access to basic sanitation in urban areas, while the HIV prevalence is on the rise.

The World Bank has found that the rich have grown richer faster than the poor, resulting in average poverty rates declining in the region, despite growing inequality. And although the region as a whole is on track for water and sanitation in rural areas, the proportion of people without access to sanitation – two thirds – remains high. The overall regional results mask the drastically uneven progress across countries, with the threat for some countries missing some important targets, including child health, HIV and TB. The gaps within countries in the region are often as stark as the gaps between countries. Poverty in India's states, for example, ranges from less than 10% in the richest to well above 40% in the poorest.

Over the past year regional economic growth has slowed as a result of a generally weak global economy combined with spikes in inflation in some countries. Higher food prices and reductions in fuel subsidies have hit the vulnerable segments of society particularly hard. The immediate consequences of this include increased malnutrition, declines in income, higher school drop out rates and more child exploitation. The vulnerable, particularly children, have also been negatively affected by disasters that have continued to plague the region, including several major earthquakes and floods.

In the Philippines for example, one in six school-aged children is being deprived of education and the number is rising steadily. Recent enrolment figures in primary education are down to 83% from 90% five years ago. At the secondary level, the numbers are even worse, stagnating at 59% over the same period. The Philippines National Economic and Development Authority attributes the decline in school participation to the rising prices of goods and services. And although public schools offer free tuition fees, the rising costs of transportation, food, uniform, books and school supplies are contributing to make education unaffordable for many families. In the areas where Plan works, about a third of children aged 0-3 are malnourished, almost the same proportion are not fully immunised, and only five in every 100 children aged 0-5 benefit from early childhood care and development activities.

Cambodia has continued to achieve rapid economic growth, thanks to tourism, garment exports, a booming construction sector, and agricultural expansion, but the rate of extreme poverty remains high, with almost one-third of the population living on less than 50 cents a day. Moreover, the global food shortage and an increase in the price of fuel compounded the difficulties faced by poor families.

<sup>5</sup> According to the Asian Development Bank.



## During the year, Plan:

- Worked to ensure children grow up healthy and stay in school and are prepared for higher education. Plan put emphasis on keeping children in school, helping them complete primary level, and learn effectively by reducing malnutrition, training teachers, and updating teaching methods;
- Reduced the incidence of preventable diseases. Plan encouraged environments where proper hygiene and sanitation practices are adopted, trained parents on recognising the first signs of the diseases and ensured more families have access to sustainable water and sanitation systems;
- Carried out public education and promotion campaigns to improve awareness and behaviour towards health, water, sanitation and hygiene; encouraging healthy environments;
- Assisted families improve availability of food at home through vegetable gardens, promoted the use of low cost and environmentally sustainable farming technologies, provided access to financial services and supported employable vocational skills training for out-of-school youth;
- Reduced the incidence of abuse, neglect and exploitation of children by supporting the setting up of centres providing integrated services to children and women victims of abuse. In the Philippines, for example, Plan established seven of these units helping to fight domestic violence. Plan also continued to support the work of child help-lines and rehabilitation activities carried out by skilled volunteers; providing assistance for girls and boys in emergency situations and victims of child abuse;
- Ensured children acquired appropriate developmental learning competencies and life skills through Early Childhood Care and Development (ECCD) activities. In the Philippines, for example, 268 day care centres were given certification by the Department of Social Welfare and Development, ensuring they provide quality ECCD service, including health, nutrition and psychosocial stimulation;
- Continued to strengthen the capacity of children, their families, communities and state institutions on disaster risk reduction and disaster management; and responded to disasters through emergency response efforts focusing on children and their families;
- Initiated programmes designed to improve the livelihoods and incomes of communities, including micro-enterprise development activities, youth employment initiatives and nutrition projects with a livelihood focus, ensuring children live in households with greater income stability and capacity to survive financial shocks;
- Strengthened child-friendly governance at the village and municipal levels and advocated for the participation of children in these community processes to make sure their voices are heard and taken into account in community decision-making. Plan trained local authorities in participatory processes to identify and design local development projects as well as implement, monitor and evaluate these projects;
- Strengthened the capacities of local government units in delivering basic social services and promoting and protecting children's rights;
- Improved the quality of health care, making it more accessible to the poor – interventions in these areas are aimed at strengthening people's skills in deciding about their health and increasing demand for preventive and curative health services. Preventive measures include provision of community-based systems that are managed, operated and maintained by user groups in collaboration with the local government units;
- Promoted universal birth registration for all children in the region in collaboration with other international and regional organisations;
- Provided girls and boys with knowledge on sexual reproductive health, STDs and HIV/Aids. In Indonesia Plan supported the establishment of "Drop-in Centres" with learning activities for commercially and sexually exploited children and vulnerable girls and boys;
- Helped to reintegrate young offenders released from juvenile correctional institutions into schools, workplaces, families and communities in collaboration with employers/companies, and schools.



Photo: Alf Berg

In China last year Plan worked with 528 communities to improve the lives of their children, enabling them to realise their full potential.

## Millennium Development Goals for 2015:

**Goal 1:** Eradicate extreme poverty and hunger

**Goal 2:** Achieve universal primary education

**Goal 3:** Promote gender equality and empower women

**Goal 4:** Reduce child mortality

**Goal 5:** Improve maternal health

**Goal 6:** Combat HIV/AIDS, malaria and other diseases

**Goal 7:** Ensure environmental sustainability

**Goal 8:** Develop a global partnership for development

Last year, Plan spent €73.9<sup>6</sup> million on child-centred community projects across the region.

### Below are some of the outputs in the region:

- 5,755 professional health workers were trained, benefiting 2,628 communities;
- 44,551 community health workers and traditional birth attendants were trained in 3,453 communities;
- 109 health centres were constructed and/or renovated, benefiting 499 communities;
- 21,697 teachers and 7,582 teaching volunteers received professional training;
- 14,217 water systems and 29,054 latrines were constructed and/or upgraded reaching 1,608 communities;
- 72,260 farmers took part in agricultural training;
- 13,197 community members enjoyed vocational and business training, benefiting 2,116 communities.

Plan worked with 9,689 communities across Asia in 2008.

<sup>6</sup> Global income figures mentioned in this section (and those on Africa and The Americas) come from Plan's combined accounts for the year ended 30 June 2008, which are prepared in accordance with International Financial Reporting Standards and can be downloaded at: <http://www.plan-international.org/about/finance/>

# Plan's Impact

## Microfinance for the poor in Cambodia

**Plan is working with rural communities in Cambodia to enhance families' capacities to generate income to address their needs, including food security, health and education for their children. One of the components of the programme is to provide access to microfinance activities to the poorest families.**

In partnership with VisionFund Cambodia, a one-year microfinance pilot programme was successfully completed in Dambae district and Kampong Cham province.

Both borrowers and savers, most of whom are women, found microfinance very useful in tackling their families' financial needs. They were highly satisfied with the savings and loan products and services, including flexible loan sizes and terms, affordable price/interest rates – for both loans and saving – the loan guarantee requirement, and staff behaviour.

Two years after its inception, the programme has benefited 1,000 families, including 5,000 children, in 20 villages in Kampong Cham and Siem Reap provinces.

**The project has managed to achieve the following:**

- **675 borrowers received loans (513, or 76 per cent, were women, and 505, or 75 per cent, were from the poorest families). The total outstanding loan balance reached US\$ 219,848;**
- **71 savers (of whom 39, or 55 per cent, were women) opened savings accounts. The total savings balance is US\$ 617.**

The involvement of women in financial services is crucially important, as women have been shown to manage resources wisely for the welfare of the whole family, especially for children's health and education purposes.

**In a survey in 2007, families involved in the programme confirmed the following:**

- **27 per cent noticed an increase in family savings;**
- **32 per cent said their household assets had increased;**
- **16 per cent said their family's diet had improved;**
- **76 per cent said their business situation had improved.**



Woman dyeing clothes after receiving low-interest loan to set up her business in the Dambae district, Cambodia. Plan works in partnership with local microfinance organisations to establish and support lending and saving programmes with special emphasis on access for women.

### In the future Plan will:

- Strengthen Plan's collaboration with community-based organisations and local authorities to improve the services they provide to the poorest families, including health care and education;
- Reduce the incidence of preventable diseases through parents' training, the provision of schools' and communities' water points and sanitation systems;
- Continue to strengthen families economic security so that children live in households with greater income stability and capacity to survive financial shocks;
- Encourage and facilitate child-friendly governance at the village and municipal levels so that children can express their views and have their voices heard on policies influencing their lives;
- Nurture child health so that children live in environments where proper hygiene and sanitation practices are adopted and where sustainable water and sanitation systems are accessible;
- Work to enhance learning so that children acquire appropriate developmental learning competencies and life skills;
- Protect children at risk to reduce incidence of their abuse, neglect and exploitation;
- Carry on working to reduce children's vulnerability to disasters and encourage their involvement in communities' disaster risk reduction plans.

# In Africa

In Togo Plan works to provide safe drinking water and sanitation for children and their families. Last year 146 latrines were constructed.



## In Africa, Plan works in Benin, Burkina Faso, Cameroon, Egypt, Ethiopia, Ghana, Guinea, Guinea Bissau, Kenya, Liberia, Malawi, Mali, Mozambique, Niger, Rwanda, Senegal, Sierra Leone, Sudan, Tanzania, Togo, Uganda, Zambia, and Zimbabwe.

Operationally Plan has two regions covering Africa – West Africa; and East and Southern Africa. Albania is organisationally grouped within the East and Southern Africa Region. For the purpose of this report the two regions have been grouped together.

### The situation

Many African economies have turned the corner and moved to a path of faster and steadier economic growth than previous years. Average growth in the Sub-Saharan economies was reported to be around 5.4 per cent in 2005 and 2006; with inflation, budget deficits, exchange rates, and foreign debt payments becoming more manageable for the majority of the countries in the region<sup>7</sup>.

With the benefits of economic growth, however, the region has also registered volatility – the result of conflicts, poor governance, and increase in world commodity prices – greater than in any other regions, nullifying periods of good performance for some countries.

In the last year, the price of rice, the staple food in the majority of the African continent, rose by 110% reducing the number of meals children and their families in extremely poor communities could afford. The rising cost of fuel worldwide has also contributed to an increase in the cost of imported goods and transport for the poorest families.

Over 40 per cent of the people in Sub-Saharan Africa still live on less than \$1 a day, life expectancy gains have stalled in some countries and retreated in others, and poor health and poor schooling hold back improvements in people's productivity and the chance of meeting the Millennium Development Goals.

### During the year, Plan:

- Worked to improve the coverage of community-based Primary Health Care (PHC) system and services; promoting child nutrition; providing safe drinking water and basic sanitary facilities for children, their families, and communities;
- Improved the quality of health services for children under-five and mothers in the region. Under-funding in the health sector in many African countries has led to emigration of professional and experienced health staff with shortages of drugs and equipment in many rural areas. This has affected communities' access to effective healthcare, particularly mothers and young children who are unable to travel significant distances to their nearest healthcare facility. In Zimbabwe, Plan, in partnership with the Ministry of Health and Child Welfare and Rural District Councils, facilitated an outreach programme for 44 medical doctors to provide free health care services to rural communities. The programme involved diagnosis, treatment and referral of patients with common diseases, including acute respiratory infections, tuberculosis, and malaria;

<sup>7</sup> According to the World Bank.



Photo: Alf Berg

- Improved the provision of community-based early childhood care and development (ECCD) programmes, quality primary education, post secondary education and adult literacy, particularly for girls;
- Provided access to education for children across West Africa, by training teachers, building or rehabilitating child-friendly schools and working with communities to promote girls' education. In Burkina Faso, for example, thousands of girls who would normally never have the chance to go to school are receiving an education thanks to an innovative programme led by Plan which has built 132 schools in 10 provinces;
- Strengthened child protection awareness and practices in communities, local institutions, and partner organisations;
- Worked to mitigate the impact of HIV/Aids by building the capacity of local structures, including community HIV/Aids councils, local community-based organisations and health institutions, in assisting orphans and vulnerable children, people living with HIV/Aids and their affected communities, and in bringing about positive behavioural changes among children, youth and adults. In Kenya, Plan has been supporting small enterprises as well as group training on home-based care, anti-retro viral therapy, kitchen gardening, dairy goat keeping and leadership training;
- Improved the capacity of families to increase food production, productivity and household incomes – Plan works with government and local organisations to improve services and introduce new farming technologies, including winter cropping and small scale irrigation, and better food storage and processing. Poor and marginalised groups are assisted to adopt these new methods and receive nutrition education. Farmers groups are assisted in identifying marketing opportunities and village savings and loans, and families are trained in enterprise development and business management. For example, in Tanzania, Plan has provided vocational training for students in one of the country's poorest regions. Participants have seen their incomes increase by 600% following graduation. In Ghana's drought-prone northern region, eight irrigation dams were constructed to improve crop yield and impacted positively on child nutrition, employment and household income generation;
- Improved the rate of literacy in the region by providing access to basic education, and improving the quality of teaching. Plan is supporting schools in the training of teachers, the formation of children's clubs, school health promotion and improvements to the teaching and learning environment;
- Contributed to raise the awareness of women's and children's rights at all levels and promoted their participation in decisions that affect them through initiatives, including Children's Parliaments;
- Helped communities manage malaria which is responsible for more than one million deaths each year, and continues to be the biggest killer of children in Africa. Plan is working across Africa to distribute bed nets treated with insecticide. In Guinea-Bissau for example, approximately 45% of all registered deaths are caused by malaria. Plan has partnered with the Ministry of Health to provide children in the Bafata region with protection against the disease, distributing nets to over 90% of the region, reaching some remote communities for the first time and helping to drastically reduce the rate of malaria infection;
- Lobbied and worked with communities to eradicate harmful practices, including female genital cutting (FGC);
- Responded to emergency situations in the region, including civil unrest, floods and droughts. See page 30 for further information on Plan's response to emergencies in the region;
- Enhanced child protection through the formation of community crime prevention units with the active participation of children. The units work closely with the local police to reduce crime, enhance child protection and contribute to change people's perception of child marriages, child labour and other forms of abuse, making it much easier for children to speak up and report abuse against them or their peers;
- Promoted and advocated for birth registration – last year in Mozambique, for example, mobile units registered 35,000 children and adults who never had the chance to register their births. Registration ensures children and adults are not denied school and healthcare access, property and citizen rights;

In Zambia, last year 5,319 farmers were trained on new farming techniques, improving their production and household income.



- Mobilised communities to implement the community-led total sanitation (CLTS) programme and eradicate open defecation in the region. The programme encourages communities to identify their problems and to ignite a process of social awakening. Family members work together to realise the dangers of open defecation and find their own solutions to improve sanitation and hygiene issues in their community. In Ethiopia, for example, open defecation is a major contributory factor to the high incidence of diarrhoea, causing 46% of childhood deaths. Since the programme's introduction in the Shebedino area, over 81 villages have abolished open defecation;
- Improved access to water and sanitation facilities for communities across Africa by actively involving local people in the process of identifying water and sanitation problems, designing solutions and managing the systems in their own communities. In Ghana, for example, Plan has provided girl-friendly toilets in schools. The design was developed following group consultations with girls and has improved school attendance rates;
- Assisted rural communities across the region with village savings and loan projects (VSL). Women of these communities meet and contribute regularly to a self-funding loan scheme; members of the scheme can then access loans as a starting capital, enabling them to start their business and improve their family conditions. As part of the project, scheme members also receive business training.

Last year, Plan spent €144.1 million on child-centred community projects across the region.

**Below are some of the outputs in the region:**

- 4,539 professional health workers were trained, benefiting 3,400 communities;
- 26,635 community health workers and traditional birth attendants were trained in 3,360 communities;
- 86 health centres were constructed and/or renovated, benefiting 1,048 communities;
- 7,235 teachers and 1,981 teaching volunteers received professional training;
- 2,959 water systems and 12,776 latrines were constructed and/or upgraded reaching 1,413 communities;
- 21,678 farmers took part in agricultural training;
- 10,497 community members enjoyed vocational and business training, benefiting 2,289 communities.

Plan worked with 9,045 communities across Africa in 2008.





Photo: Alf Berg

Plan is supporting education through the building of child-friendly schools, providing teachers' training and the promotion of girls' education. In Niger 524 community members and parents were trained on effective school management.

## In the future Plan will:

- Continue to improve the capacity of families to increase food production, productivity and household incomes;
- Work to improve access and quality of learning opportunities for children across the region;
- Assist children and their families to reduce the negative impact of HIV and AIDS;
- Work with community-based organisations to improve the health status of mothers, children and adolescents and ensure that families have access to safe drinking water and sanitation;
- Foster the capacity of communities to realise and respect children's rights;
- Work to improve the survival of mothers and infants;
- Work with children and young people to reduce their communities' vulnerability and increase their preparedness to disasters;
- Promote the 'Learn Without Fear' campaign by engaging with schools and communities in supporting child protection programmes that realise the Convention on the Rights of the Child;
- Increase children's and communities' access to quality water sources, and promote effective community-led total sanitation programmes leading to improved sanitation practices and health;
- Lobby national and international key decision-makers to take action to include and protect young citizens;
- Continue to promote activities raising awareness of the rights of girls and young women and develop programmes and support for Plan's 'Because I am a girl' campaign;
- Ensure children and communities adopt appropriate Disaster Risk Reduction practices, so that they identify long-term management approaches that reduce the likelihood or impact of potential disasters on their communities;
- Strengthen communities' awareness and knowledge of preventative behaviours against malaria and HIV, whilst continuing to support services such as counselling and medical care at community level for those groups affected;
- Continue to establish sustainable basic social services, including education, health, water and sanitation, nutrition and food security.

Last year Plan worked with 403 local organisations across Africa.

# Plan's Impact

## Improving the survival of infants in Sierra Leone by fighting malaria

**Malaria is a leading public health problem in Sierra Leone, responsible for 50 – 60% of under-fives admissions to health centres, and 15 – 20% of under-fives deaths. Malaria is a seriously debilitating disease characterised by high fever, pains and anaemia in both children and adults. If not properly treated, it can result in death with children being the most vulnerable. It is transmitted by malaria parasites through mosquito bites.**

Plan in Sierra Leone has responded to high infant death rate by working with the National Malaria Control Programme, community-based organisations and youth groups in building the capacity of local health services, raising people awareness on health issues and prevention through insecticide-treated nets and effective treatment.

In the Gbeworbu village in the Moyamba district, with a population of about 3,000 people, eight children died from a persistent fever between 2005 and 2007. In Sierra Leone, there are many myths and superstitions surrounding infant illness and deaths, and the villagers attributed the cause to witchcraft, even when appropriate diagnosis had confirmed the cause to be malaria. Over the last year, Plan's interventions contributed to change the situation with an increase in the attendance of mothers and children to the local health centre, increase in their knowledge and recognition of the initial symptoms of malaria, with no death due to malaria over the last 12 months.

Twenty-eight year old Fatmata and her family have benefited from the programme. Fatmata, a mother of 5, had seen 3 of her children dying within few months after birth.

"It all started with fever which was usually treated with traditional herbs," remarks Fatmata. "I was accused of witchcraft, faced exclusion from my husband's family over the death of the children. During my last pregnancy, my husband sent me away and threatened me with divorce. I delivered safely and after birth, community elders agreed to my return to my husband's house. But I was still very worried. I knew I was not a witch but I had previously lost three children in rapid succession. What could I do to keep my new-born child alive? I shared my fears with a friend who took me to the nearby clinic with her baby. There I met the community health workers and they told me about child diseases, particularly malaria. I was very interested in finding out the causes of infant death and how they can be prevented. During the follow-up visits to the health centre, I became aware of the dangers of malaria, the need for early diagnosis by mothers and care-givers, how to recognise the signs like vomiting, convulsion, and lethargy, and the importance of insecticide-treated bed nets for prevention and early treatment.

"I was desperate to keep my last child alive so I began to put into practice all I learnt at the health centre. I made my children sleep under the bed nets given to me at the clinic; I took them to the clinic regularly and fed them the right food.

"My children were growing and were healthy – I was over the moon as I came to realise that I will not lose my last child and now more than ever I am determined to break the myth and ignorance surrounding infant mortality in my community. I began to talk to other mothers and women and told them how the health centre has saved my marriage and most importantly my children's lives".

Thanks to Fatmata's efforts, many women and their children have now joined the clinic and are now receiving free health advice and malaria treatment. The mother of 5 is now active in activities promoting a healthy environment and reducing the incidence of malaria, by encouraging pregnant women and children to use bed nets and urging mothers to seek early diagnosis and treatment. Fatmata is also participating in activities to remove possible breeding grounds for mosquitoes by clearing empty tins and drainage around the village. People in her village and surrounding communities are now aware that malaria is a leading cause of infant deaths and realised that protection from mosquito bites will prevent deaths in their families.

"My mother-in-law confessed that in the past, they accused me of witchcraft but have since realised that most infant deaths were caused by malaria, not witchcraft".

"Women should be encouraged to discuss issues that affect them and their children. If we are aware of the issues and have the proper knowledge to take action, it will help us prevent this dreadful disease," Fatmata appeals.



Mothers in Fatmata's village are encouraged to use bed nets and seek early diagnosis and treatment for the prevention of diseases, including malaria.

# Plan's Impact

## Fighting HIV in Malawi

**Malawi – with an estimated population of 12.5 million – is one of Sub-Saharan countries with the highest prevalence of HIV/Aids. About 14% of population aged 15-49 have been infected with HIV and estimates state that 46% of all new HIV infections occur among young people aged 15-24, with 60% of them being girls, with over two million children directly or indirectly affected by HIV/Aids. The children orphaned by the disease face problems, including psychosocial distress following the death of their parents; anxiety about safety; problems with meeting basic needs; inheritance issues; safety and child protection; education, stigma and discrimination.**

Plan is working to ensure orphaned and vulnerable children are protected, that people living with HIV/Aids receive quality care and support; that young people and adolescents take appropriate action to avoid contracting HIV and other sexually transmitted diseases (STDs). Plan is working to increase the number of communities taking a proactive approach to mitigate the impact of HIV/Aids, increasing people's awareness of STDs and contributing to reduce stigma; extending parent-child relationship by providing home-based care and support to children and families affected by AIDS in collaboration with local health centres; supporting families to prepare for the death of parents through legal education, planning for their deaths, creating memory book for their siblings and working with the village development committees and community organisations to identify children at risk and support their education.



Photo: Alf Berg

In collaboration with local health centres, Plan is providing support to children and their families affected by Aids in Malawi.

### Last year, Plan supported the work of:

- 370 community-based organisations in the Mzuzu and Kasungu districts for the provision of HIV/Aids prevention, care and support in their respective communities.
- 16 health facility-based and 5 mobile HIV counselling and testing clinics have been established in Mzuzu, Kasungu and Lilongwe in partnership with District Health Offices and local community-based organisations. The services helped 19,750 people test for HIV and the establishment of 15 PLWA groups – People Living with Aids – with membership of over 650 members.
- To ensure that adolescents have the appropriate knowledge and skills to protect themselves against contracting HIV, Plan in partnership with community-based organisations and district assemblies supported 59 youth clubs to conduct life skills training and over 12,500 young people have been equipped with negotiation and decision-making skills; resulting in their self-esteem and assertiveness hugely improved.
- 125 volunteers were trained to provide home-based care including treatment of infections, nutritional support, and emotional/spiritual support, reaching over 1,200 AIDS patients.
- 45 PLWA groups received fertilisers and seeds to grow maize, soya and other micronutrient foods.
- Food security has improved in 950 household members of PLWA groups as a direct result of the intervention and during group therapy members prepare nutritious meals.
- Over 160 PLWAs in Mzuzu, Kasungu and Lilongwe have been trained in succession planning. Topics included identification of a guardian, importance of parents disclosing their HIV-status to their children, wills and inheritance, memory book writing. The purpose is to prepare the child and families for life in the future, assuring access to needed health and educational resources.

# In The Americas

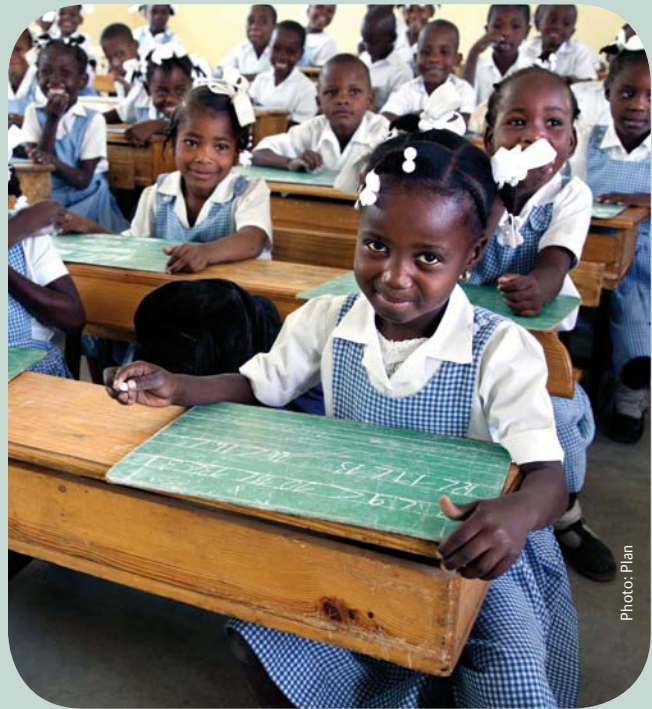


Photo: Plan

In Haiti Plan is working to provide quality education for boys and girls through the construction and rehabilitation of pre-school centres, the development of institutional support and the strengthening of the role of parents, students and community members in the effective running of schools.

## In the Americas, Plan works in Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Paraguay, and Peru.

### The situation

The Latin America and the Caribbean region has the highest income per capita and the highest life expectancy at birth among developing regions and is on track to meet a number of Millennium Development Goals; including primary education, and access to water<sup>8</sup>. The region has also demonstrated significant progress in halving child hunger, with underweight prevalence dropping by more than one third.

The region is however facing important challenges. It lags behind in achieving the poverty goal. Estimates from SEDLAC (Socio-Economic Database for Latin America and the Caribbean) indicate a slight increase in the poverty rate: extreme poverty – measured by the proportion of population living under \$1 a day – declined from 11.3 per cent in 1990 to 9.5 per cent in 2001, but this proportion is now estimated to be at 10.8 per cent.

Regional averages also mask wide disparities in social conditions across countries and by income, ethnicity, gender and geographic location within countries. In Brazil, for example, the racial differences accentuate the inequalities, where black children are ten times more vulnerable to poverty. Poor children have more than double the chance of dying in comparison with the less poor, and infant mortality rate among children of black parents is 40% greater than children of white parents, and among indigenous children and adolescents 63% under the age of 6 live in poverty.

Inequality remains high in the region where the poorest fifth of the people account for only about 3% of national income. One of the factors contributing to the overall level of inequality in the region is the situation of women. Women in the region are more likely than men to work in agriculture, as contributing but unpaid family workers, they continue to lack access to job security and social protection.

<sup>8</sup> According to the 2007 Millennium Development Goals Report.

The child mortality rate for children under 5 fell nearly 50% on average between 1990 and 2006 across the region. However, some states show child mortality rates under-5 that are much higher than the regional average with some countries showing stark differences within their borders. In Brazil for example, the average national child mortality rate of under-5 is 29.9 per thousand live births. Yet across some of the states of the Northeast the child mortality rate under-5 is much higher. This is the situation in Alagoas (68.2), Maranhão (51.4), Pernambuco (50.1) and Paraíba (49.6). In the region hypertensive disorders during pregnancy and childbirth pose the greatest threat to the health of mothers and children. Furthermore, obstructed labour and abortion account for 13 and 12 per cent, respectively, of maternal mortality in the region.

Like much of the world, families struggled to make ends meet in the region during the past year. Rising oil prices and food shortages resulted in an increase in the cost of living. Hurricanes, cold spells and floods also contributed to hit the poorest in the region, not only by affecting their lives, but also their livelihood, with crops destroyed, and their ability to respond to economic shocks and future disasters.

### During the year, Plan:

- Reduced the widespread use of child labour – in Brazil, for example, estimates in 2006 put over 2.7 million the number of children aged 5-15 involved in working activities. Plan has been working with educators and families to provide vocational training and diversify family income – the project benefited over 14,000 children and adolescents between the ages of 7 and 14, as well as more than 500 educators;
- Continued to advocate for universal birth registration, successfully lobbying some local governments in making the registration process free for parents;

In the Americas last year Plan assisted the construction of 45 health centres where young mothers receive advice on healthy practices and learn how to spot the early signs of preventable diseases.



Photo: Leo Drummond

- Trained adolescents on reproductive and sexual health; children aged 6 to 12 years old received training on nutrition, personal hygiene, sexual and reproductive health and sanitation;
- Promoted early childhood care and development education projects to ensure young children are taught cognitive skills from a very young age;
- Strengthened the role of parents, students and community members in the effective running of schools;
- Assisted families with nutrition education through the management of family gardens and teaching them about hygiene and food handling habits;
- Provided humanitarian help to the victims of the hurricanes, floods and landslides which affected the region;
- Promoted, in collaboration with other organisations, child savings in schools, not only to nurture a saving culture amongst children and young people and prepare them for the future, but also to promote self-worth, children's rights and educate them to their future responsibilities;
- Worked with the state and civil society on themes linked to early child development, food security/nutrition and proper treatment of children through promotional activities, education, care and protection;
- Involved state and civil society in addressing the demands and aspirations of children, their families and communities in realising their potentials and competences and their full development. This included actions promoting, in a transparent and participatory manner, the access of children and adolescents to the world of learning, the development of skills to respond to problems and needs, and the ability to learn and practice socially acceptable values and to be able to master how to learn and to take on responsibilities as citizens with rights so as to contribute to their communities and the country;
- Promoted adequate and sustainable access of poor families to income and other resources to meet their basic necessities that include food, potable water, health services, education opportunities, housing, and participation in civil society. This is important given that the prosperity of the family and the development of children and adolescents are closely linked to the opportunities and conditions they live in as well as the capacities and abilities to manage their resources;
- Advocated the Rights of Children through the proactive participation of children, adolescents and their families, communities and local and regional authorities. This promoted mechanisms so that democratic systems can have good governance, social surveillance, citizen participation, accountability, transparency and political influence on the Rights of Children;
- Educated young mothers on healthy practices, the importance of early education, good nutrition for their children and their families. The conditions of poverty caused by the social and economic limitations of families impede their ability to meet the minimum requirements for the well-being of their children;
- Promoted respect for children's rights and improved child protection services with the participation of parents, families and local organisations. Brazil has the largest population of children under 6 years old in the Americas. Children in early childhood represent 11% of the total Brazilian population. Children are especially vulnerable to violations of their rights, to poverty and inequality in the country. In consultations with Plan, youth identified violence as coming from people they know and social violence as one of the most significant violations of their rights. The family, which should above all, protect the rights of their children, many times fails to do so. The lack of understanding by parents in respect to child rights, poverty and traditional prejudicial practices, contribute to these violations. Due to the sensitive nature of abuse, violence against children and domestic violence against women is generally hidden in a culture of silence;
- Facilitated the participation of children and young people in decision-making on policies affecting their lives.



The Plan supported 'Girls Soccer' project in Brazil aims to provide girls, between the ages of 10 and 18, with the motivation to participate in activities promoting their health, their social development and their rights.

Last year, Plan spent €77.6 million on child-centred community projects across the region.

**Below are some of the outputs in the region:**

- 3,164 professional health workers were trained, benefiting 3,792 communities;
- 12,394 community health workers and traditional birth attendants were trained in 3,932 communities;
- 45 health centres were constructed and/or renovated, benefiting 188 communities;
- 12,388 teachers and 7,182 teaching volunteers received professional training;
- 3,267 water systems and 6,250 latrines were constructed and/or upgraded reaching 306 communities;
- 8,468 farmers took part in agricultural training;
- 12,497 community members enjoyed vocational and business training, benefiting 704 communities.

Plan worked with 6,119 communities across Latin America and the Caribbean last year.

**In the future Plan will:**

- Promote integral child and adolescent development with a rights-based approach;
- Ensure that organisations identify children and adolescents' problems and encourage the claim of their rights through participation;
- Improve food and economic conditions for rural households, by increasing income-generating opportunities with criteria for sustainable production;
- Work to increase the living conditions of children and their families, by promoting healthy environments that will provide a decent and appropriate environment for their development;
- Consolidate the community social network so as to sustain the work of the families in community programmes;
- Create the conditions so that boys, girls and adolescents are organised and formulate their initiatives so that their rights are promoted and exerted in the various public spaces such as: participative budgets, national and international forums, projects of communication to promote rights (youth journalism), develop their competences in projects to articulate the international, national and regional campaigns for the promotion of their rights;
- Strengthen training programmes for staff, institutional and community partners for the management of risk and the response to disasters, thus diminishing the grade of vulnerability to which children and their families are exposed;
- Continue to address violence against children and women;
- Raise awareness and prevention of HIV/Aids, especially targeting young people, making them aware of the issue and their sexual and reproductive health rights, using schools, media and other venue to reach young people in an effective way;
- Continue to work to reduce mortality rates among the under-fives across the region.

# Plan's Impact

## Farming schools for rural communities in Peru

"We feel that we are progressing. We have new knowledge on how to plant and take care of our crops. This will be very useful to improve the income of our families," said Rosaura, president of the Committee of Women of Loma Negra, when asked about Plan's project aimed at improving food security and nutrition.

Plan has been working with rural communities and families in Piura and Cusco in Peru to contribute to the development of children and adolescents, by ensuring children and their families improve their food security with a broader availability, access and use of quality food, and the families increase the opportunities of generating income.

The project aimed to increase food security for the families; promote initiatives to improve employment in the area; and encourage microfinance activities. Through the project families increased their knowledge of nutritious food; and boys, girls and pregnant women and their husbands were taught about good health and sanitation practices regarding hygiene and nutrition.

"Now we know about nutrition. Before, we used to buy canned milk; now, using sweet potatoes, maternal milk and beans our children grow up healthier. My son, Willy, is eight months old but he looks like 12 months old". That's the way the proud father, Wilfredo, Rosaura's husband, expressed his feeling about the training offered by the nutritionist and the health promoter as part of the project.

Fathers and mothers gained invaluable knowledge in areas of health, nutrition, hygiene, early stimulation, care and attention of pregnant women, as well as fostered awareness of these issues across communities.

Women and young people received training to increase their farming and business skills so that any improvement in family income will enable mothers to carry out greater investments in education, health and habitat for their sons and daughters, as well as for the other members of their families.

"The training we received in the field is very important. We are learning a lot of things, such as how to change our crops of cotton and rice for beans, soya, sweet potatoes, as well as how to deal with new plagues and use organic fertilisers", said Isidro, a participant of the project in the community of Miguel Checa, Sullana-Piura.

"We thank all the people that has made possible that we receive this teaching. We are farmers but did not know many things about the care of our crops. From now on, it is important to create a fund so that the project continues when Plan is not here anymore," said Roberto, a local farmer from the district of Cura Mori-Piura.

Local families also receive training and technical assistance in the management and diversification of crops, in the keeping of animals and the adoption of good environmental practices.

Communities, children and young people participate fully in the project, especially in the monitoring and evaluation of the impact and benefits.

"The important thing about this project is that it gives priority to children as one of the main protagonists of our Plan of Municipal Development," said Dr. Vences, district mayor of Las Lomas-Piura.

Access to sustainable financial services, mainly to women living in extreme poverty (on less than \$1 a day) generally excluded from credit and savings facility by the traditional banking system, is provided with the partnership of local organisations.

In Piura alone, where around 800 people have been direct beneficiaries of this project, over the last year the project brought the following benefits:

1. The percentage of families with more availability of food increased as a result of sustainable improvement in the productivity of the farming activities;
2. There was an increase in the percentage of families who have improved their practices in the use and consumption of food;
3. There was an increase in the percentage of families with access to various sustainable financial services in the communities;
4. There was an increase in the percentage of families with at least one member having obtained employment in the last 12 months.

The microfinance element of the project has enabled the participants to improve the quality of their life and to generate savings. This has had a positive influence in the improvement of children's education, in housing and the flourishing of businesses. Beneficiaries of the project pointed to better family relations and increased empowerment as benefits.



Wilfredo Moran Nole, vice-president of the Committee of Community Development of Loma tending to his plot. Many families like Wilfredo's participated in activities on cultivation and the management of family gardens using perma-culture methodology to increase their food security.

# Plan UK's activities

Plan sponsor and actor Kevin Whately during his visit to the child he sponsors in Mali.



Plan UK's main activities are centred around: raising funds in the UK to support Plan's development work in poor countries round the world; carrying out development education work with young people, supporters and schools in and outside the UK; advocating for policy change to improve the lives of children worldwide and promote children's rights; managing some international programme activities, including our projects to improve governance, and more specifically the participation of young people in local governance; managing disasters, and preparing young people and their communities for future disasters by reducing their vulnerability to, and increasing their awareness of, risks.



Sandra Somers, a Plan sponsor, visiting the girl she sponsors in Vietnam.

**In 2007/08, Plan UK raised in excess of £40million for the first time in its history, a significant milestone made possible by the generosity and long-term support of donors matched by the efforts of our fundraising, marketing and finance teams in diversifying income, reducing costs and improving effectiveness.**

Plan UK last year received an increased percentage of money brought in from grants, charitable trusts and companies, yet individual givers continued to provide the greatest source of income, principally through the child sponsorship programme. The latter brings supporters in the UK closer to the work they are supporting so they can get a real picture of the difference their money is making.



# Plan UK's activities

## Fundraising

Grace Harmann, Child Rights Advisor from Plan Sierra Leone, speaking at the launch of Plan's 'Because I am a Girl' report in London.



### Our fundraising is accountable and transparent

For each of the past 5 years, of every £1 generated by Plan UK, at least 80p has been spent supporting our development work and a maximum of 20p has been spent on Plan UK's fundraising activities to attract supporters in the UK and develop existing relationships and operating costs.

Plan UK is member of the Fundraising Standards Board (FRSB) and our fundraising activities strictly adhere to their guidelines. Through our voluntary membership to the FRSB, Plan UK is committed to treating the public with respect, fairness, honesty and clarity in all money raising activities and have signed up to an independent, robust and transparent complaints process.



### In 2006/07 Plan UK said it would:

- Raise more income from a greater diversity of sources;
- Build supporters' knowledge of and involvement in development issues;
- Continue to integrate global IT systems to engage cost-effectively more supporters in the UK;
- Strengthen the relationships and partnerships with institutional bodies to benefit more children and their families.

### In 2007/08 Plan UK raised funds through:

#### Child sponsorship

Core to Plan UK's stable funding base is loyalty and generosity of individuals and families who sponsor a child.

Plan's version of child sponsorship is a unique way for people in the UK to get involved in development issues. Sponsors, through detailed reports and updates, see clear examples of how their support helps make a lasting difference to the lives of poor children and their families across the world. The contributions that sponsors give help fund long-term child-centred community development projects. As well as giving tangible feedback to supporters, the collection of data and sponsorship processes and materials increasingly encourage the participation of children in their community's

development plans. This active involvement of children and sponsors generates greater awareness and understanding of development issues and builds support for development.

**Objectives: to practise a child-centred approach to community development; to make long-term commitments to children living in poverty, to mobilise resources to assist as many children as possible, and to build relationships.**

#### During the year:

- 64% per cent of Plan UK's income came from sponsors' regular contributions (including Gift Aid on donations), enabling Plan to make long-term commitments to the communities it works with;
- Over 80 per cent of UK sponsors gave tax efficiently via 'Gift Aid', allowing Plan UK to claim over £5.2m from the Inland Revenue;
- Plan UK consolidated the introduction of new communication materials for supporters further engaging them in development education and issues faced by poor families in developing countries;
- Plan UK completed the upgrade of Plan UK's donor relationship database, enabling it to provide accurately and cost-effectively communication with its stakeholders.

# Plan UK's activities

## Fundraising

Plan sponsor and GMTV presenter Fiona Phillips meeting the child she has been sponsoring through Plan in Tanzania.



Photo: Plan

### Grants from official bodies<sup>9</sup>

Collaborations with institutional bodies in the UK through grants, contributions and partnerships enable Plan UK to allocate funds to address issues such as malaria in Africa, domestic violence in the Americas, promoting universal birth registration in Asia, preventing HIV/Aids, fostering children's participation in shaping policies affecting their lives and Plan's child-centred community development programmes.

**Objectives: to work in partnerships and alliances, to mobilise resources to assist as many children as possible, and to make long-term commitments to children living in poverty.**

### During the year, Plan UK:

- Was successful in securing funds from ECHO (European Commission Humanitarian Office), Department for International Development (DfID), the Isle of Man, Guernsey, Jersey, the Big Lottery Fund and Comic Relief;
- Expanded Plan's Partnership Programme Agreement with DfID to the Latin America region, raising £1.4m in addition to the £5.7m committed to the PPA for the years 2008 to 2011, and strengthened the existing partnership to promote young people's governance in their countries.

<sup>9</sup> Plan UK classifies Official Bodies as government departments, international governmental organisations (such as the European Commission) and grant givers who work within a broad ranging institutional framework (such as the Big Lottery Fund). Donations in-kind are classified within both Official Bodies and Other Donations, depending on the donor. For further information on these classifications, see the paragraph at the top of page 52.

### Other donations and appeals

Plan UK also receives funds and support for particular projects and initiatives from trusts and foundations, companies, individuals and community groups.

**Objectives: to mobilise resources to assist as many children as possible, to make long-term commitments to children living in poverty, and to build relationships.**

### During the year:

- Plan sponsors and supporters generously donated to Plan's emergency work in response to freezing temperatures in the Peruvian highlands, floods in Asia and Africa, the unrest in Kenya, the earthquake in China and typhoons in the Philippines;
- Over £250,000 was received via legacy bequests;
- A new social enterprise was started, a self-funding school linking facility enabling students in the UK to link with their peers in African countries;
- Plan UK continued to receive funds for project work from trusts and foundations, companies and generous individuals;
- A growing number of companies supported our work. For a full list of our corporate supporters, see page 59;
- Plan UK received over £730,000 from charitable trusts and foundations.

### In the future, Plan UK's fundraising activities will:

- Continue to evolve and promote its child-centred version of child sponsorship;
- Further promote and build on ways supporters can engage with Plan UK – promoting development education of supporters and schools;
- Continue its successful partnerships with institutional bodies, including DfID and foster relations between Plan offices and the local DfID offices.

Child participation event in Cambodia.



Photo: All Berg

# Plan UK's activities

## Development Education

Plan UK's School Linking Programme offers students and teachers the opportunity to communicate and build relationships across the world.



Photo: Leo Drummond

**Plan UK believes education has a key role to play in the UK and developing countries to help people understand the world around them and to enable them to improve it in the face of global poverty, climate change, racial and religious tensions, a lack of democracy and children's participation.**

The development education unit at Plan UK uses a number of tools to increase support for development education, cooperation and child rights in the UK by promoting the sharing of lives and problems of young people across the world and helping them to become world citizens.

### In 2006/07 Plan UK said it would:

- Ensure that development education materials are certified for e-learning credits – an essential requirement for online teachers' resource centres – by the relevant curriculum authorities in the UK;
- Ensure that Plan UK's development education message reaches at least 3,000 schools in the UK;
- Deliver a development education and youth engagement project around the theme of governance and young people;
- Organise a focus group composed of teachers to facilitate the dissemination of development education messages and increase traffic to Plan UK's development education website;
- Draw learning from Plan's Children's Advisory Panels worldwide.

**Objectives: to build relationships, to practise a child-centred approach to community development, and to ensure the voices of children are heard.**

### During the year Plan UK:

- Launched a new social enterprise. Schools in the UK and overseas work on the global dimension in education, issuing lesson plans developed by local teachers based on international curricula in the UK, Sierra Leone, Kenya and Malawi;
- Completed the first year of our school linking programme with 130 schools; distributed schools' resource packs to participating schools globally; trained teachers on the programme; set up internet centres in Kenya and Sierra Leone to encourage online communication among pupils; and facilitated the establishment of steering committees of children responsible for deciding how the programme will run in their schools;
- Successfully managed to have our online education materials certified for e-learning credits;
- Ensured Plan UK's development education message reach over 3,000 schools in the UK;
- Delivered development education project on governance, reaching over 1,000 young people with photographs and workshops presented at the UN International Youth Day, in India, Germany and Burkina Faso;
- Developed and promoted an anti-slavery project, reaching over 2,000 young people in 5 countries worldwide and produced learning resources to be used in schools on slavery. Plan UK and National Museums Liverpool received the 'Museum and Heritage award for excellence' 2008 for this development education project.

### In the future Plan UK will:

- Deliver a project on climate change to 100 schools from the UK and 11 countries in the South;
- Increase web visits to our online resource centre and the number of resources used by teachers;
- Hold a seminar with the Institute of Education attended by the Department for Children, Schools and Families (DCFS), the Department for International Development (DfID), and development education experts on how young people move from awareness to action;
- Develop closer partnership with at least two other organisations in the UK working on development education;
- Increase the number of global schools taking part in our School Linking Programme to 400;
- Foster the sharing of learning and exchange between the schools already involved in the School Linking Programme;
- Channel the children's learning through the School Linking Programme into participation for children's rights initiatives and campaigns at local and international level;
- Increase the number of internet centres in Malawi, Kenya and Sierra Leone, so more children can communicate with their peers online;
- Launch the School Linking Programme with schools in China.

# Plan UK's activities

## Advocacy and Communication

Plan works to ensure the voices of children from developing countries and the UK are heard on issues affecting their lives.



**Plan UK brings together policy experts, children and young people from developing countries into dialogue with representatives of the UK Government, international organisations and ministers in order to influence the shaping of policies affecting the lives of those Plan works to benefit: disadvantaged children and their families.**

Plan UK keeps politicians, ministers and policy-makers up-to-date with important information, lessons learned, and proposes its recommendations via expert meetings, reliable reports, and direct contacts.

Plan UK also cooperates with other Plan offices in Europe with the aim to become a recognised voice, influencing EU policy in Plan's area of work and carrying out Plan's advocacy actions aimed at EU institutions.

### In 2006/07, Plan UK said it would:

- Continue to influence policy development in the area of girls' rights, children's access to education, promote children's participation in Disaster Risk Reduction, climate change initiatives and governance initiatives, advocate for social protection instruments as a means of addressing child poverty, and lobby DfID to increase its capacity and commitment to child rights based approaches to its development work.
- Document and reflect on Plan's experience in promoting 'girls' rights', developing governance and social protection in Plan programmes in poor countries;
- Promote the involvement of children and young people in governance initiatives in developing countries;

- Contribute evidence to various hearings by the UK Parliament's International Development Select Committee and advocate for children to participate in these hearings.
- Work with NGO coalitions on issues relating to education, HIV and Aids and Social Protection.

**Objective: to ensure that Plan UK is known as a leading advocacy voice on issues relating to child rights and child poverty.**

### During the year, Plan UK:

- Researched and launched the 'Because I am a Girl – In the Shadow of War' 2008 report and highlighted the key policy demands of the 'Because I am a Girl' campaign in the Houses of Parliament in the UK and to policy makers, UN agencies and civil society in Brussels;
- Worked with Plan UK's Children's Advisory Panel (CAP) to launch the 'Because I am a Girl' Campaign and lobby various policy-makers on securing girls' rights in conflict-affected countries;
- Supported, through the Grow UP Free from Poverty coalition, the setting up of the Africa Civil Society Platform for Expanded Social Protection, a programme which aims to develop effective national social protection policies and programmes through the engagement of citizens and civil society in the design, delivery, monitoring and advocacy for social protection programmes;
- Chaired a conference on social protection in the UK, bringing together leading academics, and representatives from developing countries, including the Social Development Minister from Uganda, as well as members of UK civil society and UK parliamentarians;
- Presented written briefings for parliamentary debates on HIV/Aids and the International Women's day debate; and provided written input for the International Select Committee's enquiry into maternal health;
- Continued to collaborate with other international NGOs on various coalitions in the UK, including the Grow up Free from Poverty coalition, Global Campaign for Education, Orphans and Vulnerable Children working group, and DfID/CSO Children and Youth Network, Development Policy and Lobbying Group;
- Commissioned, published and disseminated a report entitled 'Each and Every Child' discussing the challenges confronting Plan and other child-focused organisations in assisting those children whose rights are most violated and who live in some of the poorest and most difficult situations;
- Launched of Community-Led Total Sanitation (CLTS) handbook in collaboration with IDS and established the CLTS Action and Learning Group with WaterAid, IDS and World Vision;
- Launched the multi-agency global programme, Children in a Changing Climate, which is set to generate research, learning, action and policy change in support of children's wellbeing by work with children as protagonists with a voice needing to be heard.



Photo: Lorna Roach

### Villagers as advocates for better sanitation in Ethiopia

**“After the CLTS approach was introduced, each household in our village dug a latrine of its own. We constructed seven communal latrines along the main road to the market. Some time after we received the training and built the latrines, I found four men at different times defecating in open fields around our village. I ordered them to shovel their faeces with their hands and take it into the nearby toilet. As I caught them with their trousers down, they couldn’t refuse; they only begged to use leaves,”** said Wiezero, one of the community leaders from the Fura Kebele village in Ethiopia.

Wiezero and other villagers have become the guardians of sanitation and hygiene practice in their village and have called all community members to join them in banning open defecation.

Plan introduced Community-Led Total Sanitation in Ethiopia in 2007. Three months after the training 57 villages and 1,436 households had joined the programme and benefited from its approach. All households in Wiezero’s village now have latrines.

### From Sierra Leone to Westminster for girls’ rights

Former RUF girl soldier Hawa Dumbuya, 20, was just three-year-old when she was abducted by Sierra Leone’s RUF rebel army and 12 when given a machine gun and forced to fight. She was later taken as the rebel leaders “wife”, and raped and told she would be shot if she didn’t consent. When the war ended Hawa was set free but she was left alone to live on the streets in Kailahun.

After the war, Plan started working in Kailahun with children like Hawa whose lives had been affected by Sierra Leone’s brutal civil war. Hawa was then able to go to junior school and eventually secondary school.

Hawa travelled to Westminster to launch Plan’s 2008 ‘State of the World’s Girls Report – In the Shadow of War’ and tell her story and advocate for the education of girls during and after conflicts.



Photo: Geoffrey Young

### In the future, Plan UK will:

- Continue to influence policy development in the area of girls’ rights, child participation, child rights, governance, accountability and social protection;
- Continue to put pressure on the UK Government to ensure child rights and child poverty remain a key focus of their international development work;
- Commission, publish and disseminate briefing papers to further compile evidence on child participation and child-centred community development approach;
- Provide advocacy and policy input to the 2009 State of the World’s Girls report.

Hawa talking about her experience as ex-child soldier in Sierra Leone at the parliamentary launch of Plan UK’s ‘Because I am a Girl’ report.

# Plan UK's activities

## Managing disasters

Children regaining some normalcy in their life in an IDP camp in Dili, Timor-Leste.



### Protecting children and strengthening community's resilience to disasters

Plan works in 49 of the world's poorest countries, many of which experience frequent and seasonal disasters. Many emergencies are the result of natural hazards such as hurricane, floods, landslides, or earthquakes. Some occur because of complex combinations of natural hazards like floods, drought, and are further aggravated by poor governance, conflict, poverty and limited access to resources.

Plan UK's approach to disasters aims not only to respond to crises as these arise, but it also aims to assist children, communities and governments to better understand the risks they face, and take action to prevent these risks from becoming disasters. Our disaster management effort, informed by the needs of vulnerable children and their families is linked with longer term work, building community resilience and reducing where possible the impact of future disasters. The effectiveness of our work is further enhanced by the collaboration with local communities, other humanitarian agencies and government bodies.

### Responding to disasters

Plan's long term presence among local communities in some of the poorest countries in the world provides an enabling environment to help them better respond to emergencies. Last year, Plan UK supported responses to rapid onset emergencies in Bolivia, Ecuador, Kenya, Zimbabwe, and the Philippines. Plan UK also continued essential work among conflict-affected communities in Dilli, East Timor.



Many of the countries were Plan works, experience frequent and seasonal disasters, including the flooding in Bangladesh last year.

Photo: Plan

## Last year Plan UK responded to emergencies in:

### Latin America

**Ecuador** – In February 2008 unprecedented rainfall caused extensive flooding in the coastal regions and landslides in the highlands of Ecuador. Seven of the 11 provinces where Plan works were affected. Plan responded by providing access to safe drinking water and helping reduce the incidence of water-borne diseases by treating contaminated water sources, and delivering bottled water and personal hygiene kits to affected families. In collaboration with the local health authorities Plan assisted with the diagnosis, treatment and control of malaria, dengue, acute respiratory, diarrhoeic and skin diseases. Also access to affected communities was improved in highland areas by clearing, repair and rehabilitation of roads carried out in collaboration with the communities.



**Peru** – In July 2007 the Government of Peru declared a National Emergency in 14 provinces in the high Andes where unusually low temperatures (below – 20 C) caused the deaths of under-5 children and elderly people. The crisis affected over 200,000 people. Essential items such as blankets, sweaters, and socks were distributed to the most vulnerable. Health services were strengthened to address increased incidence of infectious respiratory diseases in children and pregnant women.

#### PLAN CONTINUED WORKING IN:

**Dominican Republic** – The Dominican Republic lies in a hurricane corridor in the Caribbean vulnerable to annual emergencies that are increasing in frequency and intensity. Vulnerable communities where Plan works benefited from a disaster preparedness programme funded by ECHO. The programme aims to increase the awareness of children, adults, school teachers, staff of institutions, and local journalists on the risks and vulnerabilities they face particularly floods and hurricanes. Practical preparedness steps were taken by setting up trained and equipped community emergency-response teams. Community safety was strengthened through the establishment of temporary shelters equipped to sustain families during a crisis. The preparedness project enables communities to identify the types of disasters they are most vulnerable to and work together to formulate plans on how to address these.



**Bolivia** – In March 2008 flash floods affected a number of areas where Plan works in Bolivia. Plan responded in two districts providing families with essential household items such as cooking pots, water containers, replacement bedding and short term food supplies. Health and hygiene were protected and improved by water and sanitation works and the provision of mosquito nets.

# Plan UK's activities

## Managing disasters

Children planting mangrove seedlings to offset their harvesting for charcoal in the Philippines.



### Last year Plan UK responded to emergencies in:

#### Asia

**China** – In May 2008 a 7.8-magnitude earthquake in China's South-western Sichuan province killed more than 10,000 people. Plan worked with local government agencies and contributed immediate relief items for families made homeless, and assisted in schools reconstruction.

**Asia** – In July / August 2007 monsoon downpours led to flooding in Bangladesh, India, Nepal, and Pakistan. Millions were affected. Plan UK assisted in Bangladesh and India with funding for basic household items, food, water and health items.

**Myanmar** – Myanmar is not a country that Plan had an operational presence but the scale of the hurricane and subsequent floods in May 2008 urged the creation of a special programme set up to assist those affected. In partnership with local organisations Plan helped by providing immediate relief items, by rebuilding and repairing schools, including restoring sanitation facilities and water supplies



**Philippines** – In June 2008 Typhoon Fengshen hit the Philippines and caused floods and landslides. Approximately four million people were affected. Plan, in collaboration with the Philippines Government, provided immediate relief items such as food, blankets, and soap to affected families in the Aklan province.

#### PLAN CONTINUED WORKING IN:

**East Timor** – The legacy of civil war in East Timor has resulted in displaced persons living in and around camps in the capital Dili. In 2008 a new ECHO project enabled 18,000 displaced beneficiaries to gain access to safe water and improved sanitation. Child safety for 6,000 children and teenagers was improved by strengthening the child protection system at community level. These include the provision of psychosocial care and safe spaces for children to play and learn. Support for their education was given through the establishment of homework clubs and informal pre-school activities designed to encourage school attendance. By supporting local partner organisations Plan was also able to provide preventative health messages to the camp residents.







Photo: Plan

Plan is assisting vulnerable communities in countries prone to droughts, floods and cyclones to build their capacity to address the impacts of climate change and food security.

## Last year Plan UK responded to emergencies in:

### Africa

**West Africa** – In the autumn of 2007, extensive flooding in West Africa affected Burkina Faso, Ghana, Mali, and Togo. Plan UK supported the provision of relief items in Burkina Faso.



**Zimbabwe** – The parliamentary and presidential elections in 2008 made addressing the chronic poverty in Zimbabwe more complex. The Chipinge area, in the South East of the country, registered one of the worst malnutrition rates in the country. An ECHO-funded programme was started to alleviate malnutrition in young children. The area was also affected by the flooding of the Tsavo river in early 2008 and Plan

EUROPEAN COMMISSION



Humanitarian Aid

collaborated with other organisations to provide immediate relief items for flood victims.

**Kenya** – The disputed election in January 2008 caused an explosion of politically motivated violence, which resulted in hundreds of deaths and the displacement of tens of thousands of people. Plan mobilised support to displaced families through funding from the European Community Humanitarian Office (ECHO). The project aimed to raise awareness of the vulnerability and safety of children through psychosocial education for adults, and play therapy for children. In camps for displaced persons child-friendly spaces were set up for children to ensure a safe environment. Water purification tablets were distributed

EUROPEAN COMMISSION



Humanitarian Aid

together with mother kits containing sweaters, underwear, nappies, soap, and school supplies.

# Plan UK's activities

## Managing disasters

Filipino school children doing a drill, testing their evacuation plan in case of disasters.



### Protecting children and strengthening community's resilience to disasters

The lives of an estimated 77 million children under-15 were severely disrupted by a disaster or armed conflict each year between 1991 and 2000. Many of those lucky enough to survive lost loved ones, witnessed or experienced violence, were injured, made homeless or suffered scarring psychological trauma.

Plan believes that fewer children would suffer from the impacts of disasters if provided with more information and skills about disaster risk reduction and preparedness. Our experience has taught us that involving children not only benefits them, but it also benefits their families and their communities.

With the growing number of weather-related disasters linked to climate shocks, Plan has been assisting vulnerable communities in countries prone to droughts, floods and cyclones to build their capacity to address the impacts of climate change. Through child-centred projects helping to adapt to climate change, local families are building their resilience and reducing the risk associated with weather-related disasters. Plan's disaster risk reduction programme also aims to foster and advocate for children's rights in disaster management work by collaborating with local and international organisations and with research institutes and UN bodies.

### In 2006/07, Plan UK said it would:

- Implement a global programme entitled 'Children in a Changing Climate', in partnership with Institute of Development Studies (IDS) Sussex University, the Centre for Disaster Preparedness and other partners, which will gather evidence for Plan's work on child-centred disaster risk reduction;
- Raise awareness of children's role in reducing their communities' vulnerability to disaster through a documentary programme broadcast on BBC World;
- Place children at the heart of policy debate on disaster management and climate change, supporting their participation at international events such as the UNFCCC's COP meetings;
- Engage with UK schools through our development education programme on the issue of climate change and its impact on future generations;
- Expand Plan's programme on disaster preparedness to more countries, including Indonesia, Niger, Bangladesh and the Dominican Republic;
- Expand training on Sphere standards to reach relevant Plan staff across regions;
- Work in collaboration with Plan country offices to better understand the impact of climate change on vulnerable communities and how best Plan can support climate adaptation and disaster mitigation through our work.

**Objectives: To make long-term commitment to children living in poverty, and to work in partnerships and alliances. As part of Plan's long-term commitment to children living in poverty, we work to reduce the risks they face from disasters and to recover from them when they take place.**

### During the year, Plan UK:

- Continued the international DRR programme by launching new projects in four additional countries: Indonesia, Cambodia, Bangladesh and Dominican Republic aiming to: 1) increase the capacity of Plan communities and partners to manage child-centred processes to reduce disaster risks, integrating children and young people's participation into the planning, implementation and evaluation process of these projects; 2) increase recognition among international and national policy-makers, international organisations, academia and the media of the importance of children and young people's participation in risk reduction and the management of disasters;
- Further developed our capacity to undertake disasters work by securing funding from institutional donors including DFID, ECHO and a number of other supporters;

Games and plays are essential for children affected by disasters.



- Contributed to strengthening Plan's disaster management capacity: supporting training for Plan staff in Asia and Latin America on DRR and Climate Change Adaptation and assisting the development of action plans incorporating disaster risk reduction in the work of 24 programme countries;
- Continued to support the work of Regional Humanitarian Coordinators in Plan's four regional offices who are responsible for guiding the mainstreaming of disaster risk reduction throughout each region into the on-going development work;
- Launched 'Children in a Changing Climate' (CCC) a multi-agency global programme set to generate research, learning, action and policy change in support of children's wellbeing. The CCC programme last year worked to promote children's rights to protection and their participation in decision making, which affects their safety, at key international events including the UNFCCC's Bali COP (December 2007) and Bonn Meeting (June 2008);
- Produced a series of documentary films featuring children as protagonists in disaster risk reduction initiatives. The documentary was broadcast on BBC World Service TV reaching 300 million households across the globe. The series has since been translated into Spanish, Bangladeshi, Persian, French and Bahasa and been used for training and advocacy work;
- Worked through Inter-Agency networks in the UK (BOND – British Overseas NGOs for Development), EU (VOICE) and internationally (Interagency Network for Education in Emergencies – INEE, United Nations International Strategy for Disaster Reduction – UNISDR) to promote disaster risk reduction (DRR) and the value of child-centred approaches to disaster management;
- Joined a consortium of international organisations to strengthen Plan's effectiveness in adopting a conflict-sensitive approach. Development work often involves changing power dynamics through the provision of assistance combined with human and financial resources. This might change existing power relations and fuel or mitigate conflicts. This is important not only when working in conflict-affected contexts, but also in vulnerable and fragile situations, where much of Plan's work takes place. Adopting a conflict-sensitive approach involves scrutinising the potential impacts of Plan's work on the conflict contexts and vice-versa and applying the necessary tools and principles of conflict sensitivity to ensure any development and humanitarian work has a positive impact on the contexts in which they work. This new four-year, DFID-funded project will enable Plan, together with the participating organisations, to pool and share learning and new approaches to strengthen our programme effectiveness in addressing conflicts.

**"I have realised that the actions that are carried out from people in developed countries have a negative effect on the less developed countries and therefore it pushed me to call for young people to influence the decision makers."** Thomas, 15, UK.

**'Decisions being taken today will affect me more than those taking the decisions.'** Hanna, 15, Sweden.

Thomas and Hanna were members of the team of four young Plan delegates who attended the UN climate change conference held in December 2007 in Bali, Indonesia

# Plan UK's activities

## Managing disasters

10,000 Indonesian children in over 49 schools received first aid training.



### Disaster Risk Reduction work begins at school in Indonesia

In February 2007 the city of Jakarta in Indonesia was flooded. Plan together with local partners conducted relief efforts as part of the disaster response programme and provided assistance for the communities in central, southern, and northern Jakarta, distributing hygiene kits, drinking water, school and household kits to more than 5,000 people.

To increase the community's resilience to disasters, Plan also trained schools and local people in disaster risk reduction to increase communities' knowledge about risks and reduce vulnerability, particularly of children.

As part of the programme, Plan, in collaboration with local organisations, encouraged and facilitated more than 10,000 children in over 49 schools to identify disaster risks in their communities, conducting exploratory walks, creating risk maps, and providing first aid training.

Students in the schools in the northern part of Jakarta identified the risk of floods due to the rising tides from the sea, while schools located in the centre and southern parts of Jakarta identified floods originating from the river. All schools in the programme identified two further common risks: schools are all located in high density population areas and are prone to fire hazards. The Jakarta Province Fire Department confirmed the students' finding with an average of 800 fires recorded a year in the area.

In the schools involved in the programme, students formed a school preparedness team; created action plans, evacuation maps, designating specific tasks to teams of students in the event of future disasters. All students also received a guide on what to do and what not to do in case of emergency and each school has now its own team and emergency procedure with their own recommendation on how to move their preparedness strategy forward based on the school's needs, the identified risks, local resources and their capacities.

The training was very inspiring for the children. **"I can help my friends with the skill and knowledge I have,"** said Suheru, 11, a member of his school's preparedness team.

**"There is no gutter."** That is what Nadia said to her mother after the training. **"We are building our new house and I saw that there was no gutter. If there is no gutter, then it will be flooded."**

**"Many of Nadia's friends are happy to join the training because of the mix of theory and a learning technique with singing and playing. This training is very useful – it increases children's knowledge and skills about things that they do not learn at school,"** said Nadia's mother who lives in north Jakarta.

**"This activity is very positive because it encourages children to reduce the risks of disasters starting from when they are young,"** said Riah Ginting, principle at a primary school in north Jakarta.

### In the future Plan UK will:

- Continue disaster risk reduction and disaster management work. Plan will be constantly developing its understanding and effectiveness in dealing with factors that effect children in emergencies. A key priority is to continue on-going disaster risk reduction work by exploring and promoting ways to ensure that children are active participants in risk reduction and preparedness, both to improve Plan's own programmes and influence local and global policy;
- Provide support to Plan country programmes to address the causes and consequences of disasters and climate change, including food insecurity, water scarcity, conflict, migration and vulnerable livelihoods. Since better disaster management is always a collaborative effort we will continue to promote greater engagement and collaboration among like-minded agencies to support child rights in the context of disasters and particularly in relation to the increase in climate related disasters;
- Engage Plan's supporters in building support for effective development and taking action to help reduce the impact of disasters and climate change on vulnerable communities;
- Continue to develop capacity to respond to sudden onset emergencies, expand our capacity to assist countries affected by long-term chronic emergencies, contribute to international learning on key issues in disasters such as child protection and education in emergencies.



Photo: Plan

### Support continues for displaced Kenyans

Nancy Guayanay, Plan Kenya's Sponsorship and Grants Support Manager, reports from Kenya on those forced by post-election violence to flee in January 2008 who have been assisted by Plan through the European Commission's Humanitarian Aid Office (ECHO).

**“The 25km uphill journey to Stend is a five-hour drive over poor roads and Plan frontline staff only reach it after having to push the truck several times. No houses or people can be seen along the road but suddenly a group of children start following the truck and a crowd of women and men emerge from nowhere.**

**“These people have walked for hours to get here having heard that Plan, with support from ECHO, will distribute relief items today. The people gather closely together and everybody wants to be the first in the queue. They are here because they were displaced by the violence resulting from the disputed elections in January 2008.**

**“Finally the crowd is controlled and the items are distributed in an organised way. Women and girls sing songs to express their gratitude for the support given to them. After distribution, families gather to open the packages, trying on their new sweaters and swapping between them to get the right size.**

**“Nancy, 25, and her daughter Vivian, from Minyngua village, are staying in a tent in Kachibora camp as they have nowhere to go after their house was burned down. Her family are farmers but they could not plant anything this year. They don't have seeds and she doesn't know when she will be able to go back as she is afraid for her family's life. Nancy is very happy with the support she has received from Plan. “The sweater is the best”, she says, “as it is cold here and it means the children can go to school.”**

**“Linnet Cheutay tells a remarkable story of resilience. She is 22 years old and already a mother of three. She was heavily pregnant but still decided to walk for more than an hour from her village, Kawoi, to Stend for the distribution of blankets. She says that soon after she left home she started feeling labour pains but, instead of returning home, she decided to continue her journey in order to collect the blankets. Finally she was no longer able to keep walking and stopped at a house to deliver her fourth child. She rested for a few hours and still made the rest of the walk uphill to the distribution point with her new baby.**

**“While driving along Kiminini road, where some of the camps are located, we see streams of children going to school carrying the bags distributed by Plan. The headmaster of Sikendu School expresses his surprise and pleasure to find all the children wearing new sweaters and carrying a school bag. “They look so smart and they will perform better at school as this has inspired them greatly”, he says.**

Following the election violence in Kenya in January thousands of people had to flee their homes. People sought refuge in temporary camps where they became dependent on international aid agencies to support them. Plan worked with financial support from the European Commission's Humanitarian Aid Office (ECHO) to help the most vulnerable groups.

In the temporary camps there was an increased risk of child rights violations and mistreatment of children as people were crammed together in bad living conditions. In partnership with ChildLine Kenya Plan undertook a successful intervention to enhance child protection in the difficult circumstances. In the camps parents and children were trained in child rights. Radio messages helped children become familiar with the helpline that could be called in any case of child abuse. In addition, art and play therapy and counselling sessions were used to enable children living in the camps to express their feelings about the traumatic experiences they had been through.

Plan has helped children and their mothers through the provision of school items, sweaters, nappies and sanitary materials, as well as setting up a child protection programme to prevent child rights violations in the camps.

# Plan UK's activities

## Mobilising young citizens for better governance

Young citizens taking part in local governance activities.



Photo: Alf Berg

**Plan UK's Governance Programme supports initiatives in Africa, Asia and Latin America that support young citizens to demand greater accountability from their governments and those who have the duty to promote, uphold and protect their rights. The programme aims to demonstrate that the participation of young citizens in local governance processes leads to better development and democratic outcomes, and supports the realisation of the Millennium Development Goals.**

The Governance Programme is funded by a Programme Partnership Agreement (PPA) with the Department for International Development (DfID) and has three objectives:

- Ensure the most vulnerable young citizens are reached by, engaged in and benefit from local services;
- Influence national and international decision-makers to take action to include and protect young citizens;
- Increase public awareness and action among young citizens in the UK, their families and communities in support of child-centred development.

### In 2006/07, Plan UK said it would:

- Grow the programme by increasing support to initiatives that enable young citizens to engage in decision-making processes that lead to improved services and build democratic practice, especially in Africa;
- Support policy research and advocacy initiatives at the local, national and international levels on themes relating to social protection, girls' rights, HIV and AIDS, climate change, and youth and governance;
- Increase awareness and understanding of global issues in the UK and overseas through development education and school linking initiatives;
- Work with other Plan offices to support global youth engagement initiatives;
- Strengthen capacity for governance programming within Plan, its partners and other stakeholders.

**Objectives: to practise a child-centred approach to community development, to work in partnerships and alliances, and to make long-term commitments to children living in poverty.**

### During the year, Plan UK:

- Expanded its work supporting young citizens to engage in governance processes. Support to Plan offices in Africa has grown and includes initiatives engaging young citizens in the following areas: education, health, HIV and AIDS, birth registration, and water and sanitation;
- Supported governance initiatives in Indonesia and Cambodia in Asia; Senegal and Sierra Leone in West Africa; and Kenya and Malawi in East and Southern Africa;
- Focused on the themes of youth and governance, social inclusion, climate change, HIV and AIDS, household economic security and gender equality in Latin America;
- Continued to support the documentation of good practice, including the generation of field-based knowledge relating to the participation of young citizens in governance processes;
- Supported research on the themes of youth migration, girls' rights, and climate change;
- Promoted civil society platforms in the formulation of responsive social protection policies in Malawi and Rwanda, and elsewhere through the Grow Up Free From Poverty coalition;
- Worked with other Plan offices to encourage shared learning and new initiatives relating to youth engagement, including the development of Plan International's Global Youth Engagement framework.

Young teaching volunteer providing primary school assistance in developing new teaching methodologies.



Photo: Alf Berg

## In the future, Plan UK will:

- Continue to support and strengthen the implementation of governance initiatives in Plan offices overseas and in the UK;
- Strengthen and develop the Governance Programme in Latin America;
- Increase the documentation of good practice and generation of field-based knowledge relating to the participation of young citizens in governance processes as a way of promoting shared learning not only within different country offices but also more widely between Plan offices, partners and other stakeholders;
- Continue to support global youth engagement initiatives, including increased support to Plan UK's Children's Advisory Board and their engagement with other youth, their communities, governments and Plan.

## Impact

### Children helping local government in Guatemala

In Guatemala Plan is helping to establish and train a Committee for Public Policy for Children in each municipality. Committee members are drawn from community groups, youth groups, central government ministries and the municipal planning office.

The committees receive training on legal issues, data collection and how to formulate policy. Using these tools the committees develop

municipality policy and present it to different stakeholders for discussion and approval. The policy provides a prioritised 'pipeline' of initiatives for children over a three to five year period.

This process contributed to the adoption of public policies for children by 28 out of 80 municipalities, the equivalent of an additional US\$10 million being allocated from local government budgets for children's services since 2003. Municipalities with active public policies for children are designated 'child friendly' and linked to similar municipalities across Central America to share in the learning and improve their approach.



Photo: Alf Berg



Photo: Alf Berg

Above left: Games, singing and dancing are important ingredients for a successful child rights meeting in Guatemala. Above right: Young people attending a child rights workshop in Guatemala.

# Governance and Management of Plan UK

A child learning maths in a rural school in Kenya, Africa.



## How Plan UK is managed

A Board of Directors governs Plan UK. The Board is responsible for determining the policies and the strategic directions of the Charity. It meets regularly and delegates the day-to-day operations of the organisation to the Chief Executive and a team of senior officers (detailed on page 46).

The members of the Board of Directors are shown on page 46. New Directors are chosen in consultation with the full UK Board and with a view to ensuring that all the skills and experience needed to govern an organisation like Plan UK are fully represented. It has become the practice for Director appointments to be advertised nationally and be subject to a formal selection and interview process. New Directors are invited to attend a full induction with a full agenda covering all areas of the charity's activities.

Plan UK has an Audit Committee currently comprising three Directors. In accordance with its terms of reference, it reviews the financial statements of the organisation, assesses the internal financial control systems and monitors the risk management processes. The Committee has approved the appointment of Plan's Global Assurance function to undertake an internal audit programme. This programme is based principally on risks identified by management but also includes compliance risks. As part of this programme an audit of Plan UK's Child Protection processes took place and the auditors were able to take substantial assurance from the procedures in place and their execution. An audit of Project Management at Plan UK is in progress. The recommendations from previous audits are regularly monitored including the actions taken to address issues identified.

Plan Inc<sup>10</sup> is composed of Members, and the Members are the National Organisations. The Members' Assembly is the highest decision-making authority of Plan Inc with respect to all matters. The business of Plan Inc is managed by its Board of Directors, which is accountable to the Members' Assembly for the performance of its functions. The Board of Directors is composed of not more than eleven (11) individual directors elected by the Members' Assembly of which a majority plus one (7) shall serve on the Board of Directors or equivalent bodies of the Members of Plan Inc. Not more than one person may be appointed a director from any one Member. A minimum of two (2) directors shall come from developing countries and shall not serve on the Board of Directors or equivalent bodies of any National Organisation.

Plan UK has one representative on the International Board of Plan Inc.

The members of Plan UK are the current Board of Directors whose liability is limited to £10 each. No Director has any interest in the Company's contracts or any interest in the Company's funds.

## Responsibilities of Plan UK's Directors

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and Charity law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have

elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and group and of the profit or loss of the group for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

<sup>10</sup> See page 7 for explanation on the relationship between Plan UK and Plan Inc





Photo: Leo Drummond

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## Risk Management

Key risks within Plan UK have been reviewed by management and the Directors. Plan UK has been running a risk register for several years listing all current identified risks. Each item is analysed according to its perceived potential impact together with actions that either have or will be taken in mitigation. It is reviewed quarterly by management and bi-annually by Directors, and is amended following these discussions. The internal audit programme has been designed to provide assurance over the procedures in place to manage the identified risks. The risk register is also updated to reflect the results of these audits. The risk management process has resulted in a high priority being placed upon ensuring the following:

- Child protection processes be continuously strengthened and prioritised on a global basis.
- Income continues to grow in line with Plan UK's strategy of providing more support to our programmes;

- Plan UK continues to invest in programme capacity to ensure our grant funded programmes are effectively managed and compliant with donor terms and conditions;
- Plan UK maximises its awareness amongst the public and key decision makers to ensure we exert influence in order to achieve objectives such as poverty reduction and improved healthcare and education for children in poorer countries;
- Global information technology projects are fully supported by Plan UK; and
- Plan UK focuses on core activities whilst ensuring it takes opportunities to undertake new initiatives where they increase the impact of our work.

The following statements summarise the Charity's position in managing identified forms of financial risk:

Plan UK swiftly passes surplus funds to Plan Inc in line with reserves policy on page 45. Plan Inc actively assesses changes within the banking and financial services sector and constantly monitors the credit risk of its banking counterparties. Plan Inc advises Plan UK on these risks and suitable mitigations. At the time of writing, neither Plan UK nor Plan Inc has suffered any direct losses from the banking crisis in 2008. Plan UK is able to place any surplus funds on short term deposit account with the Company's bankers. Cash placed on deposit attracts interest at a variable rate of interest.

Plan UK has no exposure to investment price risk as it currently holds no listed or other equity investments. Prices of materials and services purchased are subject to contracts with suppliers, based on current market prices.

Other price risks are not considered to be significant to Plan due to the nature of its activities.

The majority of the Charity's income is derived from long term committed giving which results in a strong predictable positive cashflow (see description of reserves policy on page 45). Most donors pay by direct debit and as a consequence, Plan UK has immaterial arrears of contributions. Plan UK receives the majority of its funds on a monthly basis, and therefore debts can be met as they fall due. The Charity also receives grants awarded to finance Plan's activities and incorporates this information into its business plans.

The credit rating of the Company's banker is AA which is viewed as acceptable.

Over 80% by value of the Charity's transactions are denominated in Sterling and therefore it does not have significant currency risks. However, the purchasing power of the funds passed to Plan Inc is affected by the strength of the currencies in the countries in which those funds are spent. This currency risk is managed by Plan Inc.

Plan UK receives about €4.5m from the European Commission and transfers this money in Euros to countries for programme purposes. As a result there is no risk of exchange rate losses on these funds but there is some risk of translation losses as we report in Sterling. No significant translation losses have been recorded to date.

The Company does not use derivatives to hedge any of the risks it faces.

# Financial Review

Girls' education in a school in Niger.



## Year to 30 June 2008

Total incoming resources for the year totalled £40.4m which is an increase of £2.2m or 5.8% on 2007 (2007 income £38.2m). Sponsorship income has stayed constant year on year which reflects both the number of sponsors and average sponsorship donations staying static. Both Grants from Official Bodies and Other Donations and Appeals have increased (the former by 3.1% and the latter by 37.2%). These areas have benefited from further investment in staff and further diversification in the ways in which supporters can contribute. European Commission (including European Commission Humanitarian Organisation) funding continues to represent a major growth area with funding increasing from £2.9m to £3.6m. DfID has also provided significant funding of £2.4m (2007 – £2.1m). In the area of Other Donations and Appeals, particular success has been seen with Major Donors and Trusts where income has increased from £1.2m to £1.9m and Emergency Appeals which have increased from £160,000 to £564,000.

Group Five Year History	2004	2005	2006	2007*	2008*
Sponsors in the UK and Ireland	114,364	118,487	121,036	118,149	118,299
Increase / (decrease) %	5%	4%	2%	(2)%	0.1%
<b>Income</b>					
Sponsor pledges	21,883	23,581	25,399	26,009	26,003
Grants from official bodies	1,760	2,382	7,087	6,624	6,827
Other donations, appeals, trading income and interest	4,201	5,220	6,106	5,518	7,571
<b>Total Income</b>	<b>27,844</b>	<b>31,183</b>	<b>38,592</b>	<b>38,151</b>	<b>40,401</b>
<b>Expenditure</b>					
Costs of generating voluntary income	4,530	5,205	5,746	6,183	6,969
Trading subsidiary costs	145	178	269	156	203
Governance costs and exceptional item	95	88	95	286**	90
Direct charitable expenditure	26,226	24,985	32,781	29,179	30,817
<b>Total Expenditure</b>	<b>30,996</b>	<b>30,456</b>	<b>38,891</b>	<b>35,804</b>	<b>38,079</b>
Net (Outgoing)/ Incoming Resources	(3,152)	727	(299)	2,347	2,322
Increase / (decrease) in incoming resources (%)	(2)%	12%	24%	(1)%	6%
Increase / (decrease) in expenditure on charitable activities (%)	30%	(5)%	31%	(11)%	6%

\*2007 and 2008 exclude Plan Ireland which became an independent entity on 1st July 2006.

\*\*The exceptional item (only applying to 2007) relates to Plan Ireland and represents a disposal of assets of £200,000 previously consolidated by Plan UK.

The percentage of voluntary income spent on fundraising and governance by Plan UK is 17.7% (2007 – 16.6%). This ratio remains well within our aspiration of spending at least 80p in every pound we raise on programme activities.

In July 2006 Plan UK's Programme Partnership Agreement (PPA) with the UK Department for International Development (DfID) commenced. The PPA funds Plan UK's "Mobilising Young Citizens for Better Governance" programme which encapsulates the work we do to give young people a say in the decisions that affect their lives. DfID contributed £1,800,000 to this work in 2006/07, £1,812,500 in 2007/08 and a further £6,667,500 has been committed to Plan UK for the period from July 2008 until March 2011. The funding from October 2008 will support the continuation of the existing programme and additional work in Latin America which is also on the theme of young people's governance. For information about how PPA funds are spent, see page 38; 'Plan is mobilising young citizens for better governance'.

DfID also provided funding for Plan UK's Disaster Risk Reduction (DRR) programme which is currently taking place in Cambodia, China, Ecuador, El Salvador, India, Philippines, and Sierra Leone. In 2007/08 this funding amounted to £534,766 (£295,909 in 2006/07) which was matched by £180,540 of funds from Plan. For information about how DRR funds are spent, see page 30; 'Managing Disasters'.

### The Department for International Development (DfID) Grants totalled £2,398,223 (2007 – £2,096,000)

Project Name	Country	DfID	Plan*	Total
Disaster Risk Reduction	Various	534,766	180,540	715,306
Governance (Programme Partnership Agreement)	Various	1,812,500	-	1,812,500
Governance (local)	Malawi	50,957	-	50,957
<b>Total</b>		<b>2,398,223</b>	<b>180,540</b>	<b>2,578,763</b>

### The European Commission (excluding European Commission Humanitarian Organisation – see below) grants totalled £2,438,460 (2007 – £2,400,531)

Project Name	Country	EC	Plan*	Total
Energy	Ethiopia	139,596	46,532	186,128
Food Security	Sudan	234,181	25,655	256,552
Child Protection	Colombia	65,787	65,787	131,574
Health	Egypt	95,138	31,713	126,851
Water and Sanitation	Zambia	86,026	31,080	117,106
Health	Bolivia	162,402	54,134	216,536
WATSAN	El Salvador	305,412	214,792	520,205
Child Labour	El Salvador	93,520	49,193	142,713
Health	Burkina Faso	132,444	74,888	207,332
Water and Sanitation	Mali	148,760	74,380	223,140
Education	Senegal	148,707	84,632	233,339
Health	Sierra Leone	70,670	23,557	94,227
Health	Sierra Leone	281,661	168,636	450,297
Water and Sanitation	Togo	140,397	124,853	265,250
Water	Benin	333,759	111,253	445,012
<b>Total</b>		<b>2,438,460</b>	<b>1,181,085</b>	<b>3,616,262</b>

\* Plan provides matched contributions to projects in line with donor contracts as per specified amounts.

**The European Commission Humanitarian Organisation (ECHO) grants totalled £1,201,033 (2007 – £545,133)**

Country	ECHO	Plan*	Total
Bangladesh	111,589	19,692	131,281
Bolivia	150,915	-	150,915
Dominican Republic	117,755	29,439	147,194
India	26,172	-	26,172
Timor Leste	2,493	-	2,493
Timor Leste	94,268	-	94,268
Timor Leste	232,752	-	232,752
Kenya	181,098	-	181,098
Zimbabwe	193,391	-	193,391
Bolivia	18,109	-	18,109
El Salvador	72,491	8,055	80,546
<b>Total</b>	<b>1,201,033</b>	<b>57,186</b>	<b>1,258,219</b>

**The Big Lottery Fund grants totalled £117,318 (2007 – £181,684):**

Project Name	Country	BLF	Plan*	Total
HIV/AIDS	Guatemala	105,005	-	105,005
Education	Sierra Leone	12,313	-	12,313
<b>Total</b>		<b>117,318</b>	<b>-</b>	<b>117,318</b>

**Comic Relief grants totalled £129,290 (2007 – £96,048):**

Project Name	Country	Comic Relief	Plan*	Total
Child Protection	Haiti	48,680	16,227	64,907
Education	Togo	80,610	16,122	96,732
<b>Total</b>		<b>129,290</b>	<b>32,349</b>	<b>161,639</b>

**Jersey Overseas Aid grants totalled £395,934 (2007 – £263,680)**

Project Name	Country	JOA	Plan*	Total
Water and Sanitation	Nepal	58,250	-	58,250
Education	South Sudan	58,857	-	58,857
Emergency	Ecuador	25,000	-	25,000
Water and Sanitation	El Salvador	60,000	-	60,000
Emergency	Peru	25,000	-	25,000
Health	Benin	64,992	-	64,992
Education	Liberia	42,000	-	42,000
Education	Sierra Leone	61,835	-	61,835
<b>Total</b>		<b>395,934</b>	<b>-</b>	<b>395,934</b>

\*Plan provides matched contributions to projects in line with donor contracts as per specified amounts.

**Guernsey Overseas Aid Committee grants totalled £112,146 (2007 – £114,893)**

Project Name	Country	GOAC	Plan*	Total
Education	South Sudan	39,033	-	39,033
Education	Liberia	38,030	-	38,030
Water and Sanitation	Cambodia	35,083	-	35,083
<b>Total</b>		<b>112,146</b>	<b>-</b>	<b>112,146</b>

**Isle of Man Overseas Aid Committee grants totalled £21,230 (2007 – £50,000)**

Project Name	Country	IOMAC	Plan*	Total
Emergency	Dominican Republic	10,000	-	10,000
Education	Mali	11,230	-	11,230
<b>Total</b>		<b>21,230</b>	<b>-</b>	<b>21,230</b>

**The Board of Directors wishes to thank all those who have supported Plan UK's work over the past year.**

Total worldwide expenditure split <sup>11</sup>	2008	2007
Growing up healthy	11.4%	10.1%
Learning	12.9%	16.4%
Habitat	8.5%	9.6%
Livelihood	3.6%	3.9%
Building relationships	11.8%	11.4%
Programme support	15.3%	16.0%
Field administration	8.3%	8.5%
Development education	1.9%	1.9%
Technical support	2.2%	1.9%
Advocacy	0.9%	1.4%
<b>Total Program expenditure</b>	<b>76.9%</b>	<b>81.0%</b>
Fundraising costs	10.7%	9.8%
Other operating costs	9.1%	8.4%
Trading expenditure	0.9%	0.8%
Net losses on foreign exchange	2.5%	0.0%
<b>Total expenditure</b>	<b>100.0%</b>	<b>100.0%</b>

**Examples of the types of expenditure included within each of the above categories are:**

**Growing up healthy:** food aid, medical treatments, training health workers and preventative health education, malaria prevention, building and equipping clinics and HIV/ Aids and STD programmes.

**Learning:** teacher training, building and equipping classrooms, child media and other recreational activities.

**Habitat:** building wells and water systems, building latrines, housing improvements, training communities in planning and managing projects and natural resource management.

<sup>11</sup> Global income figures mentioned in this section come from Plan's combined accounts for the year ended 30 June 2008, which are prepared in accordance with International Financial Reporting Standards and can be downloaded at: <http://www.plan-international.org/about/finance/>

**Livelihood:** farming resources, microfinance and financial management training and vocational training.

**Building relationships:** organising communications between sponsors and sponsored children including associated logistical costs and cost of software to digitise communications materials, child protection and programmes for marginalised children.

**Programme support:** field programme management and logistics, vehicles for visiting communities, coordinating field programmes, costs of centrally developed computer software for field programmes.

**Field administration:** rent of offices, office equipment and supplies, accounting and compliance staff, administration, human resource management, guards, communication costs.

**Development education:** activities to increase public knowledge and understanding of poverty and vulnerability issues which prevent children from realising their full potential.

**Technical support:** professional and specialist advice provided by National Organisations to support the technical quality of programme work in the field.

**Advocacy:** campaigns to change legal frameworks, policies or behaviour to improve the lives of children.

**Fundraising costs:** marketing costs associated with attracting new sponsors and other donors.

**Other operating costs:** general management, finance, human resource and information technology costs of administrative systems and the cost of handling funds received.

**Trading expenditure:** cost of merchandise and operations associated with on-line shops and service subsidiaries of National Organisations.

**Net losses on foreign exchange:** net losses arising on the retranslation of monetary items denominated in currencies other than the functional currency of the relevant entity.

Where applicable, each of the above categories includes salaries, project management and supervision and disaster preparedness and response programmes.

As the combined results represent the aggregation of Plan Inc and the 17 national organisations, the resulting income and expenditure profile and ratios are not necessarily applicable to any of the individual entities.

From 1 July 2009 a new policy will be put in place for allocating funds globally. The formula for allocating funds to each country office will be based on the net amount of money each national office is able to raise per sponsored child and the number of sponsorship links between that national office and each country office. A maximum of 10% of funds could be spent on non-country specific programmes and operations. This will create a much stronger link between the amount each sponsor donates and the amount going to the country in which their sponsored child lives.

## Reserves

The Directors review annually the reserves policy and the level of free reserves, which are shown in the financial statements as general reserves. The term 'reserve' (unless otherwise indicated) is used to describe that part of the Charity's Consolidated funds that is freely available for its general purposes. These were £1.6m at 30 June 2008 (2007 – £1.4m).

As a child sponsorship organisation, Plan UK is able to predict a large proportion of its total monthly income with a high degree of confidence. The reserves policy is based on maintaining sufficient working capital to cover its anticipated needs for at least two months. The remaining funds are passed across to Plan Inc where the treasury function controls the flow of funds to the programme countries.

Under this policy, reserves are expected to be in the range of £1.0m to £2.0m with the most significant fluctuations around the start and the end of each calendar month due to significant volumes of receipts and payments.

Any reserves above or below this operating level arise from a timing difference between receiving the cash and passing it to Plan Inc. In the unlikely event that an unanticipated expenditure was to occur for which funds were insufficient, cash could be called back from Plan Inc. Such action has never been required.

The financial position of Plan UK is sound. Net current assets at year end were £6.4m which means Plan UK has sufficient liquidity to continue to manage its operations efficiently whilst maintaining a continuous and sizable flow of funds to Plan Inc.

Reserves which are restricted for specific purposes have increased from £2.6m in 2007 to £4.9m in 2008 which is due to several large grant balances being due from donors at year end.

## Subsidiary companies

Plan UK has established a subsidiary (note 12) to deal with trading activities of the Charity, which include a Gift and Christmas Card catalogue. The results are consolidated in accordance with the recommendations of the SORP. Plan UK owns 100% of the issued share capital (£2).

The main activity of the trading subsidiary (note 12) is the sale of merchandise to sponsors of Plan UK and third parties. Trading turnover in 2008 was £298,742 (2007 – £252,849). It is the policy of the subsidiary to make a charitable donation of any financial surplus to Plan UK (2008 – £99,501 and 2007 – £97,228).

## Taxation status

The Company is a registered charity within the definition of Section 505 of the Income and Corporation Taxes Act 1988. The Company's income is accordingly exempt from taxation on its charitable activities.

## Human resources

The number of staff employed by Plan UK changed from 83 full-time and 3 part-time employees at the start of the financial year to 96 full-time and 6 part-time employees at the end.

Plan UK is also fortunate to benefit from the support of a number of volunteers, interns and work placements, who provided approximately 15,315 working hours based on recorded attendance (2007 – 17,855 hours). Their dedication has enabled Plan UK to carry out research, improve its administration systems and provide essential support to the Operations function which in turn enhances the relationship between the Charity, its supporters and beneficiaries.

Both staff and volunteers are valued by Plan UK, which is keen to involve them in its work as much as possible, by holding regular communication events, including discussions and presentations, and by offering training and work placements.

We rely heavily on community volunteers in the programme countries where Plan works. There are about 10 volunteers for each paid worker. They perform an invaluable role in liaising with families, helping to plan and manage projects, delivering gifts and helping with correspondence. In return they receive training in issues such as project management, child participation and administration.

The Board of Directors is grateful to all staff and volunteers for their commitment to Plan UK and their efforts over the last year.

# Legal and administrative information

Primary school education in Guatemala.



Photo: Alf Berg

## Patrons:

Michael Aspel OBE	Marie Helvin
Virginia McKenna	The Lord Paul
Ruth Rendell	Dr Miriam Stoppard
Baroness Warnock of Weeke	Len Woodley QC
Baroness Rendell of Babergh	Julie Pankhurst
Baroness Morris of Yardley	

## Directors:

Nigel C Chapman - Chairman	
Ian JLF Buist CB	Peter J Drissell*
Anne Grant	Thomas C Hoegh*
Javid S Khan*	Surina Narula **
Angela M Penrose	
Janet O Boateng	(Resigned February 2008)
John Clark	(Resigned February 2008)
Dora Dixon-Fyle	(Appointed May 2008)
Charlotte Imbert	(Appointed May 2008)

\*Members of the Audit Committee

\*\*Awarded MBE in the Queen Birthday Honours Awards 2008 for charitable work to raise the profile of street children and their needs in India.

## Auditors:

Pricewaterhouse  
Coopers LLP

1 Embankment Place  
London WC2N 6RH

## Solicitors:

Russell-Cooke

2 Putney Hill  
London SW15 6AB

## Bankers:

Barclays Bank

Church Street East  
Woking GU21 1AE

## Principal Officers:

Marie Staunton	Chief Executive
John Pinchard	Company Secretary and Finance Director
Claire Jarrold	Supporter Relations Manager
Jeremy Cooper	Marketing Manager
Stuart Mulholland	Programme Manager
Sharon Goulds	Communications Manager
Angela Beerman	Human Resources Manager
Christine Allison	Policy Manager

## Registered Office:

5/6 Underhill Street,  
London NW1 7HS

Tel: 020 7482 9777, Fax: 020 7482 9778

Email: mail@plan-international.org.uk

## Auditors

The auditors, PricewaterhouseCoopers LLP, have expressed their willingness to be re-appointed and a resolution concerning their re-appointment will be proposed at the annual general meeting.

## By order of the Board

**John Pinchard**  
Company Secretary

14 January 2009

**Nigel Chapman**  
Chairman

# Independent auditors' report to the members of PLAN International (UK)

We have audited the group and parent charity financial statements ("the financial statements") of PLAN International (UK) for the year ended 30 June 2008 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out therein.

## Respective responsibilities of directors and auditors

The responsibilities of the directors (who are also the trustees of PLAN International (UK) for the purposes of charity law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of Plan UK's Directors.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the charitable company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Board of Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. The other information comprises only the Report of Board of Directors, a Message from Plan UK Chair, the Chief Executive's Report and all the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

### In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent charitable company's affairs as at 30 June 2008 and of the group's incoming resources and application of resources, including the group's income and expenditure, and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Board of Directors is consistent with the financial statements.

*PricewaterhouseCoopers LLP*  
PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London

14 January 2009

### Notes:

- (a) The maintenance and integrity of the PLAN International (UK) website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Consolidated Statement of Financial Activities

(Incorporating the Income and Expenditure Account) for the year ended 30 June 2008

		Unrestricted Funds	Restricted Funds	2008 Total	2007 Total
		£'000	£'000	£'000	£'000
<b>INCOME</b>					
<b>Incoming resources from generated funds</b>					
<b>Voluntary income</b>					
Sponsor pledges		26,003	-	26,003	26,009
Grants from official bodies	Note 3(a)	273	6,554	6,827	6,624
Other donations and appeals	Note 3(b)	2,754	4,285	7,039	5,173
<b>Activities for generating funds</b>					
Trading subsidiary income	Note 12	297	-	297	253
<b>Investment income</b>					
Interest income		235	-	235	92
<b>Total income</b>		<b>29,562</b>	<b>10,839</b>	<b>40,401</b>	<b>38,151</b>
<b>EXPENDITURE</b>					
<b>Costs of generating funds</b>					
<b>Voluntary income</b>					
Sponsor pledges		(4,545)	-	(4,545)	(4,081)
Grants from official bodies		(937)	-	(937)	(720)
Other donations and appeals		(1,487)	-	(1,487)	(1,382)
<b>Trading subsidiary costs</b>	Note 12	(203)	-	(203)	(156)
<b>Charitable activities</b>					
Development education, advocacy and communications		(2,121)	-	(2,121)	(1,388)
Programme activities		(20,137)	(8,559)	(28,696)	(27,791)
<b>Governance costs</b>					
		(90)	-	(90)	(86)
<b>Total expenditure</b>	Note 4	<b>(29,520)</b>	<b>(8,559)</b>	<b>(38,079)</b>	<b>(35,604)</b>
<b>Exceptional Item</b>	Note 13	-	-	-	(200)
<b>Net income/(expenditure) and net movement in funds</b>		42	2,280	2,322	2,347
<b>Total funds brought forward</b>		1,937	2,592	4,529	2,181
<b>Total funds carried forward</b>	Note 10	<b>1,979</b>	<b>4,872</b>	<b>6,851</b>	<b>4,529</b>

All income and expenditure relates to continuing activities. There are no recognised gains or losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 51 to 58 form an integral part of the Financial Statements.



# Consolidated and Charity Balance Sheets as at 30 June 2008

		Group 2008	Group 2007	Charity 2008	Charity 2007
		£'000	£'000	£'000	£'000
Tangible assets	Note 7	415	548	415	548
Investments – shares in subsidiary undertakings	Note 12		-	-	-
		415	548	415	548
<b>Current assets</b>					
Stock		43	33	-	-
Debtors	Note 8	4,093	1,697	4,136	1,735
Cash at bank and in hand		3,686	3,622	3,676	3,608
		<b>7,822</b>	<b>5,352</b>	<b>7,812</b>	<b>5,343</b>
Creditors – amounts falling due within one year	Note 9	(1,386)	(1,371)	(1,376)	(1,362)
Net current assets		6,436	3,981	6,436	3,981
<b>Net assets</b>		<b>6,851</b>	<b>4,529</b>	<b>6,851</b>	<b>4,529</b>
<b>Funds:</b>	Note 10				
<b>Unrestricted funds</b>					
General		1,564	1,389	1,564	1,389
Designated - Tangible fixed asset fund		415	548	415	548
<b>Restricted funds</b>		<b>4,872</b>	<b>2,592</b>	<b>4,872</b>	<b>2,592</b>
<b>Total funds</b>		<b>6,851</b>	<b>4,529</b>	<b>6,851</b>	<b>4,529</b>

Approved by the Board and signed on their behalf by:



**Nigel Chapman**  
Director



**Anne Grant**  
Director

14 January 2009

The notes on pages 51 to 58 form an integral part of the Financial Statements.

# Consolidated Statement of Cash Flows for the year ended 30 June 2008

		2008	2007
		£'000	£'000
<b>Net cash (outflow) / inflow from operating activities</b>	Note A	(114)	1,583
<b>Returns on investment and servicing of finance – interest received</b>		235	92
<b>Capital expenditure:</b>			
Purchase of tangible fixed assets		(57)	(291)
<b>Increase in cash</b>	Note B	<b>64</b>	<b>1,384</b>

## Notes To The Cash Flow Statement

### A) Reconciliation of net income/(expenditure) to net cash (outflow) / inflow from operating activities

Net income for the year		2,322	2,347
Interest income		(235)	(92)
Depreciation charges		190	63
Loss on disposal of fixed assets (Plan Ireland)	Note 13	-	9
(Increase)/decrease in debtors		(2,396)	557
(Increase) in stock		(10)	(3)
Increase/(decrease) in creditors		15	(1,298)

<b>Net cash (outflow) / inflow from operating activities</b>		<b>(114)</b>	<b>1,583</b>
--	--	--------------	--------------

### B) Analysis of changes in cash during the year

Balance brought forward		3,622	2,238
Net cash inflow		64	1,384

<b>Balance carried forward</b>		<b>3,686</b>	<b>3,622</b>
--------------------------------	--	--------------	--------------

# Notes forming part of the financial statements for the year ended 30 June 2008

## 1. Organisation and purpose

Plan is an association of global not-for-profit organisations (“Plan”) formed for the purpose of providing material aid and services to needy families and their communities in the developing world. To accomplish this purpose it is organised into a number of separate legal entities which, in the year ended 30 June 2008, included Plan International, Inc (“Plan Inc”), a not-for-profit organisation incorporated in the United States of America, Plan Ltd. and seventeen national organisations. The latter represent the work of Plan in their country, fundraise and contribute to the management of Plan. Plan International (UK) (“Plan UK”) is one such national organisation. Funds raised by the national organisations are used for programmes to benefit sponsored children, their families and communities through Plan Inc which operates field offices in forty-nine countries. The results of Plan UK are included in the worldwide combined accounts prepared by Plan Inc which are publicly available.

## 2. Accounting policies

### (a) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Statement of Recommended Practice, “Accounting and Reporting by Charities” published in March 2005 (“The 2005 SORP”) and applicable United Kingdom accounting standards. The statement of financial activities (SOFA), group balance sheet and cash flow statement consolidate the financial statements of the Charity and its subsidiary undertakings. The Charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and has adapted the Companies Act formats to reflect the special nature of the Charity’s activities. No separate SOFA has been presented for the Charity alone as permitted by Section 230 of the Companies Act 1985 and paragraph 304 of the 2005 SORP.

### (b) Subsidiary undertakings

The accounts of subsidiaries are consolidated with the Charity on a line-by-line basis. Transactions and balances between the entities are eliminated on consolidation. Details on subsidiaries are given in note 12.

### (c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general

objectives of the Charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The use of each restricted fund is set out in the notes to the financial statements.

### (d) Incoming resources

All incoming resources are included in the SOFA when the Charity is legally entitled to the income, there is reasonable certainty of receipt and the amount can be quantified with reasonable accuracy.

Income from sponsors is accounted for on a receipts basis except that the portion of annual sponsorship contributions which relates to future periods is carried forward in the balance sheet as deferred income.

Income tax refunds on donations are recognised as income on an accruals basis for all payments covered under a deed of covenant or gift aid certificate. Grants and other income are recognised when the agreed conditions for receipt have been met and there is reasonable certainty of receipt.

Trading subsidiary income represents the amounts invoiced to customers for goods supplied, excluding VAT.

Interest income includes interest earned by Plan Inc on funds remitted to it by Plan UK, which is subsequently passed back to Plan UK by Plan Inc.

No amounts are included in the financial statements for services donated by volunteers. Other gifts in kind are recognised at a reasonable estimate of their gross value to the charity.

### (e) Resources expended

All expenditure is accounted for on an accruals basis, and is classified in the SOFA according to the activity to which it relates. Direct costs, including attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Irrecoverable VAT is applied to the cost from which it arises. Support costs, which include central functions such as general management, accounting, general post and

communications, information technology and human resources, are allocated between activities on the basis of staff numbers employed during the period. Governance costs are the costs associated with the governance arrangements of the Charity and include an estimate of management time spent on strategic activities as well as direct costs associated with governance.

### (f) Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Items costing less than £200 are not capitalised. The carrying value of fixed assets is reviewed for impairment if events or changes in circumstances suggest that their carrying amount may not be recoverable.

Depreciation for all fixed assets except computer software is calculated on a straight-line basis at a rate of 20 per cent to write off the cost of the assets over their estimated useful lives. Depreciation of computer software is calculated on a straight-line basis at a rate of 33 per cent. Computer software under development is not depreciated until it is available for its intended use.

### (g) Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value.

### (h) Pension costs

Pension contributions paid by the Company in respect of employees to a defined contribution scheme are charged to the SOFA as they become payable.

### (i) Operating leases

Operating lease rentals are charged to the SOFA in the period in which they are incurred.

### (j) Foreign exchange transactions

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SOFA.

### (k) Company status

The Charity is a company limited by guarantee. The members of the Company are the Directors named on page 46. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

### 3. Income analysis

#### (a) Grants from Official Bodies

Grants from Official Bodies are defined as any income from governments and agencies of governments, supra-national governmental organisations (such as EC and UN) and their agencies, and grant givers who work within a broad ranging institutional framework that is intrinsically linked to governments or agencies of governments. This classification also includes Comic Relief, the Big Lottery Fund, Save the Children and the World Food Programme (for prior year comparison).

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008 Total</b>	<b>2007 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
DfID	-	2,398	2,398	2,095
European Commission	248	3,392	3,640	2,946
Other public funding	-	543	543	429
Big Lottery	18	99	117	182
Comic Relief	7	122	129	96
SAVE	-	-	-	876
<b>Total</b>	<b>273</b>	<b>6,554</b>	<b>6,827</b>	<b>6,624</b>

#### (b) Other Donations and Appeals

Other Donations and Appeals comprise voluntary income that does not fall within other classifications, including donations from companies and private trusts, and donations from private individuals not directly related to child sponsorship.

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008 Total</b>	<b>2007 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Plan Ltd	1,750	-	1,750	1,500
Trusts and major donors	148	1,753	1,901	1,172
Corporations	33	560	593	538
Emergency appeals	43	521	564	160
Gift Aid on restricted income	34	337	371	372
Trading donations and alternative gifts	49	370	419	478
Other donations	697	744	1,441	953
<b>Total</b>	<b>2,754</b>	<b>4,285</b>	<b>7,039</b>	<b>5,173</b>

The donation from Plan Ltd of £1.75m (2007 – £1.5m ) is a donation received under deed of covenant in order to support the Company's charitable activities. Plan Ltd is Plan Inc's central service organisation based in the UK.

## 4. Expenditure

### (a) Analysis of total resources expended

Group	Support	Staff costs	Other direct	2008	2007
	£'000	£'000	£'000	£'000	£'000
<b>Costs of generating funds</b>					
Sponsorship	622	768	3,155	4,545	4,081
Official bodies	403	428	106	937	720
Other donations	458	338	691	1,487	1,382
<b>Trading</b>	-	-	203	203	156
<b>Charitable activities</b>					
Development education, advocacy and communications	375	922	824	2,121	1,388
Programme activities	-	-	28,696	28,696	27,791
<b>Governance costs</b>	40	-	50	90	86
<b>Grand total</b>	1,898	2,456	33,725	38,079	35,604
Re-allocate salaries within support costs	(1,064)	1,064	-	-	-
<b>Grand total</b>	<b>834</b>	<b>3,520</b>	<b>33,725</b>	<b>38,079</b>	<b>35,604</b>

Staff costs initially included within Support are reallocated to Staff costs. Programme activities represent amounts passed to Plan Inc which are used to cover programme costs and related programme support costs, the costs of the central services for the programme countries and Plan Inc's administrative costs.

	2008	2007
	£'000	£'000
<b>Net income/expenditure is stated after charging:</b>		
Audit fee of consolidated financial statements (£27,800 for Charity, 2007 – £24,760)	31	28
Non-audit fees paid to our auditors (all relating to tax advice)	10	9
Depreciation	190	63
Operating lease rentals - buildings	210	198

### (b) Analysis of Support Costs

	Sponsorship	Official Bodies	Other Donations	Charitable Activities	Governance	2008 Total	2007 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	343	222	252	207	40	1,064	863
Communication	47	31	35	28	-	141	123
Depreciation	64	41	47	38	-	190	63
Travel and meetings	6	4	5	4	-	19	11
Office and premises costs	162	105	119	98	-	484	568
<b>Grand Total</b>	<b>622</b>	<b>403</b>	<b>458</b>	<b>375</b>	<b>40</b>	<b>1,898</b>	<b>1,628</b>

Support costs have been allocated to each of the above activities on the basis of the number of staff employed during the period by the relevant activity. Governance staff costs are an estimate of time spent by management on clearly identified governance matters.

### Analysis of Support Staff Costs

	2008	2007
	£'000	£'000
Head office and central support	678	515
IT	134	127
Finance	252	221
	<b>1,064</b>	<b>863</b>

### (c) Analysis of Governance Costs

	2008	2007
	£'000	£'000
Audit and professional fees	50	46
Apportionment of staff costs	40	40
	<b>90</b>	<b>86</b>

## 5. Staff costs

	2008	2007
	£'000	£'000
<b>Staff Costs</b>		
Wages and salaries	2,857	2,324
Social security	293	239
Pension costs	68	53
<b>Subtotal</b>	<b>3,218</b>	<b>2,616</b>
Other staff costs	303	203
	<b>3,521</b>	<b>2,819</b>

Plan UK has a defined contribution pension scheme, which matches employee contributions up to a maximum of 5 per cent of pensionable salary. The resulting fund belongs to the employee and can be transported when leaving Plan. No employees receive benefits under a defined benefit pension scheme.

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £50,000 in the year was as follows:

	2008	2007
£80,001 - £90,000	1	1
£70,001 - £80,000	1	1
£60,001 - £70,000	-	-
£50,001 - £60,000	2	2

The pension contributions for these higher paid employees to defined contribution schemes were £13,595 (2007 – £12,988).

The average number of employees, calculated on a full-time equivalent basis, analysed by activity was:

	2008	2007
Sponsorship activities	22	18
Official bodies and grants	15	11
Other donation activities	17	15
Support activities	23	20
Charitable activities	25	22
<b>Total</b>	<b>102</b>	<b>86</b>

## 6. Director's remuneration

None of the Directors received any remuneration during the year for services to the Company (2007 – nil). Expenses reimbursed to Directors (where claimed) were £1,176 (2007 – £1,152). These expenses related to travel.

## 7. Tangible fixed assets

Group and Charity	Computer software	Alterations to premises	Furniture, Fixtures and Fittings	Computer and other office equipment	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 July 2007	438	110	80	301	929
Disposals	-	-	(14)	(36)	(50)
Additions	6	5	1	45	57
<b>At 30 June 2008</b>	<b>444</b>	<b>115</b>	<b>67</b>	<b>310</b>	<b>936</b>
<b>Accumulated depreciation</b>					
At 1 July 2007	20	92	61	208	381
Disposals	-	-	(14)	(36)	(50)
Charge for the year	142	5	7	36	190
<b>At 30 June 2008</b>	<b>162</b>	<b>97</b>	<b>54</b>	<b>208</b>	<b>521</b>
<b>Net book amount</b>					
At 30 June 2007	418	18	19	93	548
<b>At 30 June 2008</b>	<b>282</b>	<b>18</b>	<b>13</b>	<b>102</b>	<b>415</b>

As at 30 June 2007, computer software included an amount of £201,186 in respect of assets in the course of construction that were not being depreciated. The software under construction was the replacement donor relationship database for Plan UK which was implemented successfully in September 2007 and has since been depreciated.

## 8. Debtors

	Group 2008	Group 2007	Charity 2008	Charity 2007
	£'000	£'000	£'000	£'000
Official Bodies	1,282	141	1,282	141
Income tax recoverable	1,241	436	1,241	436
Prepayments and accrued income	61	263	61	263
Plan Inc	1,361	660	1,361	660
Other debtors	148	197	191	235
	<b>4,093</b>	<b>1,697</b>	<b>4,136</b>	<b>1,735</b>

Other debtors for the Charity include an amount of £44,472 (2007 – £39,672) receivable from the trading subsidiary (see note 12).

## 9. Creditors

	Group 2008	Group 2007	Charity 2008	Charity 2007
	£'000	£'000	£'000	£'000
Trade creditors	490	343	488	341
PAYE and NI	-	81	-	81
Deferred income	740	742	740	742
Accruals	150	189	146	183
Other creditors	6	16	2	15
	<b>1,386</b>	<b>1,371</b>	<b>1,376</b>	<b>1,362</b>

The movements in deferred income are analysed below:

Group and Charity	2008	2007
	£'000	£'000
Deferred income at 1 July	742	794
Amounts released from previous years	(679)	(675)
Incoming resources deferred in the year	677	623
	<b>740</b>	<b>742</b>

Commitments under operating leases in respect of land and buildings in the following financial year are as follows:

	£'000	£'000
Operating lease expiring:		
<b>Within two to five years</b>	<b>210</b>	<b>201</b>

## 10. Statement of funds

Group and Charity	Balance 1 July 2007	Total incoming resources	Total resources expended	Transfers	Balance 30 June 2008
	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds</b>					
General reserve	1,389	29,562	(29,520)	133	1,564
<b>Designated funds</b>					
Tangible fixed asset fund	548	-	-	(133)	415
<b>Total Unrestricted Funds</b>	<b>1,937</b>	<b>29,562</b>	<b>(29,520)</b>	<b>-</b>	<b>1,979</b>
<b>Restricted funds</b>	2,592	10,839	(8,559)	-	4,872
<b>Total funds</b>	<b>4,529</b>	<b>40,401</b>	<b>(38,079)</b>	<b>-</b>	<b>6,851</b>

The transfer made between general and designated funds is effected to match the net book value of fixed assets with a designated fund (see note 7).



Restricted funds comprise the following unexpended balances on donations and grants given for specific purposes:

Charity and Group	Balance	Total	Total	Balance
	1 July 2007	incoming	resources	30 June 2008
	£'000	resources	expended	£'000
<b>Restricted Funds</b>				
DfID	809	2,398	(598)	2,609
European Community	1,783	3,392	(3,099)	2,076
Other Official Bodies	-	764	(646)	118
Other Donations and Appeals	-	4,285	(4,216)	69
<b>Total</b>	<b>2,592</b>	<b>10,839</b>	<b>(8,559)</b>	<b>4,872</b>

## 11. Analysis of assets and liabilities between funds

Group	Unrestricted funds		Restricted	Total
	General	Designated	Funds	Funds
	£'000	£'000	£'000	£'000
<b>Fund balances at 30 June 2008 are represented by:</b>				
Tangible fixed assets	-	415	-	415
Current assets	2,950	-	4,872	7,822
Current liabilities	(1,386)	-	-	(1,386)
	<b>1,564</b>	<b>415</b>	<b>4,872</b>	<b>6,851</b>
<b>Fund balances at 30 June 2007</b>	<b>1,389</b>	<b>548</b>	<b>2,592</b>	<b>4,529</b>

Charity	Unrestricted funds		Restricted	Total
	General	Designated	Funds	Funds
	£'000	£'000	£'000	£'000
<b>Fund balances at 30 June 2008 are represented by:</b>				
Fixed assets	-	415	-	415
Current assets	2,940	-	4,872	7,812
Current liabilities	(1,376)	-	-	(1,376)
	<b>1,564</b>	<b>415</b>	<b>4,872</b>	<b>6,851</b>
<b>Fund balances at 30 June 2007</b>	<b>1,389</b>	<b>548</b>	<b>2,592</b>	<b>4,529</b>

The designated fund comprises amounts set aside to finance the future depreciation on fixed assets. Restricted funds are those subject to specific restrictions imposed by donors or which have been raised by the Charity for particular purposes, and the tables above show those net assets at year-end which can be attributed to restricted activities.

## 12. Investments - Subsidiary undertakings

Charity	2008	2007
	£	£
<b>Shares in subsidiary undertakings</b>	<b>2</b>	<b>2</b>

Plan UK owns the entire issued share capital of Foster Parents Plan International (UK) Ltd, a trading company whose business is the sale of merchandise to sponsors of Plan and third parties. It is the policy of the subsidiary to make a charitable donation of any financial surplus to Plan UK.

Subsidiary	2008	2007
	£'000	£'000
<b>Total incoming resources <sup>1)</sup></b>	<b>302</b>	<b>257</b>
<b>Total resources expended:</b>		
Cost of generating funds	199	152
Cost of charitable activities		
Governance costs	4	4
<b>Total net assets</b>	<b>-</b>	<b>-</b>

<sup>1)</sup> Incoming Resources includes £3,845 of interest (2007 – £3,565)

## 13. Exceptional Item: Transfer of Assets to Plan Ireland

On 1 July 2007, Plan UK relinquished control over Plan Ireland in order that Plan Ireland would become a national organisation in its own right. This change resulted in a charge of £200,000 in the group financial statements for the year ended 30 June 2007, representing the transfer of the net assets held by Plan Ireland on the date that control was relinquished. There is no impact on the Charity's own financial statements.

## 14. Related Parties

Plan Inc allocates back to the National Organisations the interest it earns on the funds transmitted to it by the National Organisations. This allocation is based on the timing and size of the remittances from each National Organisation during the fiscal year in which the interest is earned. The accompanying Statements of Financial Activities includes allocated interest income of £179,583 and £60,084 for the years ended 30 June 2008 and 2007, respectively. Note 3b) above describes the income received under a deed of covenant from Plan Ltd, Plan Inc's central service organisation.

Expenditure on programme activities (see note 3) comprises amounts passed to Plan Inc.

Angela Penrose, who is a Trustee of Plan UK, received fees of £15,800 (2007 – £4,000) disbursed by Plan UK on behalf of the coalition Grow Up Free from Poverty, of which Plan UK is a member. Expenditure incurred by the coalition is funded by DfID, and the fees were agreed by the members of the coalition. The fees are payable in respect of this individual's services to the coalition and not for her services as a Director of Plan UK.



Plan UK would like to thank the following trusts, statutory funders, corporate and individual donors who have supported our work over the past financial year:

**Institutions:**

DfID  
European Commission  
European Commission Humanitarian Aid Office - ECHO  
The Big Lottery Fund  
Comic Relief  
The Isle of Man Overseas Aid Committee  
The Jersey Overseas Aid Commission  
The States of Guernsey Overseas Aid Committee

**Trusts and Foundations:**

The Band Aid Charitable Trust  
The Four Acre Charitable Trust  
The Freemasons' Grand Charity  
Hilton in the Community Foundation  
The Mercury Phoenix Trust  
The Mosse Charitable Settlement  
The Pears Foundation  
The Sir Halley Stewart Trust

**Corporate supporters including:**

Accor  
British Educational Suppliers Association (BESA)  
Capital International Limited  
Deutsche Bank  
Elior UK  
Hobsons plc  
Reed Elsevier  
Prudential plc  
SAM Learning  
Study Group  
Sweet & Maxwell  
the innocent foundation  
Travel Counsellors  
Turner Broadcasting

**Donors**

Mr Spencer  
Mr Horne  
Mr Horwich  
Mr Hellier  
Mr and Mrs Pankhurst  
Ms Van Almsick  
Mr and Mrs Witter

**And many other anonymous donors**

Looking at a brighter future for girls' education across Africa.

Photo: Ali Berg

5-6 Underhill Street, London NW1 7HS

Tel: 020 7482 9777

Fax: 020 7482 9778

Email: [mail@plan-international.org.uk](mailto:mail@plan-international.org.uk)

Web: [www.plan-uk.org](http://www.plan-uk.org)

Registered Charity no: 276035

Registered in England no: 1364201

Officially recognised by the Economic and Social Council of the United Nations Consultative status with UNICEF

Cover photo: Leo Drummond

Editor: Alex Betti

Photo research: Simone Schneider

Design and Artwork: nim design

This Annual Report is printed by Colchester Print Group utilising a thermal based image setter for the plate production. A waterless and chemical free technology which totally eliminates the need for any waste disposal. Printed on low alcohol presses using vegetable based inks. Colchester Print Group is ISO 14001 environmental accredited (gained since 1998) and Green Apple Award winners for the Environment. Printed on material sourced from sustainable forests.

