



Plan UK Trustees' Annual Report 2014



Plan



Photo: Plan / Richard Wainwright

# Contents

## INTRODUCTION

- 2 Report from our Youth Advisory Panel
- 3 A message from Plan UK's Chair
- 4 A message from Plan UK's Chief Executive

## STRATEGIC REPORT

- 5 Plan in figures
- 6 Where we work
- 9 Changing children's lives one at a time
- 10 Helping families affected by Typhoon Haiyan
- 11 Because I am a Girl
- 12 Community development
- 16 Helping before and after disaster strikes
- 18 Campaigning for change
- 20 Developing strong partnerships
- 22 Making a difference together
- 23 Financial review
- 26 Looking forward
- 28 Principal risks and uncertainties

## GOVERNANCE

- 29 Governance and management
- 36 Legal and administrative information

## FINANCIAL STATEMENTS

- 37 Independent auditors' report
- 39 Consolidated financial statements

# Report from our Youth Advisory Panel

Plan UK's Youth Advisory Panel (YAP) is a group of young people in the UK aged 13-19 who make sure that young people's opinions are shaping the charity's decisions. This year, our highlights include community, ambassadorial and advisory work.

As ambassadors, we represent Plan UK at policy forums and events and help build support for youth engagement in development. This year, we've taken leading roles in key events such as Malala Day in July 2013, where YAP members were interviewed on CNN World alongside global health and education campaigner Sarah Brown. YAP members also advised Plan UK on how to engage with students at the second International Day of the Girl in October, and, at Plan UK's annual supporter relations event, explained why the charity needs to listen to children and young people in disasters.

We're also at the centre of Plan UK's decision making. This year, two new Youth Observers

joined the Board of Trustees, giving a youth perspective on policy and strategy decisions.

Our place at the heart of Plan UK becomes a visible reality at our annual 'Takeover Day'. Each YAP member 'takes over' the work of a Plan UK staff member, and this year we produced our own webpage.

YAP members work hard in their local communities organising events, which this year included school screenings of the Girl Rising film; panel discussions and assemblies on issues like female genital mutilation/cutting (FGM/C) and child marriage; and fundraisers for the Philippines appeal.



Front row: Hassan, June and Pooja  
Back row: Emma, Michael, Jake, Nazma Kabir (Plan UK's Director of Programmes), Keya, Evie, David and Lauren

## What YAP means to me

*"I joined YAP because it was a chance for me to make a change, rather than waiting for change to happen."* Hassan, 17

*"Being part of YAP has provided me with amazing levels of insight, and given me the confidence to speak up when I wouldn't before."* Jake, 19



Photo: Victoria Dawe / Plan

## Give a girl a chance and she'll do the rest

A message from Plan UK's Chair

This is the message behind 'I'll Take it From Here', our moving film demonstrating girls' potential, screened at the Glastonbury Festival in June.

Shot in Malawi, the award-winning film shows the barriers faced by millions of girls, and how we help them move from poverty to opportunity. Its star, 12-year-old Brendar, says: "It was good: when I was dressed up, I felt I really could be a nurse, a doctor or an engineer."

I learned more about the lives of girls like Brendar when I interviewed Sky News presenter Gillian Joseph – a long-standing Plan UK supporter – in March.

In 2013, Gillian visited South Sudan. As well as meeting young women who are challenging stereotypes by studying subjects like mechanics, she also met child bride Gloria. A mother at 14, then abandoned, her story underlines how the choices illustrated in 'I'll Take it From Here' are simply not available to millions of girls.

For 18-year-old Gloria, however, the story's not over: with Plan's help, she's back at school, planning a brighter future for herself and her two children.

We're tackling the barriers girls face, through work like our exciting £25 million water, sanitation and hygiene programme in Pakistan and Bangladesh, funded by the UK Government's Department for International Development (DFID). Together with our partners, we'll reach over six million people. The project began in April 2014, and will particularly benefit girls and women, who often spend many hours walking to collect water.

We're also building our corporate partnerships: this year we began working with CBRE, and extended our relationship with Credit Suisse.

Our new Public Engagement Directorate maximises the resources we attract and the influence we exert. And we're working with Plan International to help Plan organisations around the world become even more efficient and effective.

I hope you enjoy reading about this year's proudest achievements, and about some of the girls and boys, young men and women we're privileged to work with.

**Thank you so much for your support.**

**Rt Hon Dame Janet Paraskeva DBE  
Plan UK Chair**



## A message from Plan UK's Chief Executive

This has been another significant and exciting year for Plan UK. In June 2014, we re-launched Because I am a Girl, the world's biggest girls' rights campaign.

The statistics are shameful. Every two seconds another girl is forced or coerced into marriage. Every ten seconds another girl is at risk of FGM/C. And every day, 65 million girls don't go to school.

We won't let this continue. We know that empowering girls works, with educated girls more likely to marry later, have fewer children, and earn more.

We re-launched the campaign with our #FGMRose, a short, shareable video. Shocking without being graphic, it encourages the UK public to call for an end to FGM/C. Within weeks, over 100,000 people had seen it.

Throughout the year, we kept the profile of girls' rights high. 'Plan Talks' feature extraordinary women talking about things that really matter: in October, journalist, presenter and campaigner Mariella Frostrup spoke passionately about the importance of role models and mentors for young girls and in February, award-winning journalist Alex Crawford called for an end to violence against girls and women.

We continued to draw attention to violence against girls and women at June's Global Summit to End Sexual Violence in Conflict. We highlighted the vital role that education can play in conflict, with William Hague MP and Angelina Jolie joining our activities.

One of my year's highlights was visiting Zambia, where I met 23-year-old Daniel, who's part of Banking on Change, our partnership with Barclays and CARE International UK. He joined his local savings group last year, and invested his savings in setting up a mobile phone top-up shop. The financial training the group provided helped him establish his business. Now, he's making a profit – and has big ambitions.

With global youth unemployment at 74.5 million, projects like this are desperately needed. The fantastic news is that Daniel and his peers are making their businesses work.

**Finally, we're delighted that this year, our income increased by 19 per cent to £63.2 million. Of course, none of this would be possible without you – we're very grateful for your continued support.**

**Tanya Barron**  
Plan UK Chief Executive

## Plan in figures

**£63.2 million**

raised in 2014

**£8.7 million**

raised for Typhoon Haiyan

**85%**

of every pound raised goes to our work to improve children's lives

**Over 700,000**

people reached directly through emergency projects in 12 countries

**99,584**

children in 49 countries sponsored by 92,205 sponsors (at 30 June 2014)

**2,400,000**

beneficiaries directly targeted by our grant-funded programmes in 2014

**202,000**

unique users interacted with our social media profiles



# Where we work



*In El Salvador, Vanessa has learned valuable new skills through a vocational scholarship, and entrepreneurial training. (Page 13)*

-  PLAN UK
-  OTHER DONOR COUNTRIES
-  DONOR AND PROGRAMME COUNTRY
-  PROGRAMME COUNTRY



In Zambia, Daniel has set up his own small business, supported by our Banking on Change project. (Page 4)



In Pakistan, Farwa is fighting for girls' rights, and against child marriage. (Page 19)



Photo: Pjan / Vania Milanovitch

# Changing children's lives one at a time

Sponsorship is, at its heart, a relationship and a dialogue. For sponsors, it makes global development real by relating it to individual people; for children, it provides hope of a better future.

Sponsorship is central to our work, providing long-term funding for community projects in 50 countries. Last year £18.8 million came from sponsorship. Combined with Gift Aid for all individual givers, this comes to £23.2 million or 37 per cent of our income, which was in line with our budget. At 30 June 2014, 99,584 children were sponsored through Plan UK.

We want to make sure that sponsored children receive the best support from our projects, and that sponsors receive regular letters and updates. We're always striving to foster the personal connection between child and sponsor. Birthday cards from sponsors to their sponsored children have been a huge success, with over 16,000 sent this year, raising a fantastic £128,000.

Our supporter relations team work hard to make sure that sponsorship is a rewarding experience – this year, they responded to over 10,000 phone calls, 12,000 emails and 5,000 letters from our much valued supporters.

Led by our business improvement and innovation team, we've been thinking creatively about evolving sponsorship further, helping both sponsors and sponsored children to benefit from their unique connection. We've talked to sponsors about improving their experience, and consulted with children in Vietnam through fun, creative workshops.

---

## 123,000 letters

Last year, we delivered 123,000 letters between sponsors and sponsored children

---

*"Life was hard, but [my sponsor] showed me a different world and helped me to dream of a better life for me, my family, and my society. (Children need dreams.)"*

Carlos, former sponsored child in Colombia.

# Helping families affected by Typhoon Haiyan

**On 8 November 2013, Typhoon Haiyan swept through the Philippines. Over 14.1 million people were affected, and over 6,000 people lost their lives.**

Plan UK raised £8.7 million from supporters, public appeals and donors; this generous and swift response meant that we could quickly get vital aid to those most in need.

Many health centres were destroyed, so we've delivered emergency services through mobile clinics. After a disaster, maternal and newborn death rates can be higher than normal, so we've provided care to 2,120 pregnant women and distributed 1,645 infant health kits.

We've distributed water and hygiene kits to 7,000 families, and to schools in 54 villages. Making sure children can return to school is a priority, so we've rebuilt and rehabilitated classrooms and schools.

But emergency aid is just the first step. Through cash for work and cash transfer projects we're helping 8,080 households to rebuild their livelihoods, providing tools, seeds and nets for farmers and fishermen.

The Plan federation globally has also developed a five-year, £44 million recovery and rehabilitation project, which will help 700,000 people to rebuild their communities.

## Helping communities to rebuild

"I'm proud to help restore my community," says 33-year-old Lina, from Eastern Samar. She's part of a Plan cash for work project supported by the European Commission's Humanitarian Aid and Civil Protection Office (ECHO).

Typhoon Haiyan destroyed Lina's home and small shop. Now she, her husband and their two daughters live in a temporary shelter.

Alongside 30 others, Lina works six days a week, earning 260 pesos (£3.50) a day. The project supports 12,900 families, generating income and fostering community spirit. Villagers clear debris, install temporary learning spaces and improve sanitation.

"I'm happy to be earning so our house can be restored," says Lina. "My husband's working as a truck driver and our children's classes have restarted: they're enjoying studying while we work."



## Because I am a Girl

*"I was forced to leave school: my father said girls don't need an education. One day he beat me, saying I shouldn't be playing, as I'd reached the marrying age. Two days later, I was married. I had no say."* Nagah, 15, Egypt

Worldwide, no one bears the brunt of poverty more than girls. Millions of girls like Nagah are denied the right to make choices about their lives or develop their potential.

- 125 million girls and women bear the scars of female genital mutilation/cutting (FGM/C).
- One in three girls in developing countries is married before age 18.
- 65 million girls are denied an education.

### It's time to get it right for girls

The kidnapping of Nigerian school girls and the shooting of Malala Yousafzai have dramatically highlighted the discrimination girls face. Our Because I am a Girl campaign has never been more important. We're fighting for girls to get an education, be protected from violence and early marriage, and make their voices heard.

Last year, we helped persuade the UK Government to provide more funding for girls' education. We also worked with them to create a global movement to end child marriage and FGM/C in a generation.

### FGM/C

FGM/C is common in many African countries. It involves removing girls' external genitalia for non-medical reasons and commonly leads to infection and, in later life, to infertility, complications in childbirth, and even death.

In Mali, where 89 per cent of women have been cut, we're bringing FGM/C into the open and raising awareness of the risks. So far, 30 per cent of our project communities have abandoned FGM/C.

Through campaigns and events like our #FGMRose video, and our expert roundtable on FGM/C in association with the Guardian newspaper, we're also increasing UK awareness and public support for an end to FGM/C, worldwide.



Photo: Plan / Seydou Dolo

# Community development

## Supporting adolescents

Adolescence is a time of key transitions, and working with and for adolescent girls is a growing strategic priority for us. Building Skills for Life, our flagship programme, supports girls' empowerment and tackles the barriers that prevent them from fulfilling their rights. We help them continue their education, gain the skills they need to make a living, and make informed choices about sexual and reproductive health.

The programme is funded by more than 14 donors, including the UK Government's Department for International Development (DFID), corporate partners, such as AstraZeneca and Credit Suisse, and our Girls Fund supporters.

Our projects have seen adolescent girls and boys gain growing influence and increased confidence in expressing their ideas, leading to improvements in schools and communities. Attitudes are changing among community leaders and teachers, with many demonstrating greater support for girls' rights, particularly their right to education. Many projects are finding that girls are doing fewer household chores, and reporting that they feel listened to more by parents, teachers and community members. Girls are also getting more involved in peer networks to seek collective solutions to their problems.

## Economic security

Within Banking on Change, a partnership between Plan UK, CARE International, and Barclays (see p20), Plan UK works in Egypt, Ghana, Tanzania, Zambia and India. We're working with people under 35, including over 12,000 adolescent girls and over 8,000 adolescent boys. We provide financial and entrepreneurship training so they can manage their finances and set up small businesses.

In Uganda, a project part-funded by the European Commission supported 2,915 young people to gain the skills they need to find a job or apprenticeship, or set up their own business. In Rwanda, we've supported hundreds of young people to set up 61 cooperatives, enabling them to increase their incomes. As well as training them in skills like carpentry, welding and tailoring, we've also trained them to manage the cooperatives themselves, and market their products.

*So far, over 230,000 adolescent girls aged 10–19 have been directly reached through 60 projects. At the end of this year, we had 32 active projects in 22 countries.*

## Education

Our education programme in partnership with DFID has been extended for another two years, so we can continue to improve adolescent girls' access to and completion of lower secondary education. We'll also focus on tackling the issue of drop out, strengthen work on sexual and reproductive health and rights, and reinforce our advocacy and policy work to make sure that changes are sustainable.

## Health

Plan UK is leading post-2015 advocacy on health including sexual and reproductive health and rights. We coordinate the Action for Global Health (AfGH) Network, which brings together European health advocates, and helps keep European donor countries accountable on spending for health.

We've been instrumental in moving forward discussions around Universal Health Coverage (UHC). In February 2014 we convened a conference in Dakar, Senegal, for civil society organisations. Through this, and building on the experiences of health system reform across Latin America, Asia and Africa, we led the development of a civil society declaration on UHC.

Our Young Health Programme, in partnership with AstraZeneca and Johns Hopkins Bloomberg School of Public Health, helps young people in Brazil, India and Zambia get better health care and advocate for youth-friendly services.

## Creating economic opportunities

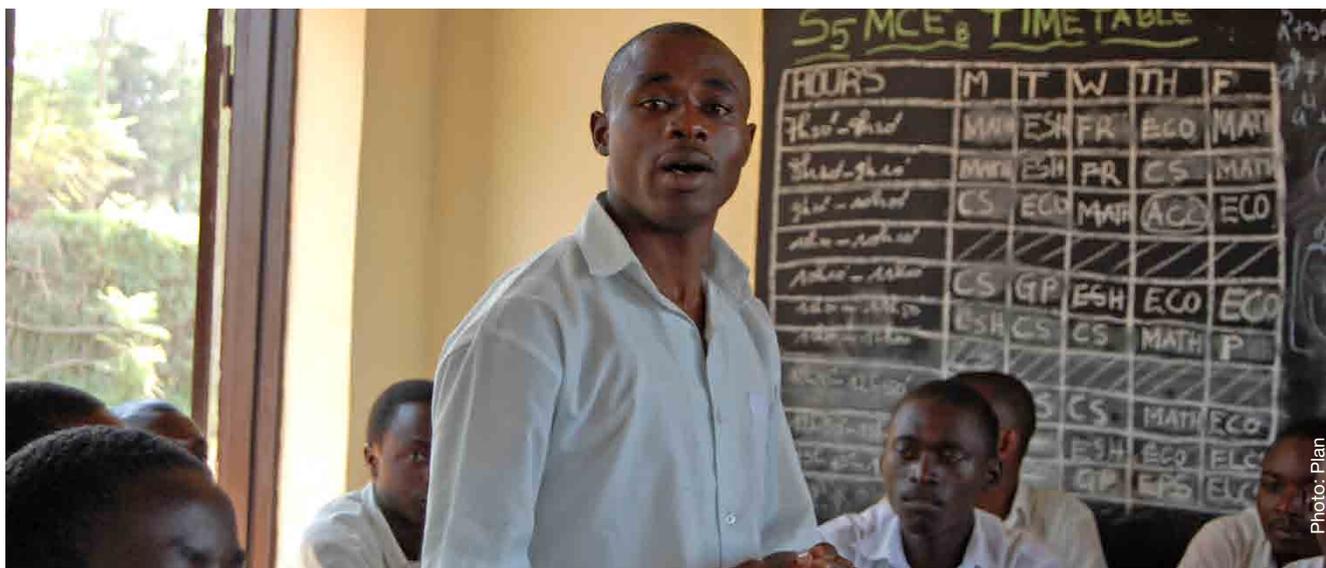
*"I finished high school in 2005 – I couldn't afford to continue. Plan gave me a chance – a vocational scholarship to study gastronomy, entrepreneurial training and support to start my own business. I've created a cyber-coffee place providing internet access. At weekends I prepare food – lunches and snacks – to sell."*

*Without Plan's support, I couldn't have studied. Now, I'm very excited about my business. Definitely my life has changed – I feel optimistic."*

Vanessa, 25, El Salvador



Photo: Plan



### Boys promoting gender equality

In Rwanda, where less than a third of girls complete secondary school compared to over two-thirds of boys, a DFID-funded project is getting boys to challenge gender discrimination.

Over 2,300 boys in 41 schools took part in training on gender, and set up school clubs to carry on spreading the message to their peers and communities.

Awareness around gender equality has increased significantly. Many boys talk to their families and friends about the importance of girls' education, and equal rights – and are persisting despite resistance from some community members.

One boy said: “My brothers and I would play football, leaving our mother to prepare food, wash utensils and do all that work alone. Now, my attitudes have changed. I no longer let my

mother toil – I help her to cook, wash clothes, and sweep. My mother is happy, and keeps telling me that school has transformed me.”

### Protection

We work with communities to change the attitudes and behaviours that result in violence against children, especially girls and young women. In Togo, nearly 16,000 community members benefitted from radio programmes in local languages about the causes and consequences of child labour. In Bangladesh, our early and forced marriage project has set up online birth registration systems in three sub-districts, helping to prevent girls from being married too young. New projects include work in Nepal to support girls to leave exploitative work in the entertainment sector, and in Uganda supporting the empowerment of girls and young women involved in commercial sex work.



Photo: Plan / Jenny Matthews

# Helping before and after disaster strikes

Typhoon Haiyan (see p10) highlights the devastating effect of disasters on millions of children, families and communities every year. Experts predict worse is to come, due to climate change, environmental degradation and poverty. When disaster strikes, we provide children and families with what they need to survive, make sure children are safe and can return to school, and support communities to recover.

We're strengthening our work in risk management, building the ability of young people and communities to prepare for, cope with, and be resilient to disasters. By investing in children and young men and women's knowledge and skills, they can minimise loss and damage – and save lives.

Last year, we had 23 projects across Latin America, Asia and Africa. We worked with other Plan offices, with partners, and with the European Commission, DFID, UN agencies and the Disasters Emergency Committee (DEC).

## Emergencies

We responded to natural disasters including hurricanes and typhoons, floods and earthquakes, and supported families affected by conflict, displacement and nutrition and health crises, from Haiti and Bolivia to Bangladesh and Vietnam. We distributed essential supplies including blankets, cooking materials and water containers; delivered safe water and sanitation; provided basic health care; and helped communities to rebuild their livelihoods.

We're now a pre-qualified partner for the DFID Rapid Response Facility (RRF), so can access UK government funds to meet urgent humanitarian needs. This year, we won our first RRF grant, for Typhoon Haiyan. We also took part in DEC appeals for Syria and Typhoon Haiyan. We're a member of the START Fund, a new DFID-funded initiative, and received a grant to assist people displaced by conflict in South Sudan.



Photo: Plan

## Increasing resilience

Working with Plan staff and local partners in ten countries, our Disaster Risk Reduction (DRR) projects have promoted Safe Schools and early warning systems, reducing the risks that schools and communities face. They've also helped organisations and institutions to better integrate child-centred resilience into planning and policies.

Research shapes our DRR work. With the Overseas Development Institute (ODI) we're producing a resilience study in the Sahel. With the International Institute for Environment and Development (IIED), we launched a report on urban disaster risks in Asia, focusing on children's rights.

## Ensuring children's participation

We supported children's involvement in the International Conference on Community-Based Adaptation to Climate Change, held in Nepal in April, and at the Latin America and the Caribbean Regional Platform for DRR, held in Ecuador in June. We're joining efforts to ensure that the post-2015 DRR and sustainable development goals agenda prioritise children's right to a safer future.

This year, Plan International launched the Safe Schools Global Programme in 31 countries, aiming to educate 1.5 million children about preparing for and coping with a disaster.

## Nura's story

Since violence erupted in South Sudan in December 2013, thousands of people have been forced to flee, with many taking refuge in Melijo camp in Eastern Equatoria.

Among them is 22-year-old Nura, originally from Jonglei State. She's alone here – her two-year-old daughter and her mother are in a camp in Uganda. Nura stayed in South Sudan to earn money to send to them.

"Everybody has suffered; I can't complain," she says, but Nura's father died during the civil war, and this is the second time she's been displaced, after her family fled to Uganda in the 1990s. There, she went to school and university. After the peace agreement in 2007, she returned home and worked as a typist.

In the camp, the help we provide can make a huge difference. Nura was delighted to receive an emergency kit including plastic sheeting, mosquito nets, sanitary pads, buckets, soap and kitchen materials. "Is there really a saucepan? I can't wait to cook my own food!" she said, smiling.



Photo: Plan / Jira Ose

# Campaigning for change

**Our advocacy work helps politicians and decision makers to implement policies and programmes that benefit children around the world, and we galvanise public support so our message reaches those who can make change happen.**

We kicked off this year celebrating Malala Day by showing the live stream of Malala Yousafzai's inspirational address to the United Nations General Assembly (UNGA) on 12 July 2013, her sixteenth birthday. Hundreds of school girls and boys attended the event at the Southbank Centre, and galvanised over 3,500 supporters to join Plan's Raise Your Hand campaign supporting girls' education.

At the UNGA in New York in September, our Global Young Speakers from Pakistan and Malawi spoke alongside Chelsea Clinton to open the Clinton Global Initiative. They also handed Plan's 10,000 signature Take the Vow petition to the UK Secretary of State for International Development, Justine Greening MP, urging the UK Government to do more to end child marriage. The great news is that the government listened and on 4 March, at an event we co-hosted at the Southbank Centre, Justine Greening announced a significant investment to tackle child marriage globally.

On 11 October 2013, we marked the second International Day of the Girl, unveiling a giant erasable fresco in London's Trafalgar Square highlighting the barriers to girls' education. The event was supported by Parliamentary Under Secretary of State Lynne Featherstone MP.

On the back of the 2013/2014 State of the World's Girls Report, we worked with other NGOs to persuade DFID to commit to gender-sensitive child protection programming in emergencies, at November's Keep Her Safe summit.

It was a key year for girls' education. The Global Partnership for Education, the only global fund working to improve education in over 50 developing countries, needed significantly increased funds. We campaigned, along with other NGOs, for the UK Government to increase its commitment – it pledged £300 million over four years, a 50 per cent increase.

*“Education is the answer – if you educate a girl, you change the world.”*

Lynne Featherstone MP



Photo: Plan / Mark Chivers

In June, at the Global Summit to End Sexual Violence in Conflict, co-hosts William Hague MP and Angelina Jolie joined our ‘emergency classroom’, learning about our work providing education to children affected by conflict.

Finally, we’ve worked hard to make sure that our focus on violence against girls has created a strong environment for change. We facilitated an expert roundtable on FGM/C covered in the Guardian newspaper, and have strongly supported the UK Government’s ambition to end FGM/C and child marriage. We’ll work to ensure that these targets are included in the new UN sustainable development goals framework for beyond 2015 – and ensure that young people themselves play a central role.



Photo: Andrew Parsons / i-Images / Crown Copyright

### Speaking out for girls

At the UNGA, 16-year-old Farwa, from our Global Speakers Network, explained the impact of child marriage in her home village in Pakistan.

“When I was 14 my parents wanted to force me to get married because they couldn’t afford school costs. I was frightened, thinking I’d have to marry an old person. My aunt told my parents: “You can’t do this: girls aren’t physically or mentally mature at this age.” She paid my school costs and persuaded my parents not to force me to marry.

Some aren’t so lucky, like my friend Sonia. Only 12 when her father forced her to marry a man of 45, she gave birth at 14. Now, her husband won’t let her go to school and often punches her. Sonia shares my dreams, but can’t turn them into a reality.

Now I ask parents who deny girls their rights – why make a distinction between girls and boys? We have to do something. I’m speaking here today because I want to make sure girls aren’t forced into marriage. What are *you* going to do?”



Photo: Plan

# Developing strong partnerships

Our partnerships with businesses, trusts, private donors, and charitable organisations are vital. We share their resources and expertise – and they help us raise significant funds. We also work with institutional bodies in the UK and Europe through grants, contributions and partnerships. This year saw an increase of over 50 per cent in the match funding secured.

## Corporate partners

Banking on Change is a partnership between Barclays, CARE International and Plan UK. It aims to break the barriers to financial inclusion and improve the quality of life in some of the world's poorest communities, with a key focus on young people, by giving them the skills to save and manage their money effectively. The partnership is the first by a global bank to successfully link informal savings groups to the formal banking sector.

In many countries, young people struggle to get health care. Through the Young Health Programme (YHP), our partnership with AstraZeneca and Johns Hopkins Bloomberg School of Public Health, we're delivering programmes in Brazil, India, and Zambia. We've already helped 260,000 people to get health information, and to advocate for youth-friendly services.

Building on the success of five years' partnership with Credit Suisse, in December 2013 we were delighted to be selected as one of two key global partners in a new three-year project, 'Financial Education for Girls'. The new initiative targets 100,000 individuals in Brazil, China, India and Rwanda.

This year we launched an exciting new partnership with CBRE, the world's largest real estate services and investment firm. CBRE's EMEA (Europe, Middle East and Africa) business is the lead corporate partner in a three-year partnership to help more than 135,000 children in rural Sierra Leone – and girls in particular – go to school. The project is also supported through UK Government matched funding. In May, over 100 CBRE employees, clients and partners cycled 500 miles, from Madrid to Lisbon, raising over £80,000.

*"The YHP has changed my life completely. I now understand the importance of not only being healthy, but also making others more aware. As a Peer Educator, I support and guide people, so that the youth of today can be increasingly aware of health issues."* Thiago, 21, Brazil

Thousands of children living on Jakarta's streets don't legally exist because they don't have a birth certificate. Without this, they can't get health care or go to school. Through our partnership with Aviva and the Indonesian government, we've registered the births of over 1,200 children and helped to change the law to simplify birth registration and make it free; we're advocating for this issue to be prioritised nationally.

## Trusts and major donors

The major donor team were delighted to receive support again this year from our committed individual donors. Thanks to their generosity, we delivered projects ranging from rural education in Malawi, to water and sanitation across east and west Africa.

We're proud to have HRH The Duke of Edinburgh as our patron, and on 5 March he generously supported our work by hosting a lunch at Buckingham Palace for some of our closest partners. Baroness Gardner of Parkes kindly hosted a reception at the House of Lords showcasing our disaster work in the Philippines. These were perfect opportunities for us to thank our committed supporters, and explore how, together, we can do even more to help children in the world's poorest communities.

Some of our closest partners also visited projects in countries including India and Mozambique, meeting the children and communities that they've helped, and seeing the transformation their support has achieved.

Our trust supporters gave vital support ranging from emergency assistance in Cameroon and the Sudan to long-term development projects.

We're very grateful to The Freemasons' Grand Charity, whose generous donation of £185,000 provided education and health care for 4,720 people affected by Typhoon Haiyan.

Viiv Healthcare's Positive Action for Children Fund is generously supporting a £300,000 three-year community programme in Ethiopia, preventing mother-to-child transmission of HIV, and providing information and services for over 13,000 women and girls.

This year, we received over £500,000 from the Jersey Overseas Aid Commission. This enabled us to improve education, water and sanitation in Togo, Uganda, Sierra Leone and Kenya, and provide vital support in four emergencies.



Photo: Fergus Burnett

# Making a difference together

The funds and support that we receive from individuals and community groups mean we can make a difference to more children every year.

Our supporters also donate to emergency appeals and Girls Fund projects. And each year, hundreds take part in challenges and organised events.

This year we received places in the London Marathon. We had 12 runners taking part, collectively raising over £18,000.

Plan supporters responded generously to our Philippines emergency appeal, raising £359,000 to help families affected by Typhoon Haiyan rebuild their lives. The Major Partnerships Unit also raised £366,000 for our response in the Philippines, bringing the total to £725,000.

This year, we received more than £1,350,000 from legacy bequests. Fifty-two people told us they intend to leave a gift to Plan in their will, and 115 people told us they've already arranged to do this.

Our work with schools this year raised a fantastic £164,000. One highlight was our first ever World Wide Walk, where thousands of schoolgirls from over 30 schools each walked 10 km, collectively walking the circumference of the world. The walk raised £83,000 for our Girls Fund.

We truly value all our supporters as their generosity and commitment enable us to deliver lasting benefits to thousands of children and their communities in some of the world's poorest countries.

## Girls Fund

This year Girls Fund donors have given more than £820,000, and we recruited 2,700 new givers. They're helping us to tackle FGM/C and child marriage, and support girls who are subjected to violence, kept out of school or denied a voice. Our six projects in Bangladesh, Egypt, El Salvador, Mali, Uganda and Vietnam are empowering girls to claim their rights and equipping them with the skills they need to determine their own futures. You can read about our project in Mali on p11.

This year, Girls Fund supporters exchanged messages with girls in our Ugandan project through an online message board.



Photo: Plan / Will Boase

# Financial review

## Year to 30 June 2014

### Income

The year to 30 June 2014 has been an extraordinary one in which our total income increased by 19 per cent against the previous year to reach over £60m for the first time. A significant part of this increase is due to the incredible response to our Typhoon Haiyan appeal, for which we raised £8.7m from individuals, corporate partners and institutional donors, reflecting the UK public's confidence in our ability to respond quickly and meaningfully to humanitarian disasters.

The highest area of growth this year was in income from institutional donors, which grew by 35 per cent in the year, making up 36 per cent of total income in 2014. In addition to the significant funding received in relation to Typhoon Haiyan, income for our development programmes increased significantly. As well as an increase in the overall value of this area of income, we are increasingly winning high-value awards – including the £6.4m awarded under the UK Government's Department for International Development (DFID) three-year Girls' Education Challenge, and our £25 million, five-year Water, Sanitation and Hygiene (WASH) programme in Pakistan and Bangladesh. This demonstrates the strength of our relationships with our donors, as well as their confidence in our ability to deliver large-scale change for children.

At 30 June 2014, we had 92,205 sponsors, a decrease of 3 per cent against the previous year, generously sponsoring 99,584 children around the world. When compared to a 2 per cent decline in sponsorship income, this demonstrates the incredible commitment of thousands of individual supporters, who have increased their donations in what continues to be a tough economic climate.

We also saw an increase in income from other donations and appeals, including our first £1m legacy – a truly generous gift that will have an enormous impact on the lives of thousands of children.

We've also continued to benefit from a number of large-scale corporate partnerships and long-term relationships with trusts and major donors, with 10 per cent of our income now coming from this area.

## Where our income came from in 2013/2014



● Institutional donors	£22.7m	36%
● Sponsorship	£18.8m	30%
● Other donations and appeals	£10.0m	16%
● Corporations, trusts, and major donors	£6.7m	10%
● Gift Aid	£4.4m	7%
● Other	£0.5m	1%

## What we spent our money on in 2013/2014



● Charitable activities	£53.8m	85%
● Generating funds	£9.2m	14%
● Other	£0.3m	1%
Governance	£0.1m	0%

## Expenditure

In the year to 30 June 2014, we spent £63.5m to help build a better future for children in some of the world's poorest countries. This represents an impressive increase of 15 per cent in just one year.

85 per cent of our expenditure went to our charitable activities. This includes our emergency response and disaster preparedness work in the Philippines and elsewhere, our projects supporting young people to continue their education and build their skills for life, our advocacy and campaigning work promoting girls' rights, and much more.

14 per cent of our expenditure related to fundraising activities. This includes all our sponsorship activities, fundraising appeals, and the cost of submitting bids for institutional donor grants and contracts. The overall cost of our fundraising activities increased by 6 per cent to £9.2m in the year, while income increased by 19 per cent, reflecting in particular our successes in fundraising for our Typhoon Haiyan response.

Our remaining expenditure was on costs associated with our acting as landlord and sub-letting two floors of our office building, for which we also receive rental income; and governance costs, primarily internal and external audit and other professional fees.

## Reserves

Our reserves, totalling £9.4m at 30 June 2014, fall into two categories.

Unrestricted funds (£5.7m) are made up of general funds (£3.8m), and a designated fixed asset fund (£1.9m). The fixed asset fund represents the value of long-term assets – such as computer and office equipment – which we own. General funds are not restricted to or designated for specific projects, and allow us the most flexibility in allocating them where they can best be put to use to help us fulfil our mission.

Our fixed asset fund has decreased in the year, as we began depreciation of our new Customer Relationship Management (CRM) system. General funds have increased in the year from £3.5m to £3.8m as we work towards reaching our new reserves target (see p32).

Restricted funds (£3.7m) represent donations and grants for specific projects that will be spent in future years. These decreased from £4.1m at the start of the year even as our income grew as we managed to send funds where they were needed more quickly.



Photo: Plan / Richard Wainwright

# Looking forward

We're immensely proud of what we've achieved this year, but know there's more to do.

As we look ahead to what we want to achieve in 2014/2015, we're driven by a vision of a world in which all children can realise their potential.

We want to reach more marginalised girls and boys, and to do this, we'll focus on the following aims.

## *Delivering quality, effective and child-centred programmes, with an emphasis on adolescent girls, and disasters*

- **Increase our expertise in disaster risk management**

In two new projects in Central America and South East Asia, we'll build community and institutional capacity to plan for and respond to disasters, prioritising the most vulnerable. We'll improve our accountability to beneficiaries through an innovative project in the Philippines.

## *Building partnerships to deliver quality programmes*

- **Increase our work through tenders and contracts**

We believe in our ability to transform girls' lives and will put resources into creating significant impact and scale. We will consolidate existing high-scale and high-quality work to ensure we can transform the lives of millions of children.

- **Develop our partnerships with the corporate sector, trusts and foundations, and major private donors**

We'll bring together key players to deliver income, increase influence and impact. We'll establish flagship partnerships harnessing the private sector's resources, influence and expertise. And we'll develop a compelling and sustainable philanthropy programme which demonstrates impact and accountability, and promotes partnerships and long-term collaboration.

## Increasing our influence on policy and practice

We'll continue to increase the momentum to stop violence against girls, including ending FGM/C and child marriage. Our first focus was the Prime Minister's Girl Summit. We'll launch a report on youth governance at the UN General Assembly, and our State of the World's Girls report on power.

## Increasing our income and awareness levels

- Build our UK supporter base. We're proud of what we do, and want more people to know about it – and to join us. This year, we aim to recruit over 8,000 new sponsors and 4,500 new Girls Fund supporters.
- Develop sponsorship for the digital age. Our sponsorship and business improvement and innovation teams will test new forms of communication, and new ways of sharing sponsorship's impact, including better use of mobile technology.

**That's not all. We also have ambitions for the way we work—we want to become more economical, more effective and more efficient. And throughout our work, we'll remain committed to child protection, gender equality and meaningful youth participation.**



Photo: Plan

# Principal risks and uncertainties

## Plan UK recognises that there are risks inherent in delivering our charitable objectives

In 2014, we refreshed our approach to understanding risk within Plan UK. Directors and senior management reviewed our business plan and identified key risks to achieving this plan. As applicable, additional controls to reduce the likelihood of these risks materialising were assigned to directors.

Our risk register is kept up-to-date by senior management and reviewed quarterly by our Management Board, the Audit, Finance and Risk Committee and the Board of Trustees.

While it is not possible to eliminate risk, it is important for us to do all we can to ensure that risks are recognised and mitigated as much as is reasonably possible. In particular, we commit to:

- Ensuring the safety of the children we support. We will continue to work closely with Plan Inc to ensure compliance with global child safeguarding standards. These include carrying out disclosure and barring service checks for all employees and volunteers working with children, and mandatory child protection training for all our staff
- Strengthening the UK public's commitment to children's rights and development – we will campaign and raise awareness in the UK to ensure continued support for our work
- Continuing to invest to ensure we deliver a high-quality effective programme portfolio, increasing our focus on measuring and reporting the impact and value for money of our work, and maintaining transparency through, for example, IATI reporting
- Ensuring that our business plan is underpinned by a sustainable financial model.



# Governance and management

## How Plan UK is governed and managed

Plan UK is a charitable company limited by guarantee, incorporated under the name Plan International (UK). The members of Plan UK are our trustees, whose liability is limited to £10 each. None of them has any interest in Plan UK's contracts or its funds.

Plan UK is governed by our Board of Trustees. The Board meets regularly and is responsible for setting Plan UK's strategic direction, as well as for our overall governance (including signing the Trustees' Annual Report). The Board also oversees Plan UK's management, with day-to-day management delegated to the Management Board. The Management Board is made up of the Chief Executive and four directors.

New trustees are chosen in consultation with the full Board making sure that, collectively, the Board has the skills and experience needed to enable us to operate effectively. Our new trustee appointments are advertised nationally and are made after a formal selection and interview process. New trustees are invited to attend a comprehensive induction with a full agenda covering all areas of our activities. Trustees received ongoing training throughout the year.

Plan UK has an Audit, Finance and Risk Committee (AFRC) which is made up of three trustees and one external member. The AFRC receives regular updates on Plan UK's financial

position, monitors the performance of our internal and external auditors, and reviews internal financial control, the audit process, risk-management processes and the annual budget and annual report and statutory financial statements.

In the financial year to 30 June 2014, the AFRC approved the appointment of BDO LLP as our internal auditors. The internal auditors have proposed an audit plan covering the period to 30 June 2015, which has been agreed by the AFRC. The implementation of recommendations from internal audits will be monitored by management and reported to the AFRC.

Plan UK also has a Remuneration Committee made up of two trustees. It sets Management Board salaries and reviews our annual pay review proposal as well as any significant issues relating to the development and review of our pay policy.

The members of the Board of Trustees, the AFRC, the Remuneration Committee and the Management Board are shown on page 36.

## Statement of trustees' responsibilities

The trustees (who are also directors of Plan International (UK) for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

## How Plan UK operates within the Plan global family

Plan is a global federation of not-for-profit organisations that works with children, families and communities in the world's poorest countries so they can move themselves from a life of poverty to a future with opportunity. To enable us to do this, Plan is organised into separate legal entities which, in the year ended 30 June 2014, included 20 National Organisations, Plan International, Inc ('Plan Inc'), and their subsidiaries. Both the National Organisations and Plan Inc have subsidiaries, usually because they are required under tax law; for example, in the case of Plan UK, to carry out non-charity trading.

Programme delivery is carried out through country and field offices in 50 countries by Plan Inc, a not-for-profit organisation incorporated in the USA. Plan UK and the other National Organisations provide funding and technical assistance for these programmes, which each year make a difference for millions of children, their families and their communities. The National Organisations also represent Plan's work in their country by raising funds, campaigning, and managing the relationship between sponsors and their sponsored children.

The 20 National Organisations are the members of Plan Inc. The Members' Assembly, which takes place twice every year and to which each National Organisation sends delegates, is Plan's highest decision-making body and sets high-level strategy and direction for the global federation. The Members' Assembly also elects the Board of Directors of Plan Inc, which reports to and is accountable to the Members' Assembly for all its decisions.

The Board of Directors of Plan Inc monitors the compliance of National Organisations and Plan Inc with global standards as set by the Members' Assembly.

Plan UK's financial results are included in the worldwide combined financial statements prepared by Plan Inc. Although these are not statutory statements, and are not authorised as such by either the Board of Plan UK or the Board of Plan Inc, they are prepared in accordance with International Financial Reporting Standards and can be downloaded at: <http://www.plan-international.org/about-plan/finance>

## Public benefit

Our Strategic Report clearly sets out in detail our charitable activities, which we have carried out in line with our charitable objectives.

These objectives are:

to prevent and/or relieve poverty, to advance education and to advance health, in each case for the public benefit particularly by, but not limited to, providing social and development services to advance those objects and/or financial and material assistance for the benefit of children, their families and communities in charitable need.

As such, the trustees are confident that Plan UK has complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

## Reserves policy

Each year, the trustees review the reserves policy, that is, the level of funds that are reserved at any one time, rather than spent on our charity's activities, and the level of general reserves, which are shown in the financial statements as 'general funds'. With a significant proportion of income arising from child sponsorship, we can predict much of our total monthly income with a reasonable degree of confidence. However, income from appeals and grants income is more difficult to predict. Our reserves policy is based on maintaining sufficient general funds to cover our anticipated working capital needs for three months. The remaining funds are passed across to Plan

Inc, where their treasury function controls the flow of funds to countries. Under this policy, general funds are expected to be in the range of £4m to £5m. At 30 June 2014, our general funds were £3.8m. We will work towards ensuring that our general funds fall within policy during the year to 30 June 2015.

Restricted funds are usually remitted to Plan Inc on a monthly basis, following receipt from donors. However, we remit funds received from the European Commission (EC) and from the European Commission's Humanitarian Aid and Civil Protection Office (ECHO) directly to programme countries and may therefore hold a higher than expected level of restricted funds if the programme country already has sufficient cash resources from Plan Inc at year end. We work closely with Plan Inc to ensure that we can remit cash to programme countries in a timely manner.

## Financial risk management

Goods and services purchased are subject to contracts with suppliers based on market prices. Plan UK has no exposure to investment price risk as it holds no listed or other equity investments, with the exception of the investment in FPPI UK Ltd referred to below.

About 80 per cent by value of Plan UK's transactions are denominated in sterling and therefore we do not face significant currency risks. The purchasing power of funds transferred to Plan Inc is affected by the strength of the donor currency against the local currencies in the countries in which those funds are spent. This risk is managed by Plan Inc. Plan UK does not enter into foreign exchange contracts for speculative reasons.

The majority of amounts receivable at the year end relate to institutional donors, and the associated credit risk is therefore considered to be low. Plan UK keeps the credit rating of its bank under review, and has no external borrowings. Our Reserves Policy, combined with our remitting funds to Plan Inc only after receipt, as set out above, results in a low exposure to liquidity risk.

### Going concern

With general funds at 30 June 2014 of £3.8m, and net current assets at year end of £7.7m, of which £2.3m is readily available, it is considered by the trustees that Plan UK has sufficient resources and liquidity to continue, for the foreseeable future, to manage its operations efficiently whilst maintaining a suitable flow of funds to Plan Inc to be spent fulfilling our charitable objectives.

Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on future income. We believe that there are no material uncertainties that call into doubt our ability to continue in operation. Accordingly, these financial statements have been prepared on a going concern basis.

### Grant-making policy

Through its Country Offices, Plan carries out programmes which create a better future for millions of children in developing countries. Most of our programmes take place in the countries and communities where Plan-sponsored children live. Plan UK's funds are granted to Plan Inc

to be sent on to Plan country offices and local partners in accordance with grant agreement documents between Plan UK and Plan Inc.

Occasionally, where it is the best way to reach the communities with whom we're working, we make grants to other charities. These charities are selected based on their experience, governance and ability to contribute positively to our work with children in developing countries. Performance is monitored closely, to ensure grants are spent appropriately in line with our charitable objectives.

### Remuneration policy

All roles within Plan UK are evaluated and assigned a grade which determines the pay band for that role. The pay band is determined by the market rates for the grade, with the top of the band aligned to the median rate in the market. In exceptional cases, where the market information supports it, salaries may be above the top of the band.

Each year, the pay bands are reviewed, based on market changes, using a range of sources and taking account of affordability. Management consult with our Staff Council, and a pay review proposal is submitted to the Remuneration Committee. The Committee reviews this proposal and any significant issues relating to the development and review of the pay policy and makes the decision on the proposal. Staff costs are set out in note 7 of the financial statements.

## Staff and volunteers

The number of staff employed by Plan UK changed from 156 full-time and 23 part-time at the start of the financial year to 159 full-time and 19 part-time employees at the end.

We are also very fortunate to benefit from the support of volunteers, interns and people on work placements, who provided approximately 13,600 working hours based on recorded attendance (2013: 16,100 hours). Their dedication has helped us to carry out research and improve our administration. They have also provided essential support to all parts of the organisation, meaning that we've been able to

enhance our relationship with our supporters and our beneficiaries.

We value our volunteers and want to involve them in our work as much as possible, for example, through regular communications, discussions and presentations. Following a review in the year to 30 June 2014, we were reaccredited as an Investor in Volunteering. This reflects our commitment to best practice and continuous improvement in our work with volunteers.

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



Photo: Plan

## The environment

We are very aware of the environmental impact of our activities, and the fact that it is the most vulnerable communities in developing countries who are most impacted by climate change.

We monitor gas, electricity, water and paper used in our Finsgate offices, and air and train travel in order to measure our environmental impact, with a particular focus on our carbon footprint. In the coming year, we will be introducing an Environmental Sustainability policy as part of our commitment to continually improve our environmental performance.

## Foster Parents Plan International (UK) Ltd

Plan UK has a subsidiary company (note 10), Foster Parents Plan International (UK) Ltd (FPPI UK Ltd), to carry out trading activities on behalf of Plan UK. FPPI UK Ltd's results are consolidated into Plan UK's group financial statements in accordance with the requirements of Financial Reporting Standard 2. The directors of FPPI UK Ltd comprise one trustee of Plan UK and a member of the Management Board as shown on page 36. Plan UK owns 100 per cent of the issued share capital (£2) of FPPI UK Ltd.

The activity of the trading subsidiary is the licensing of the Plan UK trademarks to third parties, primarily corporate partners of Plan UK, and carrying out other non-primary purpose trading activities. Turnover of the trading subsidiary in 2014 was £106,000

(2013: £23,000). It is the subsidiary's policy to make a charitable donation of any financial surplus to Plan UK. In 2014 this was £50,000 (2013: £8,000).

The directors of FPPI UK Ltd have signed its 2014 directors' report and financial statements and believe it is a going concern. The company has few expenses and contracted income from our corporate partners in 2015 will ensure the company is able to meet its liabilities as they fall due.

## Interact Worldwide

On 6 June 2013, the Boards of Trustees of both Interact and Plan UK made the decision to fully merge Interact within Plan UK. As a consequence, Interact stopped trading on 30 June 2013, and its net assets, employees and ongoing programmes were transferred to Plan UK for no consideration in the form of an unconditional grant on that date. Interact ceased to exist as a separate legal entity on 28 January 2014.

# Legal and administrative information

## Royal patron

HRH the Duke of Edinburgh

## Trustees

Rt Hon Dame Janet Paraskeva - Chair

Hanah Burgess (appointed 6 March 2014)<sup>1</sup>

Peter Drissell (resigned 5 Nov 2013)<sup>1,3</sup>

Jane French<sup>1,2</sup>

Thomas C Hoegh

Charlotte Imbert

Javid S Khan

Richard Laing<sup>1,2,3</sup>

Spencer McHugh

Surina Narula

Angela Penrose (resigned 5 Nov 2013)

Amanda Phillips

Andrew Rogerson

Leon Ward

## Management Board

Tanya Barron Chief Executive

Angela Beerman Director of HR

Bill Cunningham Director of Finance and IT<sup>3</sup>

Nazma Kabir Director of Programmes

Mike Thiedke Director of Public Engagement

## Company Secretary

Kristen Morgan

## Registered office

Finsgate, 5-7 Cranwood Street,  
London EC1V 9LH

Tel: 0300 777 9777 (UK)

+(44) 20 7608 1311 (Non-UK)

Fax: 0300 777 9778 (UK)

+(44) 20 7253 9989 (Non-UK)

Email: mail@plan-uk.org

## Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London SE1 2RT

## Solicitors

Russell-Cooke LLP

2 Putney Hill, London SW15 6AB

## Bankers

Barclays Bank PLC

Church Street East, Woking GU21 6AE

**The Trustees' Annual Report and Strategic Report were approved by the Board of Trustees on 7 October 2014 and signed on its behalf by:**



**Rt Hon Dame Janet Paraskeva**

Chair, Plan UK

Date: 31 October 2014

<sup>1</sup> Member of the Audit, Finance and Risk Committee, which also comprises Jackie Bliss as an independent member

<sup>2</sup> Member of the Remuneration Committee

<sup>3</sup> Director of Plan UK's trading subsidiary, FPPI (UK) Ltd

# Independent auditors' report to the members of Plan International (UK) on the financial statements

## Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2014 and of the group's outgoing resources and application of resources, including its income and expenditure and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

## What we have audited

The group financial statements and parent charitable company financial statements (the "financial statements"), which are prepared by Plan International (UK), comprise:

- the consolidated and charity balance sheets as at 30 June 2014;
- the consolidated statement of financial activities (incorporating the income and expenditure account) for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates.

In making such estimates, they have made assumptions and considered future events.

## What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Other matters on which we are required to report by exception

### Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

## Responsibilities for the financial statements and the audit

### Our responsibilities and those of the trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.



**Jill Halford** (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
31 October 2014

# Consolidated statement of financial activities

(Incorporating the income and expenditure account) for the year ended 30 June 2014

	Notes	Unrestricted funds	Restricted funds	2014 Total	2013 Total Restated
		£000	£000	£000	£000
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
<b>Voluntary income</b>	2				
Sponsorship		18,802	-	18,802	19,263
Gift aid		4,444	-	4,444	4,482
Other donations and appeals		4,834	5,173	10,007	4,665
		<b>28,080</b>	<b>5,173</b>	<b>33,253</b>	<b>28,410</b>
<b>Incoming resources from charitable activities</b>					
Contributions from institutional donors	3	4,101	18,615	22,716	16,851
Corporations, trusts and major donors	4	43	6,659	6,702	7,218
<b>Other incoming resources</b>	5	499	-	499	470
<b>Total incoming resources</b>		<b>32,723</b>	<b>30,447</b>	<b>63,170</b>	<b>52,949</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>	6	8,844	364	9,208	8,667
<b>Charitable activities</b>	6	23,306	30,480	53,786	45,917
<b>Governance costs</b>	6	137	-	137	252
<b>Other resources expended</b>	6	348	-	348	419
<b>Total resources expended</b>		<b>32,635</b>	<b>30,844</b>	<b>63,479</b>	<b>55,255</b>
<b>Net incoming/(outgoing) resources and net movement in funds</b>		88	(397)	(309)	(2,306)
<b>Fund balances brought forward</b>		5,582	4,137	9,719	12,025
<b>Fund balances carried forward</b>	14	<b>5,670</b>	<b>3,740</b>	<b>9,410</b>	<b>9,719</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 prepared. There is no material difference between the net income/(expenditure) and net movement in funds stated above and their historical cost equivalents. For details of the 2013 restatement, please refer to note 11.

# Consolidated and Charity balance sheets

as at 30 June 2014

	Notes	Group 2014 £000	Group 2013 £000	Charity 2014 £000	Charity 2013 £000
<b>Fixed assets</b>					
Tangible assets	9	1,884	2,087	1,884	2,087
<b>Total fixed assets</b>		<b>1,884</b>	<b>2,087</b>	<b>1,884</b>	<b>2,087</b>
<b>Current assets</b>					
Debtors	11	5,351	5,865	5,393	5,877
Cash at bank and in hand		4,110	5,927	4,001	5,869
<b>Total current assets</b>		<b>9,461</b>	<b>11,792</b>	<b>9,394</b>	<b>11,746</b>
Creditors: amounts falling due within one year	12	(1,766)	(3,172)	(1,699)	(3,126)
<b>Net current assets</b>		<b>7,695</b>	<b>8,620</b>	<b>7,695</b>	<b>8,620</b>
<b>Total assets less current liabilities</b>		<b>9,579</b>	<b>10,707</b>	<b>9,579</b>	<b>10,707</b>
Provisions for liabilities and charges	13	(169)	(988)	(169)	(988)
<b>Total net assets</b>		<b>9,410</b>	<b>9,719</b>	<b>9,410</b>	<b>9,719</b>
<b>Unrestricted funds</b>					
General funds	14	3,786	3,495	3,786	3,495
Designated funds	14	1,884	2,087	1,884	2,087
<b>Total unrestricted funds</b>		<b>5,670</b>	<b>5,582</b>	<b>5,670</b>	<b>5,582</b>
<b>Restricted funds</b>	14/15	<b>3,740</b>	<b>4,137</b>	<b>3,740</b>	<b>4,137</b>
<b>Total funds</b>		<b>9,410</b>	<b>9,719</b>	<b>9,410</b>	<b>9,719</b>

The notes on pages 42 to 60 form part of the financial statements. Approval of the financial statements on pages 39 to 60 was delegated by the Board of Trustees to the below trustees on 7 October 2014, who have signed on their behalf on 31 October 2014.



**Rt Hon Dame Janet Paraskeva**  
Chair of Plan International (UK)



**Richard Laing**  
Trustee

# Consolidated statement of cash flows

for the year ended 30 June 2014

	Notes	2014 £000	2013 £000
<b>Net cash (outflow)/inflow from operating activities</b>	A	(1,568)	1,708
<b>Returns on investment and servicing of finance – interest received</b>		32	36
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		(281)	(438)
<b>(Decrease)/Increase in cash and cash equivalents</b>	B	<b>(1,817)</b>	<b>1,306</b>
<b>Notes to the cash flow statement</b>			
<b>A) Reconciliation of net outgoing resources to net (outflow)/inflow from operating activities</b>			
Net expenditure for the year		(309)	(2,306)
Investment income		(32)	(36)
Depreciation charges		479	251
Loss on disposal of fixed assets		5	-
Decrease in debtors		514	1,929
(Decrease)/Increase in creditors		(1,406)	882
(Decrease)/Increase in provisions		(819)	988
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(1,568)</b>	<b>1,708</b>
<b>B) Analysis of net funds</b>			
Balance brought forward		5,927	4,621
Net cash (outflow)/inflow		(1,817)	1,306
<b>Balance carried forward</b>		<b>4,110</b>	<b>5,927</b>

# Notes forming part of the financial statements

## 1. 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 (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Companies Act 2006, the Charities Act 2011 and applicable UK accounting standards. The Charity (Plan UK) has adapted the Companies Act formats to reflect the Charities SORP and the special nature of Plan UK's activities. The principal accounting policies are set out below and have been applied consistently throughout the year.

### (b) Basis of consolidation

The statement of financial activities (SOFA), group balance sheet and cash flow statement consolidate the financial statements of Plan UK and its wholly-owned subsidiary undertaking, Foster Parents Plan International (UK) Ltd. The financial statements of the subsidiary are consolidated with Plan UK on a line-by-line basis. Transactions and balances between the entities are eliminated on consolidation. Details on the subsidiary are given in note 10.

No separate SOFA has been presented for Plan UK alone, as permitted by s408 of the Companies Act 2006 and paragraph 397 of the SORP. Total incoming resources of Plan UK for the year are £63,113,000 (2013: £50,859,000) and the net result of Plan UK was a deficit of £309,000 (2013: deficit of £1,823,000).

### (c) Fund accounting

**General funds** are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general

objectives of Plan UK and which have not been designated for other purposes.

**Designated funds** comprise unrestricted funds that have been set aside by the trustees for particular purposes. Plan UK has one designated fund which is the tangible fixed asset fund. This fund represents the net book value of tangible fixed assets originally funded from general funds. The transfer made between the general and designated funds represent capital additions less depreciation charges and disposal gains (see note 9).

**Restricted funds** are funds that are to be used in accordance with specific restrictions imposed by donors or which have been raised by Plan UK for particular purposes. Expenditure is charged against the specific fund in accordance with donor rules. An analysis of each material restricted fund is set out in note 15 to the financial statements.

### (d) Incoming resources

All incoming resources are included in the SOFA when Plan UK is legally entitled to the income, has certainty of receipt and the amount can be measured with reasonable accuracy.

### Voluntary income

#### Sponsorship

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

#### Gift Aid

Income from Gift Aid tax reclaims on donations is recognised as income on an accruals basis for all donations covered under a deed of covenant or Gift Aid certificate.

### Other donations and appeals

Other donations and appeal income includes income from Plan Ltd (see note 2), trusts and major donors, and legacies.

Pecuniary legacies are recognised once probate has been granted and notification of entitlement has been received. Residuary legacies are recognised when probate is granted and there is sufficient information to value them. An allowance is made against the amounts receivable to reflect the uncertainty inherent in estate administration.

### Incoming resources from charitable activities

This is income received under grants and contracts from governments, other agencies, corporations, trusts and major donors where these are specifically for the provision of goods and services to be provided as part of Plan UK's charitable activities. Grants that provide core funding, or are of a general nature, are included as 'Voluntary income'.

Grant and contract income received prior to Plan UK having met conditions that would permit entitlement is held on the balance sheet as deferred income.

### Gifts in Kind

Gifts in Kind donated for distribution to beneficiaries are included at market value and recognised within incoming resources from charitable activities when they are distributed to programmes. Gifts in Kind include vehicles and emergency supplies.

Gifts in Kind also include services received in relation to campaigning, fundraising and professional advice. These have been included within voluntary income at market value at the time that the service is received. In accordance with the SORP, no amounts are included in the financial statements for services donated by volunteers, although their work is considered vital to the activities of Plan UK.

### Other incoming resources

#### Rental income

Rental income represents income recognised from sub-tenants which share the Finsgate building with Plan UK as their landlord.

#### Trading subsidiary income

Trading subsidiary income is accounted for on an accruals basis and represents the amounts charged to customers for goods and services supplied, excluding VAT.

#### Investment income

Investment income includes any interest income earned by Plan UK, plus interest earned by Plan Inc on funds remitted to it by Plan UK, subsequently donated back to Plan UK by Plan Inc.

### (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.

Expenditure on charitable activities includes both costs incurred directly by Plan UK and grants payable to Plan Inc and to partner organisations in furtherance of Plan UK's charitable objectives. Grants payable are accounted for when funds are transferred to the grant recipient, this being the point at which such funds become committed.

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

**(f) Tangible fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation. Items costing less than £3,000 are not capitalised.

Depreciation for all fixed assets is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

Leasehold property improvements	Lease period remaining
Furniture, fixtures & fittings	5 years
Computer hardware	5 years
Customer Relationship Management (CRM) software	4 years
Other computer software	3 years

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.

**(g) Pension costs**

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

**(h) Operating leases**

Operating lease rentals are charged to the SOFA on a straight line basis over the life of the lease.

**(i) Foreign currencies**

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.

**(j) Company status**

Plan UK is a company limited by guarantee. The members of the Company are the Trustees named on page 36. In the

event of Plan UK being wound up, the liability in respect of the guarantee is limited to £10 per Trustee.

**(k) Taxation status**

Plan UK is a registered charity within the definition of Section 202 of the Corporation Tax Act 2010 and is thus exempt from taxation on its charitable activities. The trading subsidiary of Plan UK, Foster Parents Plan International (UK) Ltd, aims to gift all of its taxable profits to Plan UK, thus leaving no UK corporation tax payable.

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred or invoiced, and is allocated as part of the expenditure to which it relates.

**(l) Prior year restatement**

The categories used to analyse voluntary income have been amended to provide a more accurate distinction between this category of income and incoming resources from charitable activities.

The categories used to analyse support costs have been amended to better reflect the key activities underpinning Plan UK’s fundraising, charitable activities and governance. However, the total costs shown for 2013 have not changed. With the exception of agency staff costs, all other costs relating to staff, previously shown within note 7, have been included within support costs in note 6c to better reflect the nature of these costs, which underpin the key activities of Plan UK’s fundraising, charitable activities and governance.

The categories used to analyse activities performed by staff have been amended to better reflect the key activities of Plan UK. However, the total FTE numbers included here have not changed.

Total incoming resources, resources expended and net movement in funds are unaffected by these reclassifications and remain in line with the deficit previously reported.

## 2. Voluntary income

	Unrestricted funds	Restricted funds	2014 Total	2013 Total Restated
	£000	£000	£000	£000
Sponsorship	18,802	-	18,802	19,263
Gift Aid	4,444	-	4,444	4,482
Plan Ltd	2,900	-	2,900	1,600
Disasters Emergency Committee (DEC)	-	2,892	2,892	381
Other individual giving	515	1,703	2,218	1,806
Legacies	1,243	114	1,357	569
Emergency appeals	-	357	357	211
Trusts and major donors	176	-	176	98
Gifts in Kind	-	107	107	-
<b>Total</b>	<b>28,080</b>	<b>5,173</b>	<b>33,253</b>	<b>28,410</b>

Refer to note 11 for details of the prior year restatement.

The donation from Plan Ltd, a trading subsidiary of Plan Inc (see note 17), of £2,900,000 (2013: £1,600,000) is a donation received under deed of covenant in order to support Plan UK's charitable activities.

Plan UK has received notice of entitlement on three (2013: one) legacies but which, in line with our accounting policy, have not been accrued with an estimated value of £112,000 (2013: £1,000,000).

### 3. Contribution from institutional donors

a) Included in incoming resources from charitable activities are grants received from the following institutional donors

	Unrestricted funds	Restricted funds	2014 Total	2013 Total Restated
	£000	£000	£000	£000
Department for International Development (DFID)	4,101	7,138	11,239	6,352
European Commission Humanitarian Aid and Civil Protection Office (ECHO)	-	4,661	4,661	2,951
European Commission (EC)	-	4,563	4,563	4,908
Comic Relief	-	601	601	150
UN Agencies	-	591	591	814
Big Lottery Fund	-	133	133	653
Other	-	721	721	997
Gifts in Kind	-	207	207	26
<b>Total</b>	<b>4,101</b>	<b>18,615</b>	<b>22,716</b>	<b>16,851</b>

Refer to note 11 for details of the prior year restatement.

b) The following table summarises all contributions received from the UK Department for International Development (DFID) in the year ending 30 June 2014 totalling £11,239,000 (2013: £6,352,000).

Country	Project name	£000
Various	UK Programme Partnership Agreement (PPA)	4,101
Philippines	Rapid Response Facility (RRF) - Accountable Grant Arrangement for UK humanitarian response to Typhoon Haiyan	2,000
Bangladesh	To enable Tropical Storm Mahasen-affected households to reduce food insecurity and restore livelihoods in southern Bangladesh	1,742
Sierra Leone	Supporting marginalised girls in Sierra Leone to complete basic education with improved learning outcomes	1,600
Malawi	Kalondolondo project	797
Sierra Leone	Accountable Grant Agreement for improving schools in Sierra Leone	369
Rwanda	Innovation for education fund for Rwanda	215
South Sudan	START fund - Magwi county, Eastern Equatoria	80
Kenya	CSCF519 Rights-based HIV prevention and impact mitigation among prisoners, their partners and families, and prison workers in Kenya	78
Ghana	Complementary education project in Upper West Region	72
Uganda	CSCF544 Integrated HIV and AIDS prevention and support for fishing communities in Uganda	66
Bangladesh	Bringing economic empowerment to street children	39
Sierra Leone	Expanding rural access to water sanitation in four chiefdoms in Port Loko and Moyamba Districts	30
Kenya	Adolescent girls initiative action research programme	19
Pakistan	Corporal punishment redressal system	16
Myanmar	Project development grant under Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED) programme	8
Sierra Leone	WASH - Village Savings and Loans linking project in Moyamba and Port Loko Districts in Sierra Leone	7
<b>Total</b>		<b>11,239</b>

## 4. Corporations, trusts and major donors

	Unrestricted funds	Restricted funds	2014 Total	2013 Total Restated
	£000	£000	£000	£000
Corporations	43	4,485	4,528	3,748
Trusts and major donors	-	2,174	2,174	3,470
<b>Total</b>	<b>43</b>	<b>6,659</b>	<b>6,702</b>	<b>7,218</b>

Refer to note 11 for details of the prior year restatement.

## 5. Other incoming resources

	Unrestricted funds	Restricted funds	2014 Total	2013 Total
	£000	£000	£000	£000
Rental income	345	-	345	411
Trading income	122	-	122	23
Investment income	32	-	32	36
<b>Total</b>	<b>499</b>	<b>-</b>	<b>499</b>	<b>470</b>

## 6. Total resources expended

### (a) Analysis of total resources expended

	Grants payable	Staff costs	Other direct costs	Support costs	2014 Total	2013 Total Restated
	£000	£000	£000	£000	£000	£000
<b>Costs of generating funds</b>						
Costs of generating voluntary income from						
Sponsorship	-	676	2,693	676	4,045	3,762
Other donations and appeals	-	971	1,116	696	2,783	2,365
Institutional donors	-	403	59	321	783	932
Corporations, trusts and major donors	-	870	179	548	1,597	1,608
	-	<b>2,920</b>	<b>4,047</b>	<b>2,241</b>	<b>9,208</b>	<b>8,667</b>
<b>Charitable activities</b>						
Disaster risk management	17,770	46	158	419	18,393	10,427
Education	9,923	867	331	258	11,379	8,919
Water, sanitation and health	6,703	15	-	157	6,875	8,819
Economic security	6,433	147	130	157	6,867	6,211
Sexual and reproductive health and rights	3,709	223	48	93	4,073	3,955
Protection	2,179	84	123	56	2,442	4,420
Participate as citizens	1,225	-	-	29	1,254	951
Campaigning and awareness	353	598	986	566	2,503	2,215
	<b>48,295</b>	<b>1,980</b>	<b>1,776</b>	<b>1,735</b>	<b>53,786</b>	<b>45,917</b>
<b>Governance costs</b>	-	-	<b>74</b>	<b>63</b>	<b>137</b>	<b>252</b>
<b>Other resources expended</b>						
Rental costs	-	-	347	-	347	408
Trading subsidiary costs	-	-	1	-	1	11
<b>Sub total</b>	<b>48,295</b>	<b>4,900</b>	<b>6,245</b>	<b>4,039</b>	<b>63,479</b>	<b>55,255</b>
Reallocation of salaries <sup>1</sup>	-	2,019	-	(2,019)	-	-
<b>Total</b>	<b>48,295</b>	<b>6,919</b>	<b>6,245</b>	<b>2,020</b>	<b>63,479</b>	<b>55,255</b>

<sup>1</sup> Staff costs initially included within 'support costs' are reallocated to 'staff costs'.

Refer to note 11 for details of the prior year restatement.

	2014	2013
	£000	Restated £000
<b>Net income/expenditure is stated after charging:</b>		
Services provided by the Charity's auditors:		
Fees payable for the audit of the consolidated financial statements <sup>2</sup>	59	48
Fees payable for other services:		
- Taxation and VAT	4	34
- Grant certification	-	22
	<b>63</b>	<b>104</b>
Exchange rate losses	239	149
Depreciation	479	251
Operating lease rentals	580	580

<sup>2</sup> Fees payable for the audit of the Charity inclusive of VAT were £43,000 (2013: £38,000).

2013 figures have been restated to reflect the cost of irrecoverable VAT.

### (b) Grants payable

During the year Plan UK made grants to Plan Inc, which designs and delivers programmes through regional, country and programme offices. The programme offices are located in areas where Plan programmes are implemented, allowing Plan to respond to the situations of the local communities.

Grants are also made to other partner organisations to deliver programmes to help children, their families and communities and to respond to emergency situations.

A list of grants payable is available at [www.plan-uk.org/annualreport](http://www.plan-uk.org/annualreport)

### (c) Analysis of support costs

	Cost of generating funds	Charitable activities	Governance	2014 Total	2013 Total Restated
	£000	£000	£000	£000	£000
General management	345	267	63	675	636
Financial management	405	314	-	719	535
Human resources	264	204	-	468	465
Information technology	355	275	-	630	558
Depreciation	270	209	-	479	251
Office and facilities	602	466	-	1,068	970
<b>Total</b>	<b>2,241</b>	<b>1,735</b>	<b>63</b>	<b>4,039</b>	<b>3,415</b>

Support costs have been allocated to each of the above activities on the basis of the number of staff employed during the year by the relevant activity.

Refer to note 1I for details of the prior year restatement.

### (d) Analysis of governance costs

	2014	2013 Restated
	£000	£000
External audit fees	59	48
Internal audit fees	2	24
Other professional and legal fees	9	70
Other	4	47
Apportionment of staff costs	63	63
	<b>137</b>	<b>252</b>

Governance staff costs are an estimate of time spent by management on governance matters.

Refer to note 1I for details of the prior year restatement.

## 7. Staff costs

	2014	2013
	£000	Restated £000
<b>Staff costs</b>		
Wages and salaries	5,749	6,043
Social security costs	614	639
Other pension costs	380	154
<b>Sub total</b>	<b>6,743</b>	<b>6,836</b>
Agency staff	176	120
<b>Total</b>	<b>6,919</b>	<b>6,956</b>

Plan UK has a defined contribution pension scheme, which matches employee contributions up to a maximum of 6 per cent of pensionable salary. The resulting fund belongs to the employee and can be transported when leaving Plan UK. No employees receive benefits under a defined benefit pension scheme.

A salary sacrifice scheme was introduced in 2014, giving employees the opportunity to vary their employment terms and conditions such that they receive a lower gross salary, with Plan UK paying additional employer pension contributions on the employee's behalf. This change has increased the amount shown as other pension costs and decreased the amount of wages and salaries by £174,000.

In line with government legislation, Plan UK commenced the automatic enrolment of its staff into its defined contribution pension scheme based on our staging date of 1 May 2014 with all eligible staff being enrolled into the scheme in the third pay period after either the staging date or the start of their employment for new employees.

The number of employees whose emoluments, as defined for taxation purposes, amounted to £60,000 or more in the year were as follows:

	2014	2013
	Number	Number
£100,000 - £109,999	1	-
£70,000 – £79,999	2	2
£60,000 – £69,999	-	2
<b>Total</b>	<b>3</b>	<b>4</b>

Retirement benefits accrued under a defined contribution scheme for the above three (2013: four) higher-paid employees. Total employer pension contributions for these employees were £32,077 (2013: £9,457).

The highest-paid employee in 2014 was the Chief Executive who received a gross salary in the year of £109,339, employer pension contributions of £18,656, and received no benefits in kind.

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

	2014	2013 Restated
	FTE	FTE
Programme	49	59
Other donations and appeals	39	44
Support	39	41
Sponsorship	21	14
Campaigning and awareness	15	14
<b>Total</b>	<b>163</b>	<b>172</b>

Refer to note 11 for details of prior year restatement.

## 8. Trustees' remuneration

None of the trustees received any remuneration for their services to Plan UK (2013: nil). Directly-incurred expenses of the trustees borne by Plan UK in the year ending 30 June 2014 were £2,652 (2013: £1,159). These expenses related to costs incurred by trustees to attend Board meetings and for overseas travel to visit programmes.

Plan UK has purchased indemnity insurance for the trustees at a cost of £2,735.

## 9. Tangible fixed assets

GROUP AND CHARITY	Leasehold property improvements	Furniture, fixtures and fittings	Computer hardware	CRM software	Other Computer software	Total
	£000	£000	£000	£000	£000	£000
<b>Costs</b>						
At 1 July 2013	1,119	334	410	989	522	3,374
Additions	267	-	10	-	4	281
Disposals	-	-	(175)	-	(452)	(627)
Transfers	-	-	8	-	(8)	-
<b>At 30 June 2014</b>	<b>1,386</b>	<b>334</b>	<b>253</b>	<b>989</b>	<b>66</b>	<b>3,028</b>
<b>Accumulated depreciation</b>						
At 1 July 2013	227	220	310	41	489	1,287
Charge for the year	111	59	43	247	19	479
Disposals	-	-	(171)	-	(451)	(622)
<b>At 30 June 2014</b>	<b>338</b>	<b>279</b>	<b>182</b>	<b>288</b>	<b>57</b>	<b>1,144</b>
<b>Net book value</b>						
<b>At 30 June 2014</b>	<b>1,048</b>	<b>55</b>	<b>71</b>	<b>701</b>	<b>9</b>	<b>1,884</b>
At 30 June 2013	892	114	100	948	33	2,087

## 10. Investments

CHARITY	2014	2013
	£	£
Shares in subsidiary undertakings	2	2

Plan UK owns the entire issued share capital of Foster Parents Plan International (UK) Ltd, a trading company whose main activity is the licensing of the use of Plan UK trademarks to third parties and carrying out other non-primary purpose trading activities. Each year the subsidiary makes a charitable donation of any financial surplus to Plan UK.

<b>SUBSIDIARY – FPPI UK LTD</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Total turnover	106	23
Total expenditure	(56)	(15)
Donation to Plan UK	(50)	(8)
<b>Net result for the year</b>	<b>-</b>	<b>-</b>
Surplus brought forward	-	-
<b>Total net assets</b>	<b>-</b>	<b>-</b>

## 11. Debtors

	<b>Group 2014</b>	<b>Group 2013</b>	<b>Charity 2014</b>	<b>Charity 2013</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Amounts owed by institutional donors	2,410	3,019	2,410	3,019
Amounts owed by subsidiaries	-	-	50	-
Amounts owed by Plan Inc	403	830	403	830
Other debtors	410	160	402	172
VAT recoverable	21	19	21	19
Prepayments and accrued income	2,107	1,837	2,107	1,837
<b>Total debtors</b>	<b>5,351</b>	<b>5,865</b>	<b>5,393</b>	<b>5,877</b>

## 12. Creditors: amounts falling due within one year

### a) Analysis of creditors

	Group 2014 £000	Group 2013 £000	Charity 2014 £000	Charity 2013 £000
Trade creditors	86	568	86	568
Taxation and social security	223	227	223	218
VAT payable	9	-	-	-
Deferred income	830	1,860	778	1,828
Accruals	618	517	612	512
<b>Total creditors</b>	<b>1,766</b>	<b>3,172</b>	<b>1,699</b>	<b>3,126</b>

### b) Deferred income

	Group 2014 £000	Group 2013 £000	Charity 2014 £000	Charity 2013 £000
Child sponsorship received in advance	417	521	417	521
Grant income	310	1,339	310	1,307
Other	103	-	51	-
<b>Total deferred income</b>	<b>830</b>	<b>1,860</b>	<b>778</b>	<b>1,828</b>

### c) Commitments under operating leases

Average annual commitments under non-cancellable operating leases are:

GROUP AND CHARITY	Property 2014 £000	Other 2014 £000	Total 2014 £000	Property 2013 £000	Other 2013 £000	Total 213 £000
	Operating lease expiring					
Between two and five years	-	21	21	-	-	-
After five years	763	-	763	520	-	520
<b>Total</b>	<b>763</b>	<b>21</b>	<b>784</b>	<b>520</b>	<b>-</b>	<b>520</b>

Property lease commitments are in respect of Plan UK's headquarters and will be partially offset by sub-tenant rental income.

## d) Capital commitments

GROUP AND CHARITY	2014	2013
	£000	£000
Contracts placed for future capital expenditure not provided for in the financial statements	8	214

## 13. Provisions for liabilities and charges

GROUP AND CHARITY	As at 1 July 2013	Provision created	Provision released	Provision utilised	As at 30 June 2014
	£000	£000	£000	£000	£000
Dilapidations	40	40	-	-	80
Grants	948	89	(483)	(465)	89
<b>Total</b>	<b>988</b>	<b>129</b>	<b>(483)</b>	<b>(465)</b>	<b>169</b>

**Dilapidations** represent the estimated cost required to make good Plan UK's headquarters upon the termination of the lease with our landlord. The provision will be utilised on termination of the lease.

**Grants** represent the estimated funds returnable to donors where the group has not been able to spend funds received in accordance with donor wishes.

## 14. Statement of funds

GROUP AND CHARITY	Balance 1 July 2013	Total incoming resources	Total resources expended	Transfers	Balance 30 June 2014
	£000	£000	£000	£000	£000
<b>Unrestricted funds:</b>					
General funds	3,495	32,723	32,635	203	3,786
Designated funds: Tangible fixed asset fund	2,087	-	-	(203)	1,884
<b>Total unrestricted funds</b>	<b>5,582</b>	<b>32,723</b>	<b>32,635</b>	<b>-</b>	<b>5,670</b>
<b>Restricted funds</b>	<b>4,137</b>	<b>30,447</b>	<b>30,844</b>	<b>-</b>	<b>3,740</b>
<b>Total funds</b>	<b>9,719</b>	<b>63,170</b>	<b>63,479</b>	<b>-</b>	<b>9,410</b>

## 15. Restricted funds

a) The majority of restricted funds received by Plan UK are granted to Plan Inc shortly after receipt under a grant agreement document specifying the purpose of the funds.

Restricted funds comprise unexpended balances on donations and grants and contracts given for specific purposes. These funds will be expended in future years in accordance with donor wishes. These are shown below:

GROUP AND CHARITY	Balance 1 July 2013	Income	Expenditure	Balance 30 June 2014
	£000	£000	£000	£000
DEC – Typhoon Haiyan	-	2,519	(996)	1,523
DEC – Syria and other	102	373	(295)	180
Other voluntary income	20	2,174	(2,165)	29
Gifts in Kind	-	107	(107)	-
<b>Subtotal - Voluntary income</b>	<b>122</b>	<b>5,173</b>	<b>(3,563)</b>	<b>1,732</b>
DFID – Girls’ Education Challenge Fund <sup>3</sup>	181	1,600	(1,538)	243
DFID – Typhoon Haiyan and Tropical Storm Mahasen	-	3,742	(3,678)	64
DFID – UFFCA – Integrated HIV and Aids prevention and support for fishing communities in Uganda	(3)	66	(101)	(38)
DFID – RODI – Rights-based HIV prevention and impact mitigation among prisoners, their partners and families, and prison workers in Kenya	(1)	78	(98)	(21)
DFID – Other	168	1,653	(2,014)	(193)
ECHO – Typhoon Haiyan	-	3,293	(3,081)	212
ECHO – Other	235	1,368	(1,051)	552
EC	3,397	4,561	(7,226)	732
Comic Relief	-	601	(533)	68
UN Agencies	-	591	(591)	-
Big Lottery Fund – Sierra Leone: My Body My Right	-	133	(132)	1
Other institutional donors	-	722	(401)	321
Gifts in Kind	-	207	(207)	-
<b>Subtotal - Institutional donors</b>	<b>3,977</b>	<b>18,615</b>	<b>(20,651)</b>	<b>1,941</b>

Corporations, trusts and major donors	-	5,629	(5,936)	(307)
Bill and Melinda Gates Foundation	38	1,030	(694)	374
<b>Subtotal - Corporations, trusts and major donors</b>	<b>38</b>	<b>6,659</b>	<b>(6,630)</b>	<b>67</b>
<b>Total restricted funds</b>	<b>4,137</b>	<b>30,447</b>	<b>(30,844)</b>	<b>3,740</b>

<sup>3</sup> In country, the total project spend as at 30 June 2014 was £1,968,000 (2013: £413,000). The variance arises due to Plan Inc pre-financing the cost of the programme and Plan UK remitting funds after the expenditure has been incurred.

## 16. Analysis of net assets between funds

GROUP	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£000	£000	£000	£000
<b>Fund balances at 30 June 2014 are represented by:</b>				
Tangible fixed assets	-	1,884	-	1,884
Current assets	5,355	-	4,106	9,461
Current liabilities	(1,400)	-	(366)	(1,766)
Provisions for liabilities and charges	(169)	-	-	(169)
<b>Total net assets at 30 June 2014</b>	<b>3,786</b>	<b>1,884</b>	<b>3,740</b>	<b>9,410</b>
Total net assets at 30 June 2013	3,495	2,087	4,137	9,719

CHARITY	Unrestricted Funds		Restricted Funds	Total Funds
	General	Designated		
	£'000	£'000	£'000	£'000
<b>Fund balances at 30 June 2014 are represented by:</b>				
Tangible fixed assets	-	1,884	-	1,884
Current assets	5,288	-	4,106	9,394
Current liabilities	(1,333)	-	(366)	(1,699)
Provisions for liabilities and charges	(169)	-	-	(169)
<b>Total net assets at 30 June 2014</b>	<b>3,786</b>	<b>1,884</b>	<b>3,740</b>	<b>9,410</b>
Total net assets at 30 June 2013	3,495	2,087	4,137	9,719

## 17. Related parties

### Income from Plan Inc

Plan Inc allocates back to the Plan 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 statement of financial activities includes allocated interest income of £28,000 (2013: £33,000).

### Income from Plan Ltd

Note 2 describes the income received under a deed of covenant from Plan Ltd, the central service provider organisation and wholly-owned subsidiary of Plan Inc.

### Grants payable to Plan Inc

During the year Plan UK transmitted a total of £47,363,000 (2013: £38,585,000) directly to Plan Inc and other Plan entities to undertake international development programme activities in the field.

### Transactions with subsidiary

Plan UK has taken advantage of the exemption provided by Financial Reporting Standard No 8 not to disclose balances with or transactions between related parties eliminated on consolidation.



Photo: Plan / Marc Schlossman

# Thank you

Plan UK would like to thank the following trusts, statutory funders, corporate and individual donors who have supported our work over the period July 2013 – June 2014

## Patrons and supporters

HRH The Duke of Edinburgh, Michael Aspel OBE, Baroness Gardner of Parkes, Marie Helvin, Virginia McKenna, The Lord Paul, Dr Miriam Stoppard, Baroness Warnock of Weeke, Len Woodley QC, Baroness Rendell of Babergh, Baroness Morris of Yardley, Sir John Holme, Mariella Frostrup, Alderman Fiona Woolf CBE, Alex Crawford, Marie O’Riordan, Gillian Joseph, Jude Kelly, Becky Mantin, Krystal Roxx

## Institutions

Asian Development Bank, AVAAZ Foundation, The Big Lottery Fund, Comic Relief, Department for International Development (DFID), Disaster Preparedness Programme of ECHO (DIPECHO), Disasters Emergency Committee (DEC), European Commission (EC), European Commission Humanitarian Aid and Civil Protection Office (ECHO), DAI Europe, Force of Nature Aid Foundation, Isle of Man International Development Committee, Jersey Overseas Aid Commission, Results for Development Institute, UNICEF, United Nations High Commissioner for Refugees (UNHCR), United Nations Office for the Coordination of Humanitarian Affairs (OCHA)

## Trusts and foundations

The Beatrice Laing Trust, The Brillig Charitable Trust, C H K Charities Limited, Clara E Burgess Charity, The Evan Cornish Foundation, The Freemasons’ Grand Charity, Jane Hodge Foundation, Lovering Charitable Trust, The Paterson Logan Trust, The Rockefeller Foundation, Sir Halley Stewart Trust, Spears-Stutz Charitable Trust, ViV Healthcare’s The Positive Action for Children Fund

## Corporate supporters

Accor UK, Astellas European Foundation, AstraZeneca, Aviva, Barclays plc, BGL Group, CBRE, Capital International, Picturehouse Cinemas Ltd, Credit Suisse, Hobsons, Kaplan International, One, Perform Group, Prudential plc, Reed Elsevier plc, Royal Bank of Scotland Group, Study Group, Teletext Limited, Turner Broadcasting, Uniglobe Travel (British Isles), Vitol Foundation

## Donors

Mr and Mrs David, Mr and Mrs B David, Ennismore Foundation, Mr Horwich, Mr and Mrs Pankhurst, The Shelagh Anne Venning Trust, Mr and Mrs Sinnett, Ms Van Almsick, Mr and Mrs West, Mr Windsor, Mr and Mrs Witter, and several other anonymous donors

# About Plan

**Plan is a global charity that works with children and young people in the world's poorest countries so they can move themselves from a life of poverty to a future with opportunity.**

Plan is independent, with no religious, political or government affiliation.

Since 1937 we've been taking action and standing up for every child's right to fulfil their potential by:

- giving children a healthy start in life, including access to safe drinking water
- securing the education of girls and boys
- working with communities to prepare for and survive disasters
- inspiring children to take the lead in decisions that affect their lives
- enabling families to earn a living and plan for their children's future.

We work with girls and boys, their families and communities in the world's poorest countries to help them build a better future.



## Plan

Finsgate  
5-7 Cranwood Street  
London  
EC1V 9LH

Tel: 0300 777 9777 (UK) +44 (0)20 7608 1311 (Non-UK)

Fax: 0300 777 9778 +44 (0)20 7253 9989 (Non-UK)

Email: [mail@plan-uk.org](mailto:mail@plan-uk.org) Web: [www.plan-uk.org](http://www.plan-uk.org)

**Please contact us if you would like this report in an alternative format, such as braille. A resizable PDF of this report is available on our website.**

© Plan UK

No part of this publication can be reproduced without the permission of Plan UK

Plan UK is a registered charity in England and Wales (no 276035) and a company limited by guarantee registered in England and Wales (no 1364201)



Join us  
[www.facebook.com/planuk](http://www.facebook.com/planuk)



Engage with us  
[www.twitter.com/planuk](http://www.twitter.com/planuk)

Editors: Jane Belton, Keeley Doughty,  
Adam Pentelow and Sally Wrench  
Photo research: Simone Schneider  
Design and artwork: nim design