Company Registration No. 03001663

Plan Limited

Annual Report and Financial Statements

Year ended 30 June 2021

Plan Limited
Financial Statements
Year ended 30 June 2021

Contents

Officers and Professional Advisers

The Board of Directors	Tara Camm, Executive Director Resources Alison Currie, Executive Director Finance & IT Laila Elbaradei, General Counsel (appointed 25 March 2021) Jon Winder, Director of IT Services (appointed 10 June 2021) Stephen Omollo, CEO Plan Limited and Plan International Inc (appointed 24 March 2022)
Company Secretary	Tal Sagorsky
Registered Office	Dukes Court Block A Duke Street Woking Surrey GU21 5BH
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH
Bankers	Barclays Bank Plc Leicester Leicestershire LE87 2BB

Strategic report for the year ended 30 June 2021

The directors present their strategic report for the year ended 30 June 2021.

Review of the business

Principal Activities

Plan Limited (the "Company") provides services to its parent company, Plan International, Inc. ("PI Inc"), a not-for-profit corporation registered in the State of New York, U.S.A.

PI Inc is an independent humanitarian, development organisation that advances children's rights and equality for girls.

PI Inc has 20 National Organisations ("NOs") that are members of PI Inc, and two prospective members, Brazil and Indonesia. The NOs fully control PI Inc and carry out fundraising, development education, some programming and advocacy and those in India and Colombia also carry out development programmes and humanitarian operations in their respective countries.

PI Inc manages the allocation, distribution and use of funds raised by NOs for work in developing countries. PI Inc operates in over 50 programme countries, coordinated through four regional offices. Plan International's Global Hub is primarily located in the United Kingdom. PI Inc has four liaison offices. These include an office in New York, U.S.A. to liaise with the United Nations delegations, an office in Brussels, Belgium operating as Plan International Europe to liaise with the European Union, an office in Geneva, Switzerland to liaise with the United Nations and an office in Addis Ababa, Ethiopia to liaise with the African Union.

Services provided by the Company include programme and fundraising support as well as management services including programme policy and technical expertise, impact evaluations and research, business planning, governance, assurance, legal, finance, internal audit, human resources and front and back office information technology.

Results and performance

Total Equity as at 30 June 2021 was £7,899,000 (2020: £5,134,000).

Total cost of sales for the year ended 30 June 2021 decreased by £2,419,000 or 9% to £25,075,000, driven mainly by decreases in salaries and professional fees costs. Fundraising costs in the year increased to £988,000 (2020: £521,000) and programme costs reduced to £11,951,000 (2020: £12,741,000).

The Company's income from services to PI Inc for the year of £27,583,000 (2020: £30,235,000), represents the cost of sales for the year plus a 10% mark-up on services charged to the PI Inc. The Company also received payment directly from Plan International Canada Inc, relating to the sub-licence for using Plan International branding. The license fee charged for the year ended 30 June 2021 was £1,750,000 (3,000,000 Canadian Dollars) – (2020: £1,775,000 (3,000,000 Canadian Dollars).

The Company made a profit before taxation of £4,258,000 (2020: profit of £4,521,000). The Company's profit for the financial year was £3,372,000 (2020: profit of £3,718,000) after taking account of a deferred tax charge of £568,000 (2020: £226,000) and current tax credit of £143,000 (2020: £399,000) with a corresponding credit to the Statement of Changes in Equity resulting from the distribution made by the Company of £750,000 (2020: £2,098,000) under a Deed of Covenant to Plan International (UK) Limited, a UK based fundraising organisation and a member of PI Inc.

Strategic report for the year ended 30 June 2021 (continued)
Principal risks and uncertainties

The main business risk for the Company is its reliance on PI Inc as its main revenue source. PI Inc receives programme funding from its member NOs and also directly from third party donors and provides income to the Company to meet the cost of the services it requires from the Company. The cost of sales of the Company is therefore affected by changes to the services required by PI Inc, and in turn these are influenced by changes in the geographical location of activities, donors and programmes of PI Inc. Future funding of the Company is secured annually in advance within an annual budget process and framework in which a budget is presented to and agreed by the PI Inc Members' Assembly. The budget is consistent with the adopted global strategy which includes projected new income from individual giving and institutional and corporate donors. The recurring nature of individual giving which in year ended 30 June 2021 accounted for 33.9% (2020: 38.6%) of the income of Pl Inc, and the multi-year nature of many grants, protect the parent company from short-term funding volatility. PI Inc also holds reserves for operating purposes and for contingencies.

Impact of COVID-19

The COVID-19 pandemic has not had a significant impact on the revenues and costs of the Company except for a continued reduction in the expenditure on travel because of global restrictions and lockdowns. The Directors expect that this will continue to be the case for the financial year ending 30 June 2022. The directors of the Company consider that the reserves remain adequate, and they believe that this is consistent with the position of PI Inc.

The directors are very aware of the additional pressures that COVID-19 has placed on the staff of the Company and on the programme participants and Members of PI Inc. Since 16 March 2020, the staff of the Company have been working remotely from home with additional support where required from HR, IT and Facilities departments including guidance on how to minimise stress and maximise the effectiveness of home-working.

Substantially all "business as usual" operational tasks have been successfully completed in the home-working environment. The Company already had effective information technology systems in place which facilitated home-working and access to files, systems and data, as well as collaboration tools which have enabled staff to communicate and work together as required.

People

Gender Diversity Data				
	Men		Women	
At 30 June 2021	Number	%	Number	%
Directors of the Company	1	20%	4	80%
Senior managers	6	50%	6	50%
Other employees	59	27%	159	73%
Total	66	28%	169	72%
At 30 June 2020				
Directors of the Company	0	0%	3	100%
Senior managers	13	62%	8	38%
Other employees	73	30%	173	70%
Total	86	32%	184	68%

The total number of full-time employee equivalents is 235 (2020: 270).

Strategic report for the year ended 30 June 2021 (continued)
Senior Managers are Leadership Team members who are not directors of the Company and other directors who lead functional areas.

Gender Pay Gap

In line with the applicable requirements, this information is also available on the PI Inc website at:

https://plan-international.org/organisation/accountability-policies-commitments

Gender Pay Gap as of 30 June 2021				
Snapshot date 5th April 2020	**Female**	**Male**	**Gender pay gap**	
Average gender pay per hr as a mean average	£23.96	£28.17	14.94%	£4.21
Average gender pay per hr as a median average	£21.87	£24.20	9.63%	£2.33
Proportion of males and females when divided into four groups ordered from lowest to highest pay				
Upper quartile	53%	47%		
Upper middle quartile	66%	34%		
Lower middle quartile	66%	34%		
Lower quartile	85%	15%		

Note: Due to government requirements for the published data to be aligned, the April 2021 snapshot will be reportable in the financial statements for the year ended 30 June 2022.

Actions are being taken in the following areas by the Company to close the Gender Pay Gap and to minimise conscious and unconscious gender bias:

Family friendly policies – Shared parental leave is offered. All forms of family leave, including adoption leave, shared parental leave and paternity match the enhanced maternity pay.
Flexible working – We offer a range of flexible working options such as working part-time, working from home, job-share etc. where possible.
Recruitment process – Selection decisions are merit based. Selection processes involve structured interviews using consistent questions based on technical and behavioural competencies to eliminate bias. Processes also include relevant tasks to assess skills, as well as interviews.
Rewards – A thorough job evaluation process is utilised to determine the size and complexity of each job. Positions are consistently benchmarked with the external market. Our salary ranges are reviewed annually and are published internally. We will enhance this further with a role out of the launch of a total rewards policy to attract, develop and retain the talent for today and for our future organisational sustainability.
Internal culture – We adopt the principles of feminist leadership which promotes an Anti-Racist Culture and equity, diversity and inclusion in the workplace.

Strategic report for the year ended 30 June 2021 (continued)

Equality, Diversity & Inclusion

The Company is an equal opportunity employer and has multiple policies and procedures in place to actively promote equality, diversity and inclusion practices in the workplace – which extend to protect PI Inc's programme participants, employees, partners, volunteers and suppliers. These exist to ensure nobody faces direct or indirect discrimination on the basis of age, disability, ethnicity/race, gender, marital or civil partnership status, nationality or social origin, political or religious belief or sexual orientation.

We are driving an organisation which champions Equity, Diversity & Inclusion (EDI) including Anti-Racism: PI Inc is striving to role model in all we do to be representative of the cultures, countries and demographics we operate in. Operating in over 50 countries provides a richness of skills, cultures and experienced. PI Inc is committed to enhancing its commitment to a truly EDI workforce with an Anti-Racist culture where all staff have the opportunity and ability to reach their full potential and to make lasting impact to the communities we serve.

Our equality, diversity and inclusion policies and practices are further reinforced and supported by additional policies and procedures, including:

- Global Policy on Values, Behaviours and Whistleblowing, which includes an Employee Code of Conduct (a separate code exists for suppliers and vendors)
- Global Policy on Safeguarding children and young people
- PI Inc Harassment, Bullying and Discrimination Policy
- Global Policy on Anti-fraud, Anti-bribery and Corruption
- PI Inc Disciplinary Policy and Grievance Policy

Diversity Networks

PI Inc has several active diversity networks, which include:
- Disability network
- Gender & Inclusion Network
- People of Colour Network
- LGBTQI+ Network

Talent Acquisition Policy & Core Principles

The Company seeks to recruit the right candidate for the right role at the right time, ensuring we are representative of the countries and children we serve in all their diversity. Our processes ensure equitable treatment of all candidates, regardless of age, disability, ethnicity/race, gender, marital or civil partnership status, nationality or social origin, political or religious belief, sexual orientation. We collect data relating to the diversity of our candidates at each stage of the recruitment process to monitor any adverse impact and ensure appropriate action.

Strategic report for the year ended 30 June 2021 (continued)

Disabled Persons disclosures

Plan Limited is a UK Government (Department for Work & Pensions) recognised Disability Confident Employer which was achieved in 2016. Under this scheme, the Company is committed to providing an environment that is inclusive and accessible for staff, clients and customers, supporting employees to manage their disabilities or health conditions and providing occupational health services as required.

All candidates and employees who are subsequently hired, receive fair and equal treatment in recruitment, employment and access to training, career development and promotion, including making any reasonable adjustments to participate fully in recruitment and employment and day-to-day working practices.

As an inclusive employer, all staff, including those with disabilities and/or those who become disabled during the course of employment are able to access relevant opportunities to fully participate in training, career development and promotion, and workplace assessment support in the event a disability occurs during employment. This includes psychosocial support via Employee Assistance Programmes and any relevant occupational health/workstation assessments to support consideration of reasonable adjustments to allow for ongoing employment/redeployment.

Any adjustments required to ensure inclusion and participation are fully considered, and the majority of training and learning materials are available in English, French and Spanish as a minimum.

Employee Involvement disclosures

The Company holds regular staff meetings which are hosted by senior leaders, managers and technical experts where a wide range of current issues, themes and topics are discussed/debated. Recent topics have included: Social Finance, Climate Change, Disasters and Girls' Education and Youth Economic Empowerment. These events are broadcast using online meeting tools and recorded for colleagues to access later if they are unable to attend because of leave or time-zone differences. All recordings are posted on Workplace, a global collaboration site, open and available to all Company employees.

The Interim CEO or other members of the leadership team hosts regular Thursday Check In calls, in which information about their areas of work, strategy and priorities are shared. Again, these are recorded and posted on the Company's Workplace collaboration site for staff to access.

The Company has an established Information & Consultation of Employees Forum made up of UK employees, management and health and safety representatives. Its purpose is to provide a framework and opportunity for effective information and consultation between employees and managers for issues of relevance to all Company employees. Financial and economic performance factors are discussed periodically at weekly and monthly staff meetings. Financial statements are also shared and publicly available to all employees, partners and other stakeholders. The Company does not have an employee share scheme in place.

Strategic report for the year ended 30 June 2021 (continued)
Future developments

New ERP systems for Country Offices, Regional and Global Hubs

A new customised Enterprise Resource Planning (ERP) system is being developed for implementation within PI Inc. The latest plan is to begin the first wave of implementation in FY23 and to fully roll out by the end of FY24.

Global Hub Transformation

PI Inc is organised into four regional hubs and one Global Hub. Hubs are centres of excellence for support activities including finance and administration. Plan Limited forms part of the PI Inc Global Hub organisation which provides a range of services to PI Inc including programme and management services including programme policy and technical expertise, impact evaluations and research, business planning, governance, assurance, legal, finance, internal audit, human resources and front and back-office information technology. During the financial year ending 30 June 2021 the Global Hub transformation project came to fruition. The process started in 2019 and was designed to ensure that a sustainable, right sized, fit for purpose and minimum viable Global Hub is created, that operates with maximum impact for the long term. Particular areas in which the Company has strengthened capacity and resilience include Finance, Human Resources, Areas of Global Distinctiveness (AOGD), Knowledge Networks, Data and Analytics, Ethics and Safeguarding.

Approved and authorised for issue by the Board of Directors on 28 March 2022 and signed on their behalf

Tara Camm
Director
29 March 2022

Directors' report for the year ended 30 June 2021

The directors present the Directors' report and the audited financial statements of the Company for the year ended 30 June 2021 which should be read in conjunction with the Strategic Report as it forms part of the required information.

Directors of the Company

The directors of the Company who held office during the year and up to the date of signing the financial statements are:

- Anne-Birgitte Albrectsen, Chief Executive Officer (resigned 31 May 2021)
- Tara Camm, Executive Director Resources
- Alison Currie, Executive Director Finance and IT
- Laila Elbaradei, General Counsel (appointed 25 March 2021)
- Jon Winder, Director of IT Services (appointed 10 June 2021)
- Stephen Omollo, CEO Plan Limited and Plan International Inc (appointed 24 March 2022)

Dividends

No dividend is proposed for the year ended 30 June 2021 (2020: £Nil). In line with prior years, a Deed of Covenant is in place whereby all taxable profits generated by the Company are paid to Plan International (UK) Limited in the form of a 'Gift Aid' payment. In accordance with guidance issued by the ICAEW, this payment of £750,000 (2020: £2,098,000) has been treated as a distribution of profits.

Employees

The average monthly number of employees during the year was 256 (2020: 262).

Financial instruments and risk management

The Company's operations expose it to some limited financial risk including price, credit, liquidity and interest rate risk. The Company is reliant on its parent organisation to determine the framework within which some of these risks are managed. The risks are reviewed and monitored by the directors on a regular basis, using procedures that have been determined in line with the policies issued by the parent organisation. The Company had no currency swaps, derivatives or designated hedging instruments as at 30 June 2021 (2020: £Nil).

Price risk: Salary costs are formally reviewed and communicated to staff during the annual review of salaries. Prices of purchased services and materials are subject to contracts and / or purchase orders with suppliers and are generally based on current market prices. Changes to salary costs and the prices of services and materials are passed on to PI Inc within the budget framework, since the fee charged for the services provided to PI Inc comprises the relevant costs incurred plus a 10% mark-up.

Credit risk: Credit risk on amounts owed to the Company is considered low as the Company has minimal levels of trade debtors. The amount owed by Plan International Canada Inc as at 30 June 2021 for Brand License agreement was £Nil (2020: £1,598,000).

Liquidity risk: The Company has no long-term borrowings or overdrafts. PI Inc has indicated that it intends, for twelve months from the date of signing of these financial statements, to provide such funding as is required by the Company to enable it to meet its liabilities as they fall due.

Directors' report for the year ended 30 June 2021 (continued)

Financial instruments and risk management (continued)

Interest rate risk: The Company has arranged with its bankers an automated sweeping of funds to a deposit account, but even so the amounts involved are anticipated to be very small and so fluctuations in interest rates will not have a significant impact on the Company's income.

Payments to Charities

Membership fees or other contributions were made in the year to the following not-for-profit organisations, which are network bodies providing the Company with access to expertise, technical resources, or best practice:

	2021 £	2020 £
OXFAM	10,000	10,000

Going concern

The financial statements have been prepared under the going concern basis as the Company is operating at a profit and, as at 30 June 2021, has budget funding for services to be provided to its parent company agreed for the year to 30 June 2022. Net Assets were £7,899,000 as at 30 June 2021 (2020: £5,134,000) driven by a net increase in fixed and intangible assets, which were £13,591,000 as at 30 June 2021 (2020: £8,028,000), and current assets, which were £4,649,000 as at 30 June 2021 (2020: £5,982,000). PI Inc has indicated that it intends, for at least the next 12 months from the date of signing the financial statements to provide such funding as is required by the Company to enable it to meet its liabilities as they fall due.

The directors note that Creditors have increased to £9,597,000 (2020: £8,604,000) leading to the Company to be in a net current liability position of £4,948,000 (2020: net current liabilities of £2,622,000). However, the directors do not consider this to be an issue for going concern since it is driven primarily by the timing of intercompany transactions and since PI Inc (Ultimate parent company), has indicated that it intends, for at least the next 12 months from the date of signing the financial statements to provide such funding as is required by the Company to enable it to meet its liabilities as they fall due (see note 1 (b)).

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.

Research and Development Activities

New customised Enterprise Resource Planning (ERP) and Monitoring & Evaluation (M&E) systems are being developed for implementation within PI Inc. The latest plan is to begin the first wave of implementation in FY23 and to fully roll out by the end of FY24.

Future Developments

These are included in the Strategic Report in the Future Developments section.

Directors' report for the year ended 30 June 2021 (continued)

Third-party indemnity provisions

As at the date of this report, the Company has agreed in its Articles of Association to indemnify every Director against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto, subject to the proviso that the Company shall not indemnify any Director in any proceedings in which the Director is adjudged by any court to have failed to discharge his duties to the Company in good faith and with that degree of diligence, care and skill which ordinary prudent individuals would exercise under similar circumstances in like positions.

Disclosure of information to the auditors

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

- so far as the directors are 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.

Reappointment of auditors

In accordance with Section 485 of the Companies Act 2006 a Resolution proposing the re-appointment of PricewaterhouseCoopers LLP as auditors to the Company will be put to the Annual General Meeting.

Directors' report for the year ended 30 June 2021 (continued)

Statement of directors' responsibilities in respect of the financial statements
The directors are responsible for preparing the Annual 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.

Approved and authorised for issue by the Board of Directors on 28 March 2022 and signed on their behalf.

Tara Camm
Director
29 March 2022

Independent auditors' report to the members of Plan Limited

Report on the audit of the financial statements

Opinion

In our opinion, Plan Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its profit 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 2021; the statement of comprehensive income, 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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2021 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 Strategic report and 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 the directors' responsibilities, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, employment law and data privacy law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Enquiry with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Challenging assumptions and judgements made by management in their significant accounting estimates, including in respect of their intangible assets.
- Identifying and testing journal entries to address the risk of inappropriate journals
- Incorporating an element of unpredictability into our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 obtained 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.

Sandeep Dhillon (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 March 2022

Statement of Comprehensive Income for the year ended 30 June 2021

	Note	2021 £'000	2020 £'000
Turnover			
Income from services to PI Inc	2	**27,583**	30,235
Income from brand licence agreement	2	**1,750**	1,775
		29,333	32,010
Cost of sales			
Programme support		**(11,951)**	(12,741)
Fundraising		**(988)**	(521)
Operating costs		**(12,136)**	(14,232)
		(25,075)	(27,494)
Gross profit		**4,258**	4,516
Interest receivable and similar income	4	**-**	5
Profit before taxation	5	**4,258**	4,521
Tax on profit	8	**(886)**	(803)
Profit for the financial year		**3,372**	3,718
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**3,372**	3,718

All results relate to continuing operations.

The notes on pages 19 to 35 form part of these financial statements.

Balance Sheet as at 30 June 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Intangible assets	9	**13,453**	7,773
Tangible assets	10	**138**	255
		13,591	8,028
Current assets			
Deferred tax asset	11	**-**	257
Debtors	12	**2,796**	5,499
Cash at bank and in hand		**1,853**	226
		4,649	5,982
Creditors - amounts falling due within one year	13	**(9,597)**	(8,604)
Net current liabilities		**(4,948)**	(2,622)
Total assets less current liabilities		**8,643**	5,406
Provisions for liabilities	14	**(744)**	(272)
Net Assets		**7,899**	5,134
Capital and Reserves			
Capital contribution		**4,900**	4,900
Retained earnings		**2,999**	234
Total Equity		**7,899**	5,134

The financial statements on pages 16 to 35 were authorised for issue by the board of directors on 28 March 2022 and were signed on its behalf by:

Tara Camm
Director
Plan Limited
29 March 2022

Registered Number: 3001663

Statement of Changes in Equity for the year ended 30 June 2021

	Called up share capital £'000	Capital Contribution £'000	(Accumulated losses) / Retained earnings £'000	Total Equity £'000
Balance as at 1 July 2019	-	4,900	(1,785)	3,115
Profit for the financial year	-	-	3,718	3,718
Total comprehensive income for the year	-	-	3,718	3,718
Distribution	-	-	(2,098)	(2,098)
Tax credit on Qualifying Charitable Donation Paid	-	-	399	399
Total transactions with owners, recognised directly in equity	-	-	(1,699)	(1,699)
Balance as at 30 June 2020 and 1 July 2020	-	4,900	234	5,134
Profit for the financial year	-	-	3,372	3,372
Total comprehensive income for the year	-	-	3,372	3,372
Distribution	-	-	(750)	(750)
Tax credit on Qualifying Charitable Donation Paid	-	-	143	143
Total transactions with owners, recognised directly in equity	-	-	(607)	(607)
Balance as at 30 June 2021	-	4,900	2,999	7,899

The Distribution of £750,000 for 2021 (2020: £2,097,846) relates to a donation under the Deed of Covenant to Plan International (UK) Limited.

Notes to the financial statements for the year ended 30 June 2021

1. Accounting policies

General information

Plan Limited ("the Company") is a private company limited by shares and it is incorporated and domiciled in the United Kingdom. Plan Limited is registered in England and Wales. The address of its registered office is Dukes Court Block A, Duke Street, Woking, Surrey, GU21 5BH.

Plan Limited provides services to its parent Company, Plan International, Inc. ("PI Inc"), a not-for-profit membership corporation registered in the USA, as part of the Global Hub.

The services provided by the Company include programme and fundraising support services and management services for PI Inc. This includes programme policy and technical expertise, impact evaluations and research, business planning services, governance, legal, finance, internal audit, human resources and information technology services.

Statement of compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of Preparation

These financial statements have been 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.

Financial reporting exposure draft 67 (FRED 67) issued by the Financial Reporting Council (FRC) led to changes in FRS 102 for accounting periods starting on or after 1 January 2019. The Directors have received the applicable changes to FRS 102 and note that they have had no effect on the accounting policies or basis of preparation for Plan Limited for the year ended 30 June 2020 or 2021.

Plan Limited is considered to be an entity within a public benefit entity (PBE) group. A PBE group consists of a public benefit entity parent and all its wholly owned subsidiaries. Plan Limited being a wholly owned subsidiary of PI Inc, a registered charity, would be considered an entity within a public benefit entity group and may apply simplified accounting for the incoming resources from non-exchange transactions and PBE concessionary loans. However, the entity does not have any incoming resources from non-exchange transactions and PBE concessionary loans.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the policy "Critical accounting judgements and key sources of estimation uncertainty" included within this note.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

b) Going Concern

On the basis of their assessment of the Company's financial position and resources, the directors believe that the Company is well placed to manage its business risks. Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Further, the parent undertaking has provided assurance that it intends, for at least 12 months, to provide such funding as is required by the Company to enable it to meet its liabilities as they fall due. Thus, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemption if certain conditions have been complied with. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

The Company is a qualifying entity as its results are consolidated into the financial statements of Pl Inc which are publicly available within the combined financial statements of Plan International Worldwide.

As a qualifying entity, the Company has taken advantage of the following exemptions:

i) from the requirement to prepare a Statement of Cash flows as required by paragraph 3.17(d) of FRS 102;

ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;

iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and

iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

d) Foreign currency

(i) *Functional and presentation currency*

The Company's functional and presentation currency is pound sterling.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates from the second last working day of the previous month. This approximates the actual rate at the date of the transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

d) Foreign currency (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

e) Turnover

The Company provides services to PI Inc for which it charges a fee comprising the relevant costs incurred plus a 10% mark-up. The Company also received a brand licence fee from Plan International Canada Inc for the grant of a sub-licence to use the "Marks" (brands, logos, trademarks, trade names and service marks).

Turnover is recognised in the period in which the related costs are incurred. The Turnover related to brand licensing is recognised gross and withholding tax is shown separately as overseas tax. The turnover is stated exclusive of value added tax.

f) Employee Benefit

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

(i) Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plans

The Company operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

g) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws relevant to the financial year.

Technical guidance was issued by the ICAEW in October 2014 concluding that, where a wholly owned trading subsidiary gift aids its profit to its parent charity, the payments are in law distributions of profit, in the same way as dividends. Plan Limited has a Deed of Covenant with Plan International (UK) Limited to donate taxable profits on an annual basis and Plan International (UK) Limited ultimately passes these funds up to Plan International, Inc (the parent charity of Plan Limited). On this basis, the current year payment of £750,000 (2020: £2,098,000) has been treated as a distribution of profits from Shareholders' funds. There is no current tax liability as the distribution which is considered to be a qualifying charitable donation of gift aid payments is more than Plan Limited's tax liability on its profit.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

h) Intangible assets

Intangible fixed assets comprise computer software which is capitalised if it relates to purchased software or internal projects which are in the development stage and it meets the capitalisation threshold criteria of the Company of 3,500 Euros and above. Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses. Cost includes the purchase price of the asset and costs attributable to bringing the asset to the working condition required for its intended use.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

h) Intangible assets (continued)

Amortisation is calculated on a straight-line basis over the estimated remaining useful life of each asset and commences when the asset is available for use. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when it is technically feasible to complete the software so that it will be available for use. Software in the course of development is amortised from the point it becomes an operational asset. The estimated useful economic life of computer software ranges from 3 to 5 years.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired. For software development projects, the impairment review includes consideration of the cost incurred by Plan Limited to remedy defects. Impairments thus arising are recorded in the Statement of Comprehensive Income.

i) Tangible assets

As per the Company's capitalisation policy, expenditure of a capital nature, meeting the threshold criteria of 3,500 Euros and above, is capitalised.

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the purchase price of the asset and costs attributable to bringing the asset to the working condition required for its intended use.

Depreciation is calculated on a straight-line basis over the estimated remaining useful life of each asset and commences when the asset is available for use. The estimated useful economic lives applicable to the major classes of tangible assets are as follows:

Leasehold improvements	The remaining life of the lease.
Equipment	3 - 10 years.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Repairs, maintenance and minor inspection costs are expensed as incurred. Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Comprehensive Income.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

j) Leased assets (continued)

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

(ii) Lease incentives

Incentives received to enter into an operating lease are credited to the Statement of Comprehensive Income, to reducc the lease expense, on a straight-line basis over the period of the lease.

The Company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 July 2014) and continues to credit such lease incentives to the Statement of Comprehensive Income over the life of the lease or, where applicable, up to the first rent review.

k) Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit or loss.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

m) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

n) Financial Instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

n) Financial Instruments (continued)

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The Company does not hold or issue derivative financial instruments.

(iii) Offsetting

Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

o) Related Party Transactions

The Company is exempt under the terms of paragraph 33.1A of FRS 102 from disclosing related party transactions with PI Inc and its wholly owned subsidiaries.

p) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances.

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

p) Critical accounting judgements and key sources of estimation uncertainty(continued)

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

- *Useful economic lives of intangible assets*

Certain costs relating to developing or obtaining internal use software which includes ERP costs, will not be amortised in the course of its development until it is available for use. However, if a system is to be rolled out over a period of time amortisation will begin as soon as the first entity goes live. Amortisation of software developed for internal use is provided under the straight-line method over the estimated useful life of 3-5 years. Amortisation of purchased software is provided under the straight-line method over the lower of 5 years or the period of the license. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

See notes 9 and 10 for the carrying amounts of tangible and intangible assets and the accounting policies above for the useful economic lives for each class of assets.

2. Turnover

The split of the turnover by geographical segment is shown below:

	2021	2020
	£'000	£'000
United Kingdom	**27,583**	30,235
Rest of World	**1,750**	1,775
	29,333	32,010

3. Contribution to Plan International (UK) Limited

During the year, a distribution of £750,000 (2020: £2,098,000) represented a donation under Deed of Covenant to Plan International (UK) Limited, a UK registered charity, by which Plan Limited donates the whole of its taxable profits. The Company has an annual legal obligation under the Deed of Covenant to pass all its taxable profits to Plan International (UK) Limited. The payment which represents a distribution of profits from Shareholders' funds, has been treated the same way as the prior year and complies with the guidance issued.

Notes to the financial statements for the year ended 30 June 2021 (continued)

4. Interest receivable and similar income

The interest earned in the year to 30 June 2021 of £143 (2020: £4,537) represents interest on the Company's bank account balance.

5. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2021 £'000	2020 £'000
Fees payable to the Company's auditors for the audit of Plan Limited	**27**	24
Depreciation and amortisation	**215**	451
Operating lease rentals – buildings	**566**	566
Foreign Exchange gain	**(29)**	(1)

6. Employees

Employee costs	2021 £'000	2020 £'000
Wages and Salaries	**12,036**	13,350
Social security costs	**1,295**	1,334
Redundancy costs	**216**	44
Other pension costs (note 16)	**1,310**	1,458
	14,857	16,186

Average monthly number of employees by category	2021 Number	2020 Number
Programme support	**132**	116
Fundraising	**8**	8
Operating	**116**	138
	256	262

The average monthly number of employees includes the directors of Plan Limited listed in the Directors' report.

Notes to the financial statements for the year ended 30 June 2021(continued)

7. Directors' remuneration

	2021 £'000	2020 £'000
Remuneration for the 5 directors (2020: 3) during the year:		
Emoluments	**369**	306
Pension contributions to a defined contribution pension scheme	**58**	56
	427	362
The remuneration of the highest paid director (the CEO) in the year to 30 June was:		
Emoluments	**132**	141
Pension contributions to a defined contribution pension scheme	**21**	22
	153	163

The remuneration paid to the Directors is in relation to their management services provided for PI Inc.

In addition, the Chief Executive Officer ("CEO") also received remuneration during 2021 (to 31 May 2021) and 2020 from Pl Inc the parent organisation of Plan Limited. The total remuneration for the CEO is disclosed in the Plan Worldwide combined financial statements. Approximately 50% of the CEO's total emoluments are from Plan Limited as disclosed in the tables above.

Contributions of £21,000 (2020: £22,000) to a defined contribution pension scheme are made in respect of the CEO.

The average number of directors during the year was 3 (2020: 3).

Notes to the financial statements for the year ended 30 June 2021 (continued)

8. Tax on profit

a) Tax expense included in profit or loss

	2021 £'000	2020 £'000
UK corporation tax	**318**	577
Foreign tax relief	**(175)**	(178)
	143	399
Foreign tax suffered	**175**	178
Current tax charge	**318**	577
Deferred tax charge- origination and reversal of timing differences (see note 11)	**568**	226
Tax on profit	**886**	803

b) Reconciliation of tax charge

The tax assessed for the year is higher than (2020: lower than) the standard rate of corporation tax in the year of 19% (2020: 19%).

	2021 £'000	2020 £'000
Profit before taxation	**4,258**	4,521
Profits before taxation at standard rate of 19% (2020: 19%)	**(809)**	(859)
Non-deductible expenditure	**(2)**	(2)
Effect of tax rate change	**(75)**	58
Tax charge for the year	**(886)**	(803)

c) Tax rate changes

The Corporation tax rate for the current year is 19.0% (2020: 19.0%).

The Finance Act 2020 increased the main rate of corporation tax from 17% to 19% from 1 April 2020. This change was substantively enacted on 17 March 2020 and accordingly the deferred tax in the financial statements as at 30 June 2020 was calculated using the rates expected to apply when the timing differences reverse. The Finance Act 2021 which was substantively enacted on 24 May 2021 increased the main rate of corporation tax to 25% from 1 April 2023 so that deferred tax balances as at 30 June 2021 and in future years are measured at 25%, the rate expected to apply when timing differences reverse.

The tax credit on the Qualifying Charitable Donation distribution of £143,000 (2020: £399,000) paid during the year is included in the Statement of Changes in Equity.

Notes to the financial statements for the year ended 30 June 2021 (continued)

9. Intangible assets

	Software in course of Development £'000	Software £'000	Total £'000
Cost at 1 July 2020	7,504	16,212	23,716
Disposals	-	(7,988)	(7,988)
Additions	5,778	-	5,778
Transfers	-	-	-
At 30 June 2021	**13,282**	**8,224**	**21,506**
Accumulated amortisation at 1 July 2020	-	15,943	15,943
Disposals	-	(7,988)	(7,988)
Charge for the year	-	98	98
Impairment	-	-	-
At 30 June 2021	-	**8,053**	**8,053**
Net book value at 30 June 2021	**13,282**	**171**	**13,453**
Net book value at 30 June 2020	7,504	269	7,773

The amortisation of intangible assets is included in "operating costs" in the Statement of Comprehensive Income. No impairment charge was incurred in the current or prior year.

10. Tangible assets

	Leasehold Improvements £'000	Equipment £'000	Total £'000
Cost at 1 July 2020	1,174	549	1,723
Disposals	-	(255)	(255)
Additions	-	-	-
At 30 June 2021	**1,174**	**294**	**1,468**
Accumulated depreciation at 1 July 2020	925	543	1,468
Disposals	-	(255)	(255)
Charge for the year	114	3	117
At 30 June 2021	**1,039**	**291**	**1,330**
Net book value at 30 June 2021	**135**	**3**	**138**
Net book value at 30 June 2020	249	6	255

Notes to the financial statements for the year ended 30 June 2021 (continued)

11. Deferred tax (liability)/asset

	2021 £'000	2020 £'000
Deferred tax (liability)/asset		
Opening balance at 1 July	**257**	483
Origination and reversal of timing differences	**(649)**	(284)
Effect of change in tax rate on opening balance	**81**	58
At 30 June	**(311)**	257
Fixed Asset Timing Differences	**(311)**	257
Short-term timing differences	**-**	-
At 30 June	**(311)**	257

12. Debtors

	2021 £'000	2020 £'000
Other debtors	**940**	1,933
Amounts owed by Plan International Canada Inc	**-**	1,598
Prepayments and accrued income	**1,856**	1,968
	2,796	5,499

13. Creditors amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	**943**	1,216
Amounts owed to PI Inc	**6,849**	5,316
Taxation and social security	**380**	412
Accruals and deferred income	**1,425**	1,660
	9,597	8,604

Intercompany balances owed to PI Inc have no provision for impairment and are interest free, unsecured and repayable on demand.

Notes to the financial statements for the year ended 30 June 2021 (continued)

14. Provisions for liabilities

	2021 Deferred Tax £'000	2021 Leases £'000	2021 Total £'000	2020 Total £'000
Opening balance at 1 July	-	272	272	199
Deferred tax asset at 1 July (see note 11)	(257)	-	(257)	-
Charged to profit or loss	568	161	729	73
Closing balance at 30 June	**311**	**433**	**744**	272

Plan Limited's two leases for its premises are required to be returned to the condition existing at the start of the leases. A provision has been made at the balance sheet date to reflect the portion of the estimated costs attributable to the period elapsed since the start of the leases. The provision is expected to be utilised at the end of lease term for the underleases (see note 17).

15. Called up share capital

	2021 £	2020 £
Authorised		
1,000 (2020: 1,000) ordinary shares at £1 each	**1,000**	1,000
Issued, called-up and fully paid		
1 (2020: 1) ordinary share at £1	**1**	1

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

16. Pension schemes

In 2021 and 2020, the Company made payments into one defined contribution scheme. The scheme provides pension benefits from funds accruing from contributions from both employees and the Company. The funds are held in respect of individual employees, through pension scheme providers, and are therefore separated from the funds of Plan Limited. The pension costs charged in the year were £1,309,991 (2020: £1,457,598). The amount due to the pension scheme providers at 30 June 2021 was £Nil (2020: £Nil).

Notes to the financial statements for the year ended 30 June 2021 (continued)

17. Commitments

Operating leases

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Payments due:	**2021** **£'000**	2020 £'000
Land and Buildings		
Not later than one year	**303**	566
Later than one year and not later than five years	**1,580**	72
Later than five years	**165**	-
Total	**2,048**	638

Plan Limited moved to new leased office premises in December 2011 and took up additional space from December 2012. Rental payments commenced in February 2014 in respect of the first lease and in February 2015 in respect of the second lease. Both of these leases expire on 30 November 2021. On 8 January 2021, the Company entered into two Reversionary Underleases on the first and second floors on the site of the current office space, for five years commencing on 1 December 2021. The average annual payment commitment of the original and reversionary leases up to their expiry in 2026 is £388,000 (2020: £384,000). As a result of the lease incentive recognised in accordance with note 1(j), the net impact of the operating lease commitment on the Statement of Comprehensive Income is £566,000 (2020: £566,000).

Capital

Contracts for capital expenditure not provided in the financial statements amount to £2,358,000 (2020: £3,412,000). This relates to the development of the new ERP and M&E systems.

18. Related Party Transactions

Plan Limited made a distribution under Deed of Covenant of £750,000 to Plan International (UK) Limited (2020: £2,098,000).

As disclosed in the Directors' report on page 11 (Note: Charitable donations), Plan Limited also makes financial contributions to not-for- profit bodies. From time to time Directors of Plan Limited, other Senior Management or other staff may represent Plan on the Boards of these bodies. Where this is the case, the financial transactions with these organisations are not included due to the number of small value contributions and the representative nature of these Board appointments.

Notes to the financial statements for the year ended 30 June 2021 (continued)

19. Contingent liabilities

Plan Limited has no contingent liabilities as at 30 June 2021. The contingent liability recognised as at 30 June 2020 of £35,000 was settled in the current year.

20. Ultimate parent Company

Plan Limited is a wholly owned subsidiary of Plan International, Inc. (PI Inc), a not-for-profit corporation organised under the laws of the State of New York, having its registered office at 15th Floor, 228 East 45th Street, New York NY 10017, U.S.A.

PI Inc is the only company that prepares consolidated financial statements that include Plan Limited. However, a combination of the consolidated financial statements of PI Inc and the financial statements of the Plan International Member National Organisations is prepared, to represent the combined financial statements of Plan International Worldwide.

PI Inc's consolidated financial statements and Plan International Worldwide combined financial statements can both be obtained from Plan International Global Hub, Dukes Court, Block A, Duke Street, Woking, Surrey, GU21 5BH, England.