

Plan Limited

Directors' Report and Financial Statements for the year ended 30 June 2015

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Plan Limited

Strategic report for the year ended 30 June 2015

The directors present their strategic report for the year ended 30 June 2015.

Review of the business

Activities

Plan Limited provides services to its holding company, Plan International, Inc. ("PI Inc"), a not-for-profit membership corporation registered in the USA.

PI Inc's members are 18 National Organisations whose primary activities are fundraising and raising awareness of development issues and 2 National Organisations, in India and Colombia who undertake these activities and also implement development and humanitarian programmes. The Plan Italy National Organisation is a prospective member. PI Inc and the National Organisations collectively are referred to elsewhere in this report as "Plan International".

PI Inc implements programmes in 49 developing countries to create a better future for children whose quality of life and ability to fulfil their potential is affected by extreme poverty, the failure of care by adults, discrimination and exclusion by society, or catastrophic events such as conflict or disasters.

The services provided by Plan Limited include programme and fundraising support services and management services for Plan International. Programme support services include programme policy and technical expertise, impact evaluations and research, as well as systems which are integral to programme implementation. Fundraising activities in 2015 were business planning services to develop the fundraising capabilities of Plan International. In 2014 fundraising activities also included funding of Plan National Organisations. Other services include governance, legal, finance, internal audit, human resources and back office information technology services.

Results and performance

Plan Limited's operations in 2015 and 2014 were impacted by decisions made by the Members of Plan and the International Board of PI Inc in 2012, to commit to a three year programme from 2013 to 2015 to reform the Plan global Business Operating Model. As a result, services provided by Plan Limited in 2015 and 2014 (and therefore service income and costs) included executing the Business Operating Model change programme, which is not a routine activity that will be ongoing in 2016.

Total cost of sales in 2015 increased by £587,000, or 2%, over the previous year, but, excluding the effects of non-routine activities and one-off changes in the scope of services, decreased by 4%. These non-routine and one-off items include the Business Operating Model programme (which arose in 2014 and 2015), fundraising support for National Organisations which was undertaken by Plan Limited in 2014 but not 2015 and systems and training services for programmes which were incurred in 2015 but not in 2014.

Programme support costs increased by £2,622,000 or 17%, but decreased by 6% taking into account these one-off changes. Programme technical services have been reduced reflecting cost management and distribution of technical expertise across Plan International Fundraising costs decreased by £2,063,000 or 83% due to, ceasing fundraising support to National Organisations in 2015. Other fundraising support costs increased by 2% due to Corporate partnership development.. Operating costs, increased by £28,000 but, excluding the cost of the Business Operating Model reform programme, decreased by 2%. This reduction reflects a planned reprioritisation of services required in 2015.

Plan Limited's turnover for the year of £27,443,000 represents the cost of sales for the year plus a 10% mark up on services charged to the parent company PI Inc. The 2% increase compared to the prior year is in line with the increase in the cost of sales.

Plan Limited made a profit on ordinary activities before taxation of £2,497,000 (2014: profit of £2,438,000). Due to a deferred tax credit, Plan Limited's profit for the financial year was £2,439,000 (2014: profit of £2,529,000). Plan Limited has made a distribution of £2,300,000 (2014 represented: £2,900,000), equal to taxable profits, to Plan International (UK), a UK based fundraising organisation and a member of PI Inc, under a Deed of Covenant. No current tax charge therefore arose in 2015 or 2014.

Plan Limited

Strategic report for the year ended 30 June 2015 (continued)

Principal risks and uncertainties

The main business risk for Plan Limited is reliance on PI Inc as its sole revenue source. PI Inc receives programme funding from its member National Organisations and direct from third party donors. PI Inc is afforded some certainty with regard to future funding as its budget is agreed by its Members' Assembly in advance of each calendar year and is consistent with the global strategy and with confirmed funding as well as projected new income from individual giving and institutional and corporate grant donors. The recurring nature of individual giving, which accounts for 50% of PI Inc's income and the multi-year nature of many grants, protect the parent company from volatility in funding in the short term. PI Inc also holds reserves for operating purposes and for contingencies. PI Inc, in turn, provides the funding to meet the cost of the services required from Plan Limited in accordance with an annual plan.

Plan Limited's cost of sales is affected by changes to the services required by PI Inc and changes in the number of geographical locations, donors and programmes of Plan International worldwide.

People

Gender Diversity Data

	Men		Women	
	Number	%	Number	%
At 30 June 2015				
Directors of the Company	1	33%	2	67%
Senior managers	9	82%	2	18%
Other employees	62	40%	103	60%
Total	72	42%	107	58%
At 30 June 2014				
Directors of the Company	2	67%	1	33%
Senior managers	9	78%	2	22%
Other employees	76	42%	108	58%
Total	87	44%	111	56%

Senior Managers are the Executive team members who are not directors of the company and other directors who lead functional areas.

In March 2014 Plan Limited started a Gender Equality Self-Assessment process examining its practices and outcomes, with external and internal gender practices experts. A 2016 to 2020 gender equality action plan was agreed in 2015. This action plan applies Plan International's gender equality policy and addresses the areas identified for improvement through the self-assessment process. The outcomes to be achieved by 2020 are:

- An organisational culture that promotes gender equality and inclusion
- Human Resources policies and procedures that are explicitly in line with Plan International's policy on gender equality
- Managers demonstrating the capacity to implement Human Resources policies and procedures that are gender aware
- Staff equipped with the skills, knowledge and attitudes through opportunities for training, learning and reflection
- A balanced ratio of women and men across departments and grades, especially at Senior Management levels
- Staff being held accountable for Plan International's commitment to gender equality through job descriptions and performance objectives which integrate gender equality competencies and goals.

Plan Limited

Strategic report for the year ended 30 June 2015 (continued)

Environment

Greenhouse Gas emissions in tonnes of Carbon Dioxide equivalent for the years to 30 June 2015 and 30 June 2014

	2015	2014	% Change
Air Travel	605	620	(2%)
Vehicle and Train travel	2	2	-
Electricity use	76	83	(8%)
Natural gas use	38	46	(17%)
Total Indirect emissions	721	751	(4%)

Intensity Measure

Average monthly number of employees	190	196	-
Emissions per employee	3.8	3.8	-

Since 2012, Plan Limited, its parent company PI Inc and its Member National Organisations have collected data on operating activities which lead indirectly to greenhouse gas emissions. None of the Plan International operations undertake activities which lead to direct emissions, but they are responsible for indirect emissions. In particular the figures reported represent the two material factors, energy and transport, that lead to those indirect greenhouse emissions. Carbon dioxide (CO₂) equivalent emissions have been calculated following the Green House Gases (GHG) Protocol, complemented by DEFRA (UK Department for Environment, Food and Rural Affairs) GHG reporting guidance when required.

The 4% reduction in Plan Limited's total indirect emissions is consistent with the global environmental strategy agreed by Plan International in November 2014. This aims to increase pro-environment practices and reduce the carbon intensity of operations. Half the year on year reduction in Plan Limited's environmental impact in 2015 is due to lower air travel and half is due to reducing energy use.

Future developments

There are no significant changes in the overall level of services provided by Plan Limited to its parent company expected in 2016, except that the Business Operating Model activities were substantially completed in 2015.

On behalf of the Board



Ann Firth
Director
25 September 2015

Directors' report for the year ended 30 June 2015

The directors present the Directors' report and the audited financial statements of the company for the year ended 30 June 2015.

1. Dividends

No dividend is proposed for the year ended 30 June 2015 (2014: £ nil). In line with prior years, a deed of covenant is in place whereby all profits generated by the Company are paid to Plan UK in the form of a 'Gift Aid' payment. This year, responding to guidance issued by the ICAEW, this payment of £2,300,000 has been treated as a distribution of profits. For comparability the prior year payment of £2,900,000 has been restated to recognise the gift aid payment as a distribution of profits.

2. Directors

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

- Nigel Chapman, Chief Executive Officer (CEO), resigned 31 August 2015
- Ann Firth, Chief Financial Officer
- Pamela Innes, Director of Human Resources and Organisational Development, appointed on 1 July 2014

3. Employees

The average monthly number of employees during the year decreased by 7 to 190 (2014: 196).

4. Creditor payment policy

For all trade creditors, it is the company's policy to:

- agree the terms of payment at the start of business with the supplier;
- ensure that suppliers are aware of the terms of payment;
- pay in accordance with its contractual and legal obligations.

Trade creditors' days for the company as at 30 June 2015 were 22 days (2014: 20 days), based on the ratio of company trade creditors at the end of the year to the average monthly amounts invoiced during the year by trade creditors.

5. 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 company 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 company. The company had no currency swaps, derivatives or designated hedging instruments as at 30 June 2015 or 30 June 2014, or during either financial year.

Price risk: Salary costs are communicated to staff during the formal annual review of salaries. Prices of services and materials purchased 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 the parent company, because the fee charged for the services provided to PI Inc comprises the relevant costs incurred plus a 10% mark-up.

Plan Limited

Directors' report for the year ended 30 June 2015 (continued)

Credit risk: Credit risk on amounts owed to the company is considered low as the company does not have trade debtors and the largest third party debtor at 30 June 2015 related to a sales tax refund.

Liquidity risk: The company has no long term borrowings or overdrafts. The parent company has indicated that it intends, for at least the next twelve months, to provide such funding as is required by the company to enable it to meet its liabilities as they fall due.

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

6. Pro bono services

In 2015 the company received no pro bono legal services (2014: £185,000). Pro bono services are not included in reported revenue or costs in compliance with the Companies Act.

7. Charitable donations

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

	2015 £	2014 £
The NGO Group for the Convention of the Rights of the Child, Geneva	37,000	39,000
Corporate IT Forum	19,000	12,000
International Council of Voluntary Agencies	17,000	26,000
Keeping Children Safe	14,409	5,000
International Civil Society Centre	2,000	18,000
INGO Accountability Charter	-	17,000
Nethope	-	12,000
International Disability and Development Consortium	-	11,000
Consultative Group on ECCD	-	6,000
Child and Youth Finance International	-	3,000

8. Going concern

The financial statements have been prepared under the going concern concept, on the basis that the company is operating at a profit and, as at 30 June 2015, has budget funding for services to be provided to its parent company agreed for the year to 30 June 2016.

9. Statement of disclosure of information to auditors

The directors confirm that, for all directors in office at the date of this report:

- So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. For this purpose, "relevant audit information" comprises the information needed by the company's auditors in connection with preparing their report.
- Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he / she ought to have taken in his / her duty as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' report for the year ended 30 June 2015 (continued)

10. Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be re-appointed as auditors to the Plan Federation, will be proposed to the November 2015 Members' Assembly. Subsequently, a resolution that they be re-appointed as auditors to the company will be proposed at a Board meeting of Plan Limited.

11. Statement of directors' responsibilities

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

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 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 these financial statements, the directors are required to:

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

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

In the case of each director in office at the date the directors' report is approved:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he/she has taken all the steps that he ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.



On behalf of the Board

**Ann Firth
Director
25 September 2015**

Plan Limited

Independent auditors' report to the members of Plan Limited

Report on the financial statements

Our opinion

In our opinion, Plan Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the balance sheet as at 30 June 2015;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

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

We have no exceptions to report arising from this responsibility.

Directors' remuneration

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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

Plan Limited

Independent auditors' report to the members of Plan Limited (continued)

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

This report, including the opinions, has been prepared for and only for the 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.

What an audit of financial statements involves

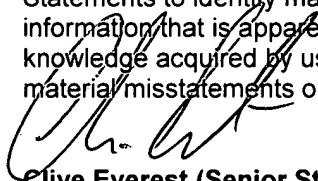
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

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

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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



Clive Everest (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

 **September 2015**

Plan Limited

Profit and loss account for the year ended 30 June 2015

		2015	2014
			Restated
	Note	£'000	£'000
Turnover			
Income from services to PI Inc	2	27,443	26,797
Cost of sales			
Programme support		(17,614)	(14,992)
Fundraising		(410)	(2,473)
Operating costs		(6,924)	(6,896)
		(24,948)	(24,361)
Gross profit		2,495	2,436
Interest receivable and similar income	4	2	2
Profit on ordinary activities before taxation	5	2,497	2,438
Tax on profit on ordinary activities	8	(58)	91
Profit for the financial year	17	2,439	2,529

For the financial years to 30 June 2015 and 30 June 2014 stated above:

- There is no difference between the profit / (loss) on ordinary activities before taxation and the profit / (loss) for the financial year and their historical cost equivalents.
- All results relate to continuing operations.
- The company has no recognised gains or losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

The prior year profit and loss account has been restated to recognise the gift aid payment to Plan International (UK), made under a deed of covenant, as a distribution of profits. In the prior year, this was recognised as an operating expense. Please refer to note 3 for details.

The notes on pages 12 to 21 form part of these financial statements.

Plan Limited

Balance Sheet as at 30 June 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	9	1,731	2,443
Intangible assets	10	5,533	5,973
Current assets			
Deferred tax asset	11	261	319
Debtors	12	1,778	1,903
Total debtors		2,039	2,222
Cash at bank and in hand		1,120	319
		3,159	2,541
Creditors - amounts falling due within one year	13	(8,855)	(9,416)
Net current liabilities		(5,696)	(6,875)
Total assets less current liabilities		1,568	1,541
Creditors – amounts falling due after more than one year	14	(12)	(152)
Provision for liabilities	15	(85)	(57)
Net assets		1,471	1,332
Called up share capital	16	-	-
Capital contribution	17	2,900	2,900
Profit and loss account	17	(1,429)	(1,568)
Total shareholder's funds	18	1,471	1,332

The financial statements on pages 10 to 20 were approved by the board of directors on 25 September 2015 and were signed on its behalf by:



Ann Firth
Director

Plan Limited

Registered Number: 3001663

Plan Limited

Notes to the financial statements for the year ended 30 June 2015

1. Accounting policies

a. Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, all of which have been applied consistently, are set out below.

The financial statements have been prepared under the going concern concept, based on an assurance from the parent undertaking that it intends, for the foreseeable future, to provide such funding as is required by the company to enable it to meet its liabilities as they fall due.

b. Turnover

The company provides services to PI Inc for which it charges a fee comprising the relevant costs incurred plus a 10% mark-up. Turnover is recognised in the period in which the related costs are incurred and is stated exclusive of value added tax. The value of pro bono services received by the company is not recognised within income or expenditure.

c. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and provision for any impairment. 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.

A review of the potential impairment of a fixed asset is carried out if events, or changes in circumstances, indicate that the carrying amount may not be recoverable. Such impairment reviews are performed in accordance with FRS 11. Impairments thus arising are recorded in the profit and loss account.

d. Intangible fixed assets, amortisation and impairment reviews

Intangible fixed assets comprise computer software which is capitalised if it relates to purchased software or internal projects which are in the development stage. Intangible fixed assets are stated at cost less accumulated amortisation and provision for any impairment. Cost includes the purchase price of the asset and costs attributable to bringing the asset to the working condition required for its intended use.

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. The estimated useful economic lives of computer software range from 3 to 5 years.

A review of the potential impairment of an intangible fixed asset is carried out if events, or changes in circumstances, indicate that the carrying amount may overstate the future economic benefit. Such impairment reviews are performed in accordance with FRS 11. 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 profit and loss account.

e. Leasing commitments

Rentals paid under operating leases are charged to the profit and loss account in the period to which they relate. Lease incentives are recognised on a straight line basis over the life of the lease or, where applicable, up to the first rent review.

Notes to the financial statements for the year ended 30 June 2015 (continued)

f. Pension scheme

Contributions to the company's defined contribution pension plans are charged to the profit and loss account in the period to which they relate.

g. Related party disclosure

In accordance with the exemption allowed by paragraph 3 (c) of FRS 8, certain disclosures of transactions with the company's parent undertaking have not been given.

h. Cash flow statement

In accordance with the exemption allowed by paragraph 5 (a) of FRS1 (revised 1996), a cash flow statement for the company has not been provided.

i. Foreign exchange accounting

Transactions denominated in foreign currencies are translated into sterling at the rate ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end exchange rates. Exchange differences arising are included in the profit and loss account.

j. Current and deferred tax

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) to donate all taxable profits on an annual basis and Plan International (UK) ultimately pass these funds up to Plan International Inc (the parent charity of Plan Limited). On this basis the current year payment of £2,300,000 has been treated as a distribution of profits from Shareholder's funds. No current tax liability arises as the distribution is considered to be a qualifying charitable donation of gift aid payments equal to Plan Limited's taxable profits.

The timing differences which arise, including the difference between the tax written down value of assets eligible for capital allowances and their net book value for accounts purposes, create an asset or liability which will cause payments under the deed of covenant either to exceed or fall short of the accounts profit in future years. Movements in this deferred asset / liability are reflected in tax on profit on ordinary activities in the profit and loss account.

A deferred tax asset is recognised as recoverable only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

The deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Plan Limited's turnover and basis of profit indicate that, for the foreseeable future, profits will be taxable at the UK small companies' rate of 20%, or post 1 April 2015 at the UK standard corporation tax rate which is expected to be 20%. Accordingly, the deferred tax asset has been estimated at an effective recovery rate of 20% in 2015 (20% in 2014). Deferred tax is measured on an undiscounted basis.

k. Financial instruments

Plan Limited does not make use of derivative financial instruments. Financial assets and liabilities are measured in accordance with the historical cost convention.

Plan Limited

Notes to the financial statements for the year ended 30 June 2015 (continued)

2. Income from services to PI Inc

The company provides services to PI Inc, for which it charges a fee comprising the relevant costs incurred plus a 10% mark-up. All turnover is derived from activities in the United Kingdom.

3. Contribution to Plan International (UK)

In the prior year expenditure of £2,900,000 represented a donation under deed of covenant to Plan International (UK), 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). As a result of the technical guidance issued by the ICAEW (explained in note 1j), management have determined that the current year equivalent payment of £2,300,000, represents in substance, a distribution of profits from Shareholder's funds (see note 18). For comparability the prior year has been restated to recognise the gift aid payment of £2,900,000 to Plan UK made under deed of covenant as a distribution of profits.

4. Interest receivable and similar income

The interest earned in the year to 30 June 2015 of £2,000 (2014: £2,000) represents interest on the company's bank account balance.

5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2015	2014
	£'000	£'000
Fees payable to the company auditors for the audit of Plan Limited	17	22
Fees payable to the company auditors for other services	2	68
Depreciation and amortisation	2,234	2,090
Operating lease rentals – buildings	218	218

Fees payable to the company auditors for other services include, £2,000 (2014: £2,000) for a subscription to an accounting standards database and £Nil (2014: £66,000) related to audit and training in relation to an SAP projects, grants and finance system, which is being implemented by the organisation and employment tax advice

Plan Limited

6. Employees

	2015	2014
	£'000	£'000
Employee costs		
Wages and Salaries	8,870	9,283
Social security costs	907	922
Redundancy costs	262	-
Other pension costs (note 19)	976	838
	11,015	11,043

	2015	2014
	Number	Number
Average monthly number of employees by category		
Programme support	114	119
Fundraising	5	5
Operating	71	72
	190	196

The average monthly number of employees includes the directors of Plan Limited listed in note 3 of the Directors' report.

7. Directors' remuneration

	2015	2014
	£'000	£'000
Remuneration for the 3 directors (2014: 3) during the year:		
Emoluments	330	305
Pension contributions to a defined contribution pension scheme	56	50
	386	355
The remuneration of the highest paid director (the CEO) in the year to 30 June was:		
Emoluments	138	143
Pension contributions to a defined contribution pension scheme	23	14
	161	157

In addition, two of the three directors also received remuneration during 2015 and 2014 from Plan International, Inc. the parent organisation of Plan Limited. Total remuneration of these two directors is disclosed in the Plan Worldwide combined financial statements. Approximately 75% of the CEO's total emoluments and 50% of the Deputy CEO's total emoluments are from Plan Limited as disclosed in the tables above.

Contributions of £56,000 (2014: £50,000) to a defined contribution pension scheme are made in respect of the 3 directors (2014: 3 directors). The average number of directors during the year was 3 (2014: 3).

Plan Limited**Notes to the financial statements for the year ended 30 June 2015 (continued)****8. Tax on profit on ordinary activities****a) Analysis of charge / (credit) in the year**

	2015	2014
	£'000	£'000
Current tax charge	-	-
Deferred tax - origination and reversal of timing differences (see note 11)	58	(91)
Tax charge / (credit) on profit on ordinary activities	58	(91)

The tax assessed for the year is lower (2014: higher) than the standard rate of corporation tax in the year of 20.75% (2014: 22.50%).

b) Factors affecting current tax charge

	2015	2014
	£'000	£'000
Profit on ordinary activities before taxation	2,497	2,438
Tax on profit on ordinary activities at effective rate of 20% (2014: 20%)	(499)	(488)
Qualifying charitable donation paid	460	580
Timing differences relating to fixed assets	50	(23)
Permanent timing differences	-	-
Short term timing differences	(11)	(69)
Current tax charge for the year	-	-

The qualifying charitable donation paid reflects the fact that gift aid donations have been made prior to the end of the financial year, therefore reducing the current tax charge for the year to nil. This follows recent changes in relation to gift aid payments as disclosed in Note 1j to the financial statements.

*Notes to the financial statements for the year ended 30 June 2015 (continued)***9. Tangible assets**

	Assets in the course of Construction £'000	Leasehold Improvements £'000	Equipment £'000	Total £'000
Cost at 1 July 2014	266	1,214	4,397	5,877
Additions	-	-	13	13
Transfers	(266)	(49)	49	(266)
Disposals	-	-	(55)	(55)
At 30 June 2015	-	1,165	4,404	5,569
Accumulated depreciation at 1 July 2014	-	250	3,184	3,434
Disposals	-	-	(55)	(55)
Transfers	-	(9)	9	-
Charge for the year	-	114	345	459
At 30 June 2015	-	335	3,483	3,838
Net book value at 30 June 2015	-	810	921	1,731
Net book value at 30 June 2014	266	964	1,213	2,443

10. Intangible assets

	Assets in the course of Construction £'000	Software £'000	Total £'000
Cost at 1 July 2014	701	14,910	15,611
Additions	439	630	1,069
Transfers	(695)	961	266
Impairment	-	-	-
At 30 June 2015	445	16,501	16,946
Accumulated amortisation at 1 July 2014	-	9,638	9,638
Disposals	-	-	-
Charge for the year	-	1,775	1,775
At 30 June 2014	-	11,413	11,413
Net book value at 30 June 2015	445	5,088	5,533
Net book value at 30 June 2014	701	5,272	5,973

*Notes to the financial statements for the year ended 30 June 2015 (continued)***11. Deferred tax asset**

	2015	2014
	£'000	£'000
Deferred tax asset		
At 1 July	319	228
(Charged) / Credited to the profit and loss account	(58)	91
At 30 June	261	319

The deferred tax asset arises from fixed asset and short term timing differences.

12. Debtors

	2015	2014
	£'000	£'000
Other debtors	564	648
Prepayments and accrued income	1,214	1,255
	1,778	1,903

13. Creditors – amounts falling due within one year

	2015	2014
	£'000	£'000
Trade creditors	896	891
Amounts owed to PI Inc	5,397	6,545
Other creditors	95	90
Taxation and social security	251	272
Accruals	2,216	1,618
	8,855	9,416

14. Creditors – amounts falling due after more than one year

	2015	2014
	£'000	£'000
Accruals	12	152

In 2012 the company moved into new leased premises. The lease incentives received are being recognised in accordance with note 1e and the amount that will be recognised after 30 June 2015 is shown as falling due after more than one year.

Plan Limited

Notes to the financial statements for the year ended 30 June 2015 (continued)

15. Provisions for liabilities and charges

	2015	2014
	£'000	£'000
At 1 July	57	27
Charged to the profit and loss account	28	30
At 30 June	85	57

Plan Limited's two leases for its premises require the company to return the premises 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.

16. Called up share capital

	2015	2014
	£	£
Authorised		
1,000 (2014: 1,000) ordinary shares at £1 each	1,000	1,000
Allotted and fully paid		
1 (2014: 1) ordinary share at £1	1	1

17. Reserves

	Profit & Loss Account	Capital Contribution
	£'000	£'000
At 1 July 2014	(1,568)	2,900
Profit for the financial year	2,439	-
Distribution	(2,300)	-
At 30 June 2015	(1,429)	2,900

18. Reconciliation of movements in shareholder's funds

	2015	2014
	£'000	£'000
Profit for the financial year	2,439	2,529
Distribution	(2,300)	(2,900)
Opening shareholder's funds	1,332	1,703
Closing shareholder's funds	1,471	1,332

Plan Limited

Notes to the financial statements for the year ended 30 June 2015 (continued)

19. Pension schemes

In 2015 and 2014 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 £976,000 (2014: £838,000). The amount due to the pension scheme providers at 30 June was £87,000 (2014: £81,000).

20. Commitments

Operating lease

At 30 June, Plan Limited had annual commitments under non-cancellable operating leases expiring as follows:

	2015	2014
	£'000	£'000
Land and Buildings		
Over five years	443	-
Between one and five years inclusive	-	394
Total	443	394

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. The average annual payment commitment of the leases up to their expiry in 2021 is £324,000. As a result of the lease incentive recognised in accordance with note 1e, the net impact of the operating lease commitment on the profit and loss account is £91,000 in 2015.

Capital

Contracts for capital expenditure not provided in the financial statements amount to £170,000 (2014: £26,000).

Plan Limited

Notes to the financial statements for the year ended 30 June 2015 (continued)

21. Related Party Transactions

Plan Limited ceased providing fundraising support to National Organisations who are Members of Plan International, Inc. (PI Inc) or prospective Members in 2015, but in 2014 provided funding of £2,123,000 as follows:

National Organisation	2015 £'000	2014 £'000
Plan India	-	749
Plan Hong Kong	-	547
Fundación Plan	-	411
Plan Italy	-	332
Plan France	-	84
	-	2,123

In 2014, funding for Plan Italy was paid through Plan Service GmbH, a subsidiary of Plan Germany, the Member supporting the establishment of Plan Italy.

In addition to the funding above, Plan Limited made a distribution (2014 represented: distribution) under Deed of Covenant of £2,300,000 to Plan International (UK) (2014: £2,900,000).

As disclosed in the Directors report on page 6 (Note 8. 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 in the listing of related parties' transactions above, due to the number of small value contributions and the representative nature of these Board appointments.

22. 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 155 Plan Way, Warwick, Rhode Island, USA. Ultimate control of Plan Limited rests with the directors of PI Inc.

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 as a Worldwide Federation.

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