

Foster Parents Plan International (UK) Ltd

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 30 June 2020

Company Number: 02457093

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Legal and administrative details

DIRECTORS	Alan Gosschalk Rose Caldwell (appointed 3 rd August 2020) Hannah Marsh (appointed 3 rd August 2020) William Cunningham (resigned 7 th August 2020) Kristen Morgan (resigned 27 th September 2019)
REGISTERED OFFICE	Finsgate 5-7 Cranwood Street London England EC1V 9LH Tel: 020 7482 9777 Fax: 020 7482 9778
COMPANY REGISTERED NUMBER	02457093
INDEPENDENT AUDITORS	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
SOLICITORS	Russell-Cooke LLP 2 Putney Hill London SW15 6AB
BANKERS	Barclays Bank PLC Church Street East Woking GU21 1AE

Directors' report for the year ended 30 June 2020

The Directors present their report and the audited financial statements of the company for the year ended 30 June 2020.

In preparing this directors' report, advantage has been taken of the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Organisation and purpose

Foster Parents Plan International (UK) Ltd ('the company', or 'FPPI UK') is a private limited company, incorporated in England and Wales (company no. 02457093). It is limited by shares and is a wholly-owned subsidiary of Plan International UK (also known as Plan International (UK)) which is a registered charity (charity no. 276035). Plan International (UK) is also a company limited by guarantee in the UK (company no. 1364201).

Plan International UK is one of 20 national organisations within the Plan International family that work with Plan International Inc, a not-for-profit organisation incorporated in the USA, whose members are the Plan International national organisations.

Plan International is an international development organisation that works with children, families and communities. We strive for a just world that advances children's rights and equality for girls.

Plan International predominantly funds this work by raising sponsorship and other funds from individual donors and raising institutional grants from official bodies such as governments and multilateral agencies, e.g. the European Commission and the United Nations, and also by raising grants from corporates, trusts and foundations.

The main activities of the company are conducting a society lottery, the sale of the use of the Plan International name and logo trademarks to third parties, and the sale of Christmas cards to Plan International UK supporters. The company's taxable profits are donated under a deed of covenant to Plan International UK.

Results

The profit and loss account is set out on page 9 and shows the result for the financial year.

Under the Deed of Covenant signed with Plan International UK, £3,113k has been donated for the year ended 30 June 2020 (2019: £1,172k), of which £82k was accrued at year end (2019: £27k). This accrued amount was paid to Plan International (UK) by the date of signing of this report.

Principal activities, trading review and future developments

In the year, the main activity of the company was running a society lottery managed by People's Postcode Lottery (PPL) as an external lottery manager. The company acquired a Gambling Licence in November 2017 (operating licence number 000-049158-N-326958-002 and remote operating licence number 000-049158-R-326957-002) and five draws were held during the financial year 2020 generating £3,030k in net lottery proceeds (2019: two draws generating £1,146k).

In the year, the company received payments from a number of corporate partners of the charity Plan International UK for the use of the Plan International trademarks.

The company continued to sell Christmas cards to Plan International UK supporters through the Plan International UK website and World Family publication.

Going concern

The directors are satisfied that it is appropriate for the financial statements to be prepared on a going concern basis. The directors anticipate that the company will continue to trade and that its future income will cover its expenditure such that the company will be able to meet its liabilities as they fall due.

Financial risk management

Liquidity and interest rate risk

The company maintains a cash balance to ensure it can meet its obligations as and when they fall due. Interest is earned on this cash balance at a floating rate of interest.

Currency risk

The company's purchases and sales are all denominated in sterling and it does not have any currency risks.

Credit risk

The company does not have a significant credit risk exposure with any third parties.

Directors

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

Alan Gosschalk
Rose Caldwell (appointed 3rd August 2020)
Hannah Marsh (appointed 3rd August 2020)
William Cunningham (resigned 7th August 2020)
Kristen Morgan (resigned 27th September 2019)

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Independent auditors

The directors appointed PricewaterhouseCoopers LLP as independent auditors for the year ended 30 June 2020 but the directors do not intend to re-appoint them the following financial year, and it is expected a tender process will take place during the year.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board of Directors



Rose Caldwell
Director

13 October 2020

Independent auditors' report to the members of Foster Parents Plan International (UK) Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Foster Parents Plan International (UK) Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2020; the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members 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.

Other required reporting

Companies Act 2006 exception reporting

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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to prepare financial statements in accordance with the small companies regime. We have no exceptions to report arising from this responsibility.



Simon Morley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

13 October 2020

Profit and loss account for the year ended 30 June 2020

Foster Parents Plan International (UK) Ltd
Company Number: 02457093

		2020 Total £	2019 Total £
Turnover	Note 2	3,141,637	1,213,505
Cost of sales		(4,121)	(16,570)
Gross profit		3,137,516	1,196,935
Administrative expenses		(25,145)	(24,804)
Operating profit		3,112,371	1,172,131
Interest receivable and similar income		178	174
Donation to parent company	7	(3,112,549)	(1,172,305)
Result before taxation	4	-	-
Tax on result	7	-	-
Result for the financial year		-	-
Surplus brought forward		-	-
Carried forward		-	-

All income and expenditure relates to continuing operations.

All other comprehensive income in the current and prior years is included in the profit and loss account. There is no material difference between the result before taxation and the result for the financial years stated above and their historical cost equivalents.

There is no taxation charge for the year (2019: £nil).

The notes on pages 12 to 16 form part of these financial statements.

Balance sheet as at 30 June 2020

Foster Parents Plan International (UK) Ltd
Company Number: 02457093

	Note	2020 Total £	2019 Total £
Current assets			
Debtors	8	25,513	2,153
Cash at bank and in hand		82,196	55,153
		107,709	57,306
Creditors: Amounts falling due within one year	9	(107,707)	(57,304)
Net assets		2	2
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account		-	-
Total shareholders' funds	11	2	2

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 12 to 16 form part of these financial statements.

The financial statements on pages 9 to 16 were approved by the Board of Directors on 14th September 2020 and signed on its behalf by:



Rose Caldwell
Director

13 October 2020

Statement of changes in equity for the year ended 30 June 2020

	Called-up share capital	Profit & loss account	2020 Total shareholders' funds	2019 Total shareholders' funds
	£	£	£	£
Balance as at 1 July	2	-	2	2
Result for the financial year	-	-	-	-
Balance as at 30 June	2	-	2	2

The notes on pages 12 to 16 form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2020

1. Principal accounting policies

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, including UK Generally Accepted Accounting Practice (Financial Reporting Standard 102 (FRS 102)). There are no material departures from FRS 102 in these financial statements.

b) Turnover

Turnover represents the amount invoiced to customers for use of the Plan International name and logo, People's Postcode Lottery (PPL) society lottery income, and the sale of Christmas cards excluding Value Added Tax. The contractual income is included on an accruals basis and is recognised upon contractual terms being met.

c) Lottery income

Lottery income is the proceeds of lotteries held by the external lottery manager, PPL. FPPI UK has no ability to alter the price of tickets, determine the prizes, or set the management fee. PPL is the principal for these draws, and therefore the net proceeds received by the company are recognised within lottery income in the Profit and loss account. The analysis of the proceeds is detailed in note 3.

d) Cost of sales

Cost of sales represents the costs of printing and mailing the Christmas cards.

e) Donations

The company has adopted a policy of paying all its taxable profits to its parent charity, Plan International UK, under Gift Aid. These Gift Aid payments are recognised in Foster Parents Plan International UK Ltd as a donation to the parent company in the financial period in which the profits arise, under the terms of a Deed of Covenant between Foster Parents Plan International (UK) and Plan International UK.

f) Cash flow statement

As a member of a group where the parent prepares publicly available consolidated financial statements, the company is a qualifying entity for the purposes of FRS 102 and has taken advantage of exemption from the requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).

g) Related party transactions

The company is a wholly-owned subsidiary of Plan International UK. The related party transactions with the parent company are disclosed under Note 12. The company's financial statements are consolidated into the financial statements of Plan International UK.

Principal accounting policies (continued)

h) Going Concern

The Directors are satisfied that it is appropriate for the financial statements to be prepared on a going concern basis. The Directors anticipate that the company will continue to trade and that its future income will cover its expenditure such that the company will be able to meet its liabilities as they fall due.

i) Functional currency

The company operates economically in the UK and the functional currency as well as the reporting currency is the pound sterling.

j) Judgements and estimates

There are no areas in which management has made estimates or made accounting judgements other than the society lottery income recognition, listed under Note 1(c).

2. Turnover

	2020 Total £	2019 Total £
Lotteries	3,029,612	1,145,505
Logo fees	87,233	44,572
Sale of Christmas cards	23,013	19,228
Donations received on behalf of Parent company	1,779	4,200
	<u>3,141,637</u>	<u>1,213,505</u>

3. Lotteries income

	2020 Total £	2019 Total £
PPL ticket value	9,467,536	3,579,704
PPL prize fund	(3,784,006)	(1,431,882)
PPL management fee	(2,650,910)	(1,002,317)
Prize indemnity insurance	(3,008)	-
Net People's Postcode Lottery income	<u>3,029,612</u>	<u>1,145,505</u>

Lottery income is the proceeds of lotteries held by the external lottery manager, People's Postcode Lottery (PPL). FPPI UK has no ability to alter the ticket price, prizes or management charges and, therefore, does not act as principal for these draws. Proceeds have, therefore, been recognised in the Profit and loss account as net of prizes and other expenditure. Financial year 2020 was the third year of the PPL arrangement and there were five draws held during the financial year (two in 2019). All net income from ticket proceeds is donated to Plan International UK under a deed of covenant and wholly spent in the pursuit of the aims of the charity.

4. Result before taxation

The result before taxation of £nil (2019: £nil) is stated after charging services provided by the company's auditors:

	2020 £	2019 £
Fees payable for the audit	3,585	3,414
Fees payable for other services:		
- iXBRL tagging	1,000	900

5. Directors' remuneration

None of the Directors received any remuneration for their services to the company during the year (2019: £nil).

6. Employee information

There were no permanent staff employed by the company during the year (2019: none). As per a Resource Sharing Agreement, agreed by the Board of Directors in FY19, costs incurred by Plan International UK on behalf of FPPI UK have been charged across to FPPI UK at £13,994 (2019: £13,328) and are included in administrative expenses.

7. Tax on result

The company's taxable profits are donated under a deed of covenant with Plan International (UK). A payment of £3,112,549 was made to Plan International UK for the year ended 30 June 2020 (2019: £1,172,305).

The standard corporation tax rate of 19% (2019: 19%) is chargeable on profits but after profits donated to Plan International UK. Therefore, result before tax for the year ended 30 June 2020 is £nil (2019: £nil), resulting in no tax charge or liability for the year ended 30 June 2020 (2019: £nil).

8. Debtors

Debtors of £25,513 (2019: £2,153) represents the outstanding sales invoice for our trademarks. No provision for doubtful debts is deemed necessary.

9. Creditors: Amounts falling due within one year

	2020	2019
	Total	Total
	£	£
Amounts owed to group undertakings	99,730	26,800
Taxation and social security	4,191	300
Accruals	2,793	2,607
Deferred Income	993	27,597
	107,707	57,304

10. Called up share capital

	2020	2019
	Total	Total
	£	£
Authorised £1 ordinary shares	1,000	1,000
Allotted, issued and fully paid £1 ordinary shares	2	2

11. Reconciliation of movements in total shareholders' funds

	2020 Total	2019 Total
	£	£
Opening position on the profit and loss account	-	-
Result for the financial year	-	-
Opening shareholders' funds	2	2
Closing shareholders' funds	2	2

12. Ultimate parent undertaking and controlling party

The controlling party and ultimate parent undertaking is Plan International UK.

Plan International UK is a charitable company limited by guarantee registered in England and Wales. Transactions with the parent company are listed below.

Plan International UK incurred £16,793 (2019: £16,660) of costs that were recharged to FPPI UK for staff time and other overheads.

Party	Nature of Relationship	Transaction	Income for the year ended 30 June 2020	Expenditure for the year ended 30 June 2020	Debtor balance as at 30 June 2020	Creditor balance as at 30 June 2020
			£	£	£	£
Plan International UK	Parent company	The company's taxable profits are donated under a deed of covenant to Plan International UK	-	3,112,549	-	99,730

The financial statements of the company are included in the consolidated financial statements of Plan International UK (the only company to consolidate Foster Parents Plan International (UK) Ltd's financial statements), a copy of which may be obtained from Plan International UK, Finsgate, 5-7 Cranwood Street, London EC1V 9LH or the website www.plan-uk.org.