

Plan International Australia

ABN 49 004 875 807

Annual report for the year ended 30 June 2021

Plan International Australia ABN 49 004 875 807
Annual report - 30 June 2021

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Directors

Gerry Hueston (Chair)
Sally Treeby (Deputy Chair)
Abiola Ajetomobi
Marsha Beck
Jason Chuck
Michael Corry
Anita George
Belinda Howell
Tim Lo Surdo
Vanessa Ng
Jason Pellegrino

Secretary

Angela Taylor

Chief Executive Officer

Susanne Legena

Principal registered office in Australia

Level 18
60 City Road
Southbank VIC 3006
Telephone: (03) 9672 3600
Facsimile: (03) 9670 1130
Website: www.plan.org.au

Auditor

PricewaterhouseCoopers Australia
2 Riverside Quay
Southbank VIC 3006

Bankers

Commonwealth Bank of Australia
385 Bourke Street
Melbourne VIC 3000

Australian Council for International Development

Plan International Australia is member of the Australian Council for International Development (ACFID) and is a signatory to the ACFID Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management.

More information about the ACFID Code of Conduct can be obtained from www.plan.org.au and from ACFID at:

Website: www.acfid.asn.au
Email: main@acfid.asn.au
Tel: (02) 6285 1816

Directors' report

The Directors present their report on the Consolidated entity consisting of Plan International Australia ("Plan") and the entities it controlled ("the Consolidated entity") at the end of, or during, the year ended 30 June 2021. Hereinafter, the Consolidated entity is referred to as Plan International Australia.

Directors

The following persons were Directors of Plan International Australia during the whole of the financial year and up to the date of this report, unless otherwise stated:

Gerry Hueston (Chair)
Sally Treeby (Deputy Chair)
Abiola Ajetomobi (appointed 8 December 2020)
Marsha Beck (appointed 8 December 2020)
Jason Chuck
Michael Corry
Louise Eyres (resigned 8 December 2020)
Anita George
Julie Hamblin (resigned 8 December 2020)
Belinda Howell (appointed 8 December 2020)
Tim Lo Surdo
Vanessa Ng (appointed 8 December 2020)
Jason Pellegrino

Principal activities and strategy

Plan International Australia (Plan) is an independent development and humanitarian organisation that works in developing countries across the world to advance children's rights and equality for girls. It is a member of the global entity Plan International Inc.

Plan's principal activity is to raise funds to expend on development programs that are designed to deliver significant change for girls and boys, putting a special emphasis on gender equality. Development programs are guided by the 2013 Global Goals and Plan's strategy to work with 100 million girls to ensure they can learn, lead, decide and thrive.

Objectives:

Plan International Australia's objectives are:

- (1) Empowering children, young people and communities to make vital changes that challenge the root causes of discrimination against girls, exclusion and vulnerability;
- (2) Driving change in practice and policy at local, national and global levels through our reach, experience and knowledge of the realities children face;
- (3) Working with children and communities to prepare for and respond to crises and to overcome adversity, and;
- (4) Supporting the safe and successful progression of children from birth to adulthood.

Review of operations

FY2021 was a year of continuing uncertainty in the global operating environment with the ongoing COVID-19 crisis. Plan was able to benefit from stimulus stabilisers from the Australian government early in the financial year and positive investment performance in the latter part of the year to enable a final surplus of \$2.718M (FY2020: deficit \$251K). Year on year revenue from continued operations (excluding unrealised investment gains) increased by 14% (FY2020: decline of 10%). Overall expenditure has increased by slightly more: 16% (FY2020: decline of 5%). Plan management reoriented their strategy during the year to take account of the changing environment, and as part of this identified a need to make some structural changes to the cost base. The cost of these changes have been incorporated into the FY2021 financial results, and, combined with the strengthened Balance Sheet at the end of the year, position Plan well to execute its renewed strategy. More detail about the revised strategy is provided in Plan's Annual Report.

Income tax

Plan is endorsed by the Australian Taxation Office as exempt from paying income tax.

Dividends

In accordance with the Constitution, no dividends are permitted.

Significant changes in the state of affairs

On 1 September 2020 control was transferred of Plan International in PNG and Plan International Australia in Solomon Islands Trust Board Inc. to Plan International Inc.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020. The outbreak and the response of Governments around the world in dealing with the pandemic continues to interfere with general activity levels within the community and the economy. However, following the COVID-19 outbreak, Plan has continued its fundraising activities and delivery of its development programs with some adjustments. The implementation of restrictions in Victoria by the state government throughout FY2021 has meant that staff at Plan's Melbourne head office have had to work remotely for long periods of time, but that has not resulted in significant operational disruption.

The situation is unprecedented and the board and management continues to consider the potential implications of COVID-19, which may include disruptions in Plan's ability to run programs, availability of employees and reductions in future fundraising and grant income. However, at the date these financial statements were authorised, Plan was not aware of any specific, material adverse effects on the financial statements or future results as a result of COVID-19.

There have been no other significant changes in the state of affairs of Plan during the year.

Event since the end of the financial year

During the first quarter of FY2022, Plan management has focused their efforts on executing the restructure that was announced at the end of FY2021 as part of the revised strategy. The costs of this restructure have been fully recognised in FY2021. The net result of the restructure will be to deliver a reduced cost base, combined with a more diversified revenue portfolio over time.

Except as noted above, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected Plan's operations, results or state of affairs, or may do so in future years.

Likely developments and expected results of operations

Subject to the matters set out in this report, in the opinion of the Directors, there are no likely developments which would have a significant effect on Plan's operations or results.

Directors' benefits

The Directors receive no remuneration for their services as Directors of Plan.

Directors' interests in contracts

Since the date of the last Directors' Report, no Director has declared, pursuant to Section 231 of the *Corporations Act 2001*, an interest in any contract by virtue of their directorships or memberships of other entities.

Committee and special responsibilities

Finance and Audit Committee

Vanessa Ng (Chair) (from 8 December 2020)
Michael Corry (Chair to 8 December 2020)
Marsha Beck (from 8 December 2020)
Louise Eyres (to 8 December 2020)
Anita George
Gerry Hueston
Tim Lo Surdo
Megan Kaiser (youth adviser) (from May 2021)

Program and Influence Committee

Abiola Ajetomobi (from 8 December 2020) (Chair from August 2021)
Jason Chuck (Chair to July 2021)
Anita George
Julie Hamblin (to 8 December 2020)
Belinda Howell (from 8 December 2020)
Tim Lo Surdo
Gina Zheng (external advisor) (to September 2021)
Shantanu Paul (youth advisor) (from May 2021)

Fundraising, Advocacy & Brand Committee (previously Fundraising & Brand Committee)

Belinda Howell (from 8 December 2020) (Chair from October 2021)
Sally Treeby (Chair to October 2021)
Marsha Beck (from 8 December 2020)
Louise Eyres (to 8 December 2020)
Jason Chuck
Tim Lo Surdo
Vanessa Ng (from 8 December 2020)
Jason Pellegrino
Alan White (external adviser)
Vick Pillay (external adviser) (from May 2021)
Marta Zajac (youth advisor) (from May 2021)

Corporate Governance Committee

Gerry Hueston (Chair)
Abiola Ajetomobi (from 8 December 2020)
Julie Hamblin (to 8 December 2020)
Jason Pellegrino
Sally Treeby (from 8 December 2020)

Directors who have international roles and responsibilities

Plan Members' Assembly

Julie Hamblin (to December 2020)
Sally Treeby (from December 2020)

Meetings of directors

The numbers of meetings of Plan's board of Directors and of each board committee held during the year ended 30 June 2021, and the numbers of meetings attended by each Director were:

	Full meetings of Directors			Meeting of Committees											
				Finance & Audit			Program & Influence			Corporate Governance			Fundraising & Brand		
	Held	Eligible to Attend	Attended	Held	Eligible to Attend	Attended	Held	Eligible to Attend	Attended	Held	Eligible to Attend	Attended	Held	Eligible to Attend	Attended
Gerry Hueston (Chair)	5	5	5	5	5	5	-	-	-	4	4	4	-	-	-
Julie Hamblin	3	3	3	-	-	-	4	2	2	4	3	3	-	-	-
Sally Treeby (Deputy Chair)	5	5	5	-	-	-	-	-	-	4	2	2	4	4	4
Michael Corry	5	5	5	5	5	5	-	-	-	-	-	-	-	-	-
Jason Chuck	5	5	5	-	-	-	4	4	3	-	-	-	4	4	4
Jason Pellegrino	5	5	3	-	-	-	-	-	-	4	4	4	4	4	2
Anita George	5	5	4	5	5	3	4	4	3	-	-	-	-	-	-
Tim Lo Surdo	5	5	5	5	5	4	4	4	3	-	-	-	4	4	3
Louise Eyres	5	5	3	5	5	2	-	-	-	-	-	-	4	4	4
Abiola Ajetomobi	5	3	3	5	1	2	4	2	1	4	1	-	4	1	-
Vanessa Ng	5	3	3	5	5	5	4	1	1	-	-	-	4	1	1
Belinda Howell	5	3	3	5	1	2	4	2	2	-	-	-	4	1	1
Marsha Beck	5	3	3	5	1	2	-	-	-	-	-	-	4	1	1

Information on Directors

Gerry Hueston (Chair)

BSc, BCom

Gerry Hueston is a prominent businessman who retired as President of BP Australasia in 2011 after a career with BP spanning 34 years in a variety of management and senior executive roles in Australia, New Zealand, the United Kingdom and Europe.

Mr Hueston's previous roles include Chairman of the Business Council Sustainable Growth Taskforce, Chairman and Board Member of the Australian Institute of Petroleum, Board Member of the Business Council of Australia, Member of the Chairman's Panel of the Great Barrier Reef Foundation, Commissioner with the Australian Climate Commission, Board member and Treasurer Plan International and Chair of the Climate Council.

He is currently a Councillor with the Climate Council of Australia and Chairman of the Melbourne Rugby Football Club Foundation.

Jason Chuck

B. App Sci (Computer Engineering), MBA (Hons. List)

Jason Chuck is the Chief Commercial Officer at Hireup, a profit for purpose business focused on improving care in the disability sector. Prior to that, Jason was the Chief Consumer Officer at Domain Group and also co-founded and was Chief Executive Officer of LJ Hooker Avnu.

Jason has spent over 15 years growing and scaling international technology businesses, with a focus on strategy, sales and marketing with Houzz (as their Asia Pacific MD and AU founder), Etsy (as their MD ANZ), eHarmony (as AU founder and VP of International) and Google (as head of marketing for Australia and New Zealand).

Jason holds a Bachelor's degree in Computer Engineering from the University of British Columbia and an MBA (Distinction) from INSEAD.

Anita George

Anita George is a lawyer, public policy specialist and expert consultant to international government organisations including the OECD, UNICEF and the World Health Organization. She has a background in social justice policy and advocacy and is internationally recognised for her work on the interrelationship between overweight and obesity prevention, sustainable development and international law. She holds first class honours degrees in Law and Arts (Psychology) from the University of Tasmania. She was awarded a 2012 General Sir John Monash Foundation Scholarship to complete a Master of Public Affairs at Sciences Po Paris, graduating summa cum laude in 2014.

Vanessa Ng

B.Comm. CA

Vanessa Ng is an experienced finance professional who has worked in the banking and professional services industry with a focus on leadership, strategy and change management. Vanessa is a Chartered Accountant and holds a Bachelor of Commerce (Accounting and Finance) from the University of Melbourne.

Vanessa is passionate about social impact, equality and education.

Information on Directors (continued)

Sally Treeby (Deputy Chair)

Masters Business (Mkt), Bachelor Business, GAICD

Sally Treeby is an experienced non-executive director whose board positions also include a private investment company and a philanthropic foundation. Her career has spanned executive and non-executive roles in financial services, agriculture and the philanthropic and community sectors in Australia and the United Kingdom covering the disciplines of strategy, marketing, line management, general management and ethics. Sally and her husband own a bull stud in southern NSW.

Previous board positions include a private philanthropic foundation, eChildhood (Chair), Community Foundation (Deputy Chair) and FoodShare.

Sally serves on Plan International's Member's Assembly.

Julie Hamblin

BA LLB (Hons) LLM, GAICD

Julie Hamblin is an experienced health lawyer, with expertise in clinical risk, health ethics, privacy, medical research and public health policy. She also works as a consultant to the disability and not-for-profit sectors, particularly in relation to child protection, institutional risk and critical incident management.

She has extensive experience in international development having worked with the United Nations Development Programme and other organisations on projects relating to public health and HIV/AIDS in more than 20 countries in Asia, the Pacific, Africa and Eastern Europe.

Government appointments have included the Australian Research Integrity Committee, the NSW Health Clinical Ethics Advisory Panel, the Australian National Council on HIV/AIDS and Related Diseases, and the Attorney-General's International Pro Bono Advisory Group.

Jason Pellegrino

BComm (Accounting), MBA (Hons. List)

Jason Pellegrino is the Managing Director & CEO of Domain Holdings Ltd, a leading Australian publicly listed real estate media and technology business.

Prior to this, Jason spent a decade at Google across a variety of commercial, strategy and finance roles in Australia and Asia Pacific, most recently as Managing Director for Australia and New Zealand.

Prior to Google, Jason spent over 15 years in Corporate Strategy, Mergers & Acquisitions and Sales & Marketing in retail, technology and consumer product industries with LEK Consulting, PepsiCo International & KPMG.

Jason holds a Bachelor's degree in Commerce from the University of Wollongong and an MBA (Distinction) from The London Business School, where he served as President of the Student Association and as a member of the school's Board of Governors.

Jason is a member of the Innovation Taskforce of the Business Council of Australia, a member of ASIC's External Advisory Panel and a Board member of Plan International Australia.

Louise Eyres

B.Bus, M.B.A, GAICD

Louise Eyres is a strategic marketing executive with expertise across mining, financial services, government, health and sport sectors. An experienced change leader she has lead transformative programs at some of Australia's largest corporations as well as at a Federal Government level. She is also a Non-Executive Director of Greater Bank and a past Non-Executive Director of Williamstown VFL Football Club, The Advertising Standards Bureau and the Australian Association of National Advertisers.

Information on Directors (continued)

Michael Corry

MA, FCA ANZ, FGIA, MAICD

Michael Corry is a finance professional with extensive experience across a range of enterprises in both commercial and community arenas. He is a Chartered Accountant and Chartered Secretary and holds an MA in Economics from Christ's College, Cambridge.

Tim Lo Surdo

Tim is the Founder and National Director of Democracy in Colour - Australia's first racial and economic justice organisation led by people of colour. Previously, he was a Senior Organiser at United Voice where he helped low-paid workers start Hospo Voice - a new union in hospitality. He has led campaigns at Oaktree, been an adviser to two Senators, was the Campaigns Director at Jhatkaa, led national communications at UN Youth Australia, and co-founded Open Sky - one of India's most well-known performance art communities. Tim is also on the Boards of Plan International Australia, the Southern Migrant & Refugee Centre, Stop the Traffik, Climate for Change, and The Wilderness Society (Vic).

Abiola Ajetomobi

Abiola Ajetomobi is the Director of Innovation Hub at the Asylum Seeker Resource Centre (ASRC) Innovation Hub.

Abiola has a background in business, humanitarianism, accounting, financial services and social entrepreneurship. She has more than 17 years management experience, in local and state government as well as in not-for-profit organisations, both here and overseas. In 2015 she won the future Leader Award at the International Women's Day Awards in the southern metropolitan region of Melbourne. In 2020 she won ACU's first ever Entrepreneurship, Leadership and Innovation Alumni Award.

She is a social innovator and a strong advocate for refugees, women, and marginalised communities.

Marsha Beck

BA (Hons), LL.B (Hons), M.Appfin, CIMA, GAICD

Marsha is an accomplished executive leader, driven by passion, purpose and results.

Over 20 years, Marsha has held senior roles across the financial services sector, leading change and driving innovation across product, marketing, sales and services initiatives.

Belinda Howell

BA (Hons), MBA, GAICD

Belinda Howell is an experienced director of not-for-profit boards with a deep interest in international development, mental health and education.

Belinda's career as a senior executive has spanned higher education, financial and professional services, travel and government. She is adept at working across cultures and building successful multicultural teams.

She is a non-executive director of Dunmore Lang College (Macquarie University), Bolong River Produce (family beef/horticulture business) and consults to education technology start-ups.

Insurance of officers and indemnities

Plan International provides cover for officers and directors of Plan. The Directors' and officers' liability insurance provides cover against all costs and expenses involved in defending legal actions and any resulting payments arising from a liability to persons (other than Plan) incurred in their position as Director or executive officer unless the conduct involves a wilful breach of duty or an improper use of inside information or position to gain advantage.

Environmental regulation

Plan is committed to comply with all environmental legislation, regulations, standards and codes of practice relevant to its particular activities. It is also committed to keeping abreast of all occupational, health and safety issues.

As far as the directors of Plan International Australia are aware, there has been no breach of any relevant legislation. The organisation is not subject to significant environmental regulation.

Corporate governance

Corporate governance information is included on page 11.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 10.

Auditor

PricewaterhouseCoopers Australia continues in office in accordance with section 327 of the *Corporations Act 2001*.

Members' guarantee

Plan is limited by guarantee. If Plan is wound up, the articles of association states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of Plan. There were 20 members as at 30 June 2021 (2020: 12 members).


Rounding of amounts

Plan is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of Directors.



Gerry Hueston (Chair)
Director



Vanessa Ng
Director

Melbourne
10 November 2021



Auditor's Independence Declaration

As lead auditor for the audit of Plan International Australia for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Plan International Australia and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'DK', is written over a faint, light blue grid background.

David Kennett
Partner
PricewaterhouseCoopers

Melbourne
10 November 2021

Corporate governance statement

The Board of Directors and its Committees

The Board is responsible for the overall Corporate Governance of Plan including its strategic direction, establishing goals for management and monitoring the achievement of these goals. The Board has also established a framework for the management of Plan including a system of internal controls and the establishment of appropriate ethical standards.

Composition of the Board

The names of the Directors of Plan in office during the year and at the date of this statement are set out in the Directors' Report on page 2.

Ethical Standards

The Board sets out the standards in accordance with which each Director, manager and employee of Plan is expected to act. The requirement to comply with these ethical standards is communicated to all employees. All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of Plan.

Role of the Corporate Governance Committee (CGC)

- (a) Monitor the people and performance of the Board, Directors and Chief Executive Officer by annual assessment.
- (b) Ensure a succession plan is in place for the Board, Chair, International Board positions and Board Sub-Committees to ensure there is a sufficient mix of skills, expertise and calibre of Directors with the time commitments to adequately fulfil these roles.

Role of the Finance and Audit Committee (FAC)

The FAC meets prior to each Board meeting.

The responsibilities of the FAC include, but are not restricted to:

- (a) Reviewing financial information and statements;
- (b) Liaising with the external auditors to ensure that the statutory audits are conducted in an efficient and cost effective manner;
- (c) Reviewing external audit reports to ensure that prompt remedial action is taken by management to rectify major deficiencies or breakdowns in controls or procedures which have been identified;
- (d) Monitoring procedures to ensure compliance with statutory requirements;
- (e) Monitoring procedures to ensure that Plan's assets are protected from defalcation, fraud, theft and other forms of diminution;
- (f) Reviewing accounting procedures and controls on a regular basis to ensure their integrity and accuracy;
- (g) Utilising a risk assessment framework across Plan to review and make recommendations as to the organisation's risk assessment practices and procedures and risk management systems in respect to all aspects of its operations;
- (h) Reviewing the monthly financial statements, annual budget, business strategy and the annual report and making recommendations to the Board; and
- (i) Oversight and governance of Plan's investment portfolio.

Role of the Program & Influence Committee (PIC)

The PIC has an important role to play in promoting an appropriate understanding of strategic and operational program and influence matters at the Board level, especially in relation to performance and impact, compliance and strategic directions.

Specifically, PIC acts to:

- (a) Be a guardian of the Board's duty to ensure that the organisation fulfils its mission to have a positive impact on children's lives;
- (b) Analyse and provide advice to the Board about the overarching strategic directions of Plan International Australia's overseas and in-Australia programs;
- (c) Provide advice to the Board about Plan International Australia's performance in relation to the strategic direction of Plan International Australia's overseas and in-Australia programs, especially by keeping under critical review significant changes in the operating environment and emerging trends;
- (d) Maintain a watching brief on Plan International Australia's performance in relation to program compliance matters (for example, the DFAT accreditation process)
- (e) Be a place for the critical testing of program assumptions and planning ideas;
- (f) From time-to-time or on a rolling basis, examine specific program strategy or policy matters;
- (g) Advise on developments at the Plan International Members' Assembly, the International Board and the International Board Program Committee and provide strategic advice to Plan International Australia's representative/s at these forums; and
- (h) Ensure an appropriate representation of the perspectives of children and young people in Plan International Australia discussions.

In terms of its annual work plan and processes, PIC should:

- (i) Consider, endorse and submit to the Board the program and influence strategy, and the annual proposed Impact to action budget;
- (j) Consider, endorse and submit ad hoc program policy proposals to the Board as required; and
- (k) Consider and advise the Board on Plan International Australia's internal and external pre-accreditation report.

Role of the Fundraising, Advocacy and Brand Committee (FAB)

- (a) To monitor that adequate funds are raised to ensure the organisation is able to conduct and implement its business;
- (b) To provide guidance and assistance to the Plan staff on fundraising opportunities by way of introductions to key contacts and corporate donors;
- (c) To review and monitor methods of fundraising, including regular giving, child sponsorship, corporate donors, work-place giving, capital funds, endowments and events; and
- (d) Overview the costs of fundraising and expenditure associated with marketing and promotions.

Internal Control Framework

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities.

The Role of Stakeholders

The Board of Directors aims to ensure that the stakeholders are informed of all major developments affecting Plan's state of affairs. Information is communicated to stakeholders as follows:

- The Annual Report is made available to all stakeholders via Plan's website: www.plan.org.au. The Board ensures that the Annual Report includes relevant information about the operations of Plan and details of future developments, in addition to other disclosures required under the *Australian Charities and Not-for-profits Commission Act 2012*.

The Board encourages full participation of members at the Annual General Meeting to ensure a high level of accountability and identification with Plan's strategy and goals.

Plan International Australia ABN 49 004 875 807

Annual report - 30 June 2021

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These financial statements are consolidated financial statements that cover Plan International Australia and its subsidiaries of which Plan International Australia is the sole member. The financial statements are presented in the Australian currency and rounded to the nearest \$1,000.

Plan International Australia is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Plan International Australia
Level 18
60 City Road
Southbank VIC 3006

A description of the nature of the consolidated entity's operations and its principal activities is included in the Directors' report on page 2, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 10 November 2021. The Directors have the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to Plan. All press releases, financial statements and other information are available on our website: www.plan.org.au.

Plan International Australia
Consolidated statement of comprehensive income
For the year ended 30 June 2021

	Notes	Consolidated entity	
		2021 \$'000	2020 \$'000
Revenue from continuing operations	4	60,240	51,680
Other income	5	3,295	282
Expenses			
World Food Program emergency food distribution	6	(8,311)	(7,866)
Other overseas projects	6	(33,804)	(24,889)
Other project costs		(4,837)	(6,681)
Community education		(1,242)	(1,365)
Fundraising costs - public		(8,983)	(8,191)
Fundraising costs - government, multilateral and private sector		(99)	(24)
Administration		(3,539)	(3,197)
Surplus/(deficit) for the year		2,720	(251)
Other comprehensive loss for the year, net of tax		(2)	(20)
Total comprehensive income/(loss)		2,718	(271)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Plan International Australia
Consolidated statement of financial position
As at 30 June 2021

	Notes	Consolidated entity	
		2021 \$'000	2020 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	7	5,391	6,107
Receivables	8	676	745
GST receivable		131	-
Financial assets at amortised cost	9	1,071	1,072
Total current assets		7,269	7,924
Non-current assets			
Property, plant and equipment	10	290	433
Intangible assets	11	50	86
Financial assets at fair value through profit or loss	12	10,076	7,900
Right-of-use assets	13	2,225	2,805
Total non-current assets		12,641	11,224
Total assets		19,910	19,148
LIABILITIES			
Current liabilities			
Trade and other payables	14	1,417	2,025
Lease liabilities	13	573	565
Provisions	15	1,591	1,181
Deferred revenue		4,851	6,112
GST payable		-	13
Total current liabilities		8,432	9,896
Non-current liabilities			
Lease liabilities	13	1,668	2,241
Provisions	16	335	256
Total non-current liabilities		2,003	2,497
Total liabilities		10,435	12,393
Net assets		9,475	6,755
EQUITY			
Reserves	17	9,475	6,755
Total equity		9,475	6,755

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Plan International Australia
Consolidated statement of changes in equity
For the year ended 30 June 2021

Consolidated entity	Notes	Grant support reserve \$'000	Investment reserve \$'000	Memorial fund reserve \$'000	Operating reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings reserve \$'000	Total reserves \$'000
Balance at 1 July 2019		1,949	1,369	1,536	3,638	22	(1,488)	7,026
(Deficit)/Surplus for the year	17	(449)	(125)	101	-	-	222	(251)
Other comprehensive (loss)	17	-	-	-	-	(20)	-	(20)
Total comprehensive (loss)/income for the year		(449)	(125)	101	-	(20)	222	(271)
Balance at 30 June 2020		1,500	1,244	1,637	3,638	2	(1,266)	6,755
Balance at 1 July 2020		1,500	1,244	1,637	3,638	2	(1,266)	6,755
Surplus for the year	17	-	422	520	-	-	1,778	2,720
Other comprehensive income/(loss)	17	-	-	-	-	(2)	2	-
Total comprehensive income/(loss) for the year		-	422	520	-	(2)	1,780	2,720
Transactions with owners in their capacity as owners:								
Transfers (to)/from reserves		(1,500)	-	-	(3,638)	-	5,138	-
Balance at 30 June 2021		-	1,666	2,157	-	-	5,652	9,475

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Plan International Australia
Consolidated statement of cash flows
For the year ended 30 June 2021

		Consolidated entity	
		2021	2020
Notes		\$'000	\$'000
Cash flows from operating activities			
	Receipts from donors	23,210	23,341
	Government and other grants received	27,524	27,294
	Payments to suppliers and employees	(27,859)	(32,124)
	Payments to Plan International worldwide group for programs and services	(23,246)	(14,041)
	Interest, dividend and distribution received	2,011	289
	Finance costs	(79)	(21)
	Net cash inflow from operating activities	1,561	4,738
23		<hr/>	<hr/>
Cash flows from investing activities			
	Receipts/(payments) for property, plant and equipment	(55)	(112)
	Receipts/(payments) for software development	(59)	(174)
	Receipts/(payments) for financial assets at fair value through profit or loss	(1,002)	(621)
	Net cash (outflow) from investing activities	(1,116)	(907)
Cash flows from financing activities			
	Repayment of related party borrowing	(744)	-
	Principal elements of lease payments	(564)	(565)
	Net cash (outflow) from financing activities	(1,308)	(565)
Net (decrease) increase in cash and cash equivalents			
		(863)	3,266
	Cash and cash equivalents at the beginning of the financial year	6,107	2,333
	Cash held with managed fund	147	508
	Cash and cash equivalents at the end of the financial year	5,391	6,107
7		<hr/>	<hr/>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 Summary of significant accounting policies

Plan International Australia's (the "Group") financial statements have been reported on a consolidated basis, consisting of Plan International Australia ("Plan") and the entities it controls (the "consolidated entity") for the year ended 30 June 2021.

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

Company Limited by Guarantee

Plan International Australia ("Plan") is a company limited by guarantee, having no share capital. Plan was incorporated on 16 April 1971.

Each Member of Plan undertakes to contribute to Plan's property if Plan is wound up while he, she or it is a member or within one year after he, she or it ceases to be a member, for payment of Plan's debts and liabilities contracted before he, she or it ceased to be a member and of the costs, charges and expenses of winding up and for an adjustment of the rights of contributors among themselves such amount as may be required not exceeding twenty dollars (\$20.00).

(a) Organisation and purpose

The Plan International worldwide group (hereinafter referred to as Plan International) is an international, humanitarian, child focused development organisation, without religious, political or governmental affiliation.

Plan's prime purpose is to provide sustainable community development programs for the alleviation of poverty and the advancement of the education, health, habitat and livelihood of needy children, their families and communities in developing countries or where such programs may be needed because of war, disaster or other major social disturbances. Plan is an independent non-sectarian, not-for-profit company limited by guarantee. Plan's purpose in Australia is to raise awareness and funds for sustainable community development programs in the developing world as well as manage and participate in Plan's program activities, especially those funded by the Australian Government. Plan also works to build understanding and relationships between children, their families and communities in the developing world, and sponsors and donors in Australia, who provide ongoing financial support.

Plan is an autonomous member of the Plan International worldwide group, made up of a number of similar legal entities. These separate national supporting entities are located in Australia, Belgium, Canada, Colombia, Denmark, Finland, France, Germany, Hong Kong, India, Ireland, Japan, Republic of Korea, Netherlands, Norway, Spain, Sweden, Switzerland, United Kingdom, and United States of America. The members jointly subscribe to an agreement that establishes Plan International worldwide group as the service arm of the worldwide group. Plan's achievements are made possible by pooled resources across the Plan International worldwide group.

Plan International Headquarters is located in Dukes Court, Block A, Duke Street, Woking, Surrey, GU21 SBH United Kingdom.

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Australian Charities and Not-for profits Commission Act 2012*. Plan International Australia is a not-for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with Australian Accounting Standards - Reduced Disclosure Requirements

The consolidated financial statements for Plan International Australia and its controlled entities comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention.

1 Summary of significant accounting policies (continued)

(b) Basis of preparation (continued)

(iii) Going concern

The financial statements have been prepared on a going concern basis, which assumes continuity of normal activities and the realisation of assets and the settlement of liabilities in the ordinary course of Plan's ongoing operations.

Plan was in a net current liability position of \$1.163M at 30 June 2021 (30 June 2020: net current liability position of \$1.972M). Plan continues to be in a strong net asset position at 30 June 2021 of \$9.475M (30 June 2020: \$6.755M) due to classifying the majority of the investment portfolio as non-current assets. This is consistent with Plan's intention to hold these investments medium to long-term, however the portfolio could be liquidated at shorter notice if required to meet short-term cash needs. If the investments were classified as current assets, Plan would be in a net current asset position of \$8.913M at 30 June 2021 (30 June 2020: \$5.928M). Plan is forecasting a small surplus in FY2022, and is confident on delivering this given a strong start to the financial year.

As such, the directors have satisfied themselves that the continued application of the going concern basis is appropriate as Plan will be able to fully repay its debts as and when they fall due for at least the next 12 months.

(iv) New and amended standards adopted by Plan

Plan has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2020:

- AASB 2018-7 *Amendments to Australian Accounting Standards - Definition of Material* [AASB 101 and AASB 108]
- AASB 2019-5 *Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet issued in Australia* [AASB 1054]
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework.*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(c) Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities (including structured entities) over which Plan has control. Plan controls an entity when Plan has the power to govern the financial and operating policies generally accompanying its sole membership of its not-for-profit subsidiaries. Subsidiaries are fully consolidated from the date on which control is transferred to Plan. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by Plan.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by Plan.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the consolidated entities are measured using the currency of the primary economic environment in which the entities operate ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Plan's functional and presentation currency.

1 Summary of significant accounting policies (continued)

(d) Foreign currency translation (continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses are presented in the consolidated statement of comprehensive income on a net basis within other income or other expenses. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position,
- income and expenses for each consolidated statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

(e) Revenue recognition

Revenue is recognised for each major stream in accordance with AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from contracts with customers.

Donations, gifts and bequests

Revenue is recognised upon receipt of the related funds.

Grant income

Generally, government and other funding received or receivable clearly outlines the specified services to be delivered, or conditions to be fulfilled, and create obligations on Plan to deliver. Funding received in advance is recognised as deferred income, and revenue is recognised as services are performed or conditions fulfilled, being the expenditure incurred relating to the specified program. Unless prohibited by contract terms, if funds remain unspent after programs are completed or program completion date is reached, these unspent funds are immediately recognised as income.

Where grants do not clearly define services to be performed, such grants will be recognised in income at the 'point in time' Plan obtains control or the right to receive a contribution, it is probable that the economic benefits comprising the contribution will flow to the entity, and the amount of the grant can be measured reliably.

1 Summary of significant accounting policies (continued)

(e) Revenue recognition (continued)

Grant income (continued)

World Food Program emergency food distribution revenue is recognised a revenue upon receipt of official documentation from the World Food Program and converted to Australian dollars based upon the average monthly exchange rate of the month when food distribution took place. The original documentation states amounts in United States dollars.

Donations of goods and services

Resources received in the form of intangible income such as donated facilities, voluntary help or beneficial loan arrangements, the value of which cannot be accurately quantified, are not included in the financial statements.

Nevertheless, the Directors recognise and appreciate the inestimable value to Plan of the resources received and services voluntarily given by corporations, groups and individuals.

Interest and dividend income

Interest income is recognised using the effective interest method and is recognised on financial assets held at fair value through profit and loss as well as financial assets held at amortised cost.

Dividends are received from financial assets measured at fair value through profit or loss. Dividends are recognised as Investment income when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits.

(f) Income tax

Plan is exempt from the payment of income tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

(g) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by Plan.

Plan only holds a lease for office space. The leases for this space have varied between 5 and 10 years, but may have extension options.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by Plan under residual value guarantees,

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in Plan, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, Plan:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Plan International Australia, which does not have recent third party financing, and

1 Summary of significant accounting policies (continued)

(g) Leases (continued)

- makes adjustments specific to the lease, eg term, country, currency and security.

Plan is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

(h) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost and are due for settlement no more than 90 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Plan applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

1 Summary of significant accounting policies (continued)

(k) Investments

Plan has two categories of financial assets that are classified as Investments. These are categorised as follows:

Financial assets held at amortised cost

These assets represent short term deposits held with banks. These assets are held solely for the purpose of collecting contractual cash flows where those cash flows are measured at amortised cost.

Financial assets held at fair value through profit and loss

These assets represent equity investments and other investments in managed funds for which a designation has not been made to recognise them as fair value through other comprehensive income.

(l) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Plan and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- | | |
|--------------------------|--------------|
| • Plant and equipment | 3 - 10 years |
| • Computer equipment | 3 years |
| • Computer software | 3 - 5 years |
| • Leasehold improvements | 5 - 10 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of comprehensive income.

(m) Intangible assets

Information technology development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include directly attributable labour costs. Amortisation is calculated on a straight line basis over a period of 3 years.

Information technology development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Plan has an intention and ability to use the asset.

1 Summary of significant accounting policies (continued)

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to Plan prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

(o) Provisions

Provisions for restructure costs, legal claims, service warranties and make good obligations are recognised when Plan 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 can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(p) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and long service leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the consolidated statement of financial position if the consolidated entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(q) Reserves and retained surpluses

Refer to note 17 for accounting policies in respect of these items.

(r) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

1 Summary of significant accounting policies (continued)

(s) Rounding of amounts

Plan is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(t) Parent entity financial information

The financial information for the parent entity, Plan International Australia, disclosed in note 24 has been prepared on the same basis as the consolidated financial statements.

2 Financial risk management

Plan's activities expose it to a variety of financial risks: market risk (interest rate risk), credit risk and liquidity risk. Plan's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of Plan.

Risk management is carried out on a day to day basis by Plan's management under guidance from the Board of Directors.

Plan holds the following financial assets and liabilities:

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Financial assets		
Cash and cash equivalents	5,391	6,107
Receivables	676	745
Financial assets at amortised cost	1,071	1,072
Financial assets at fair value through profit or loss	10,076	7,900
	17,214	15,824
Financial liabilities		
Trade and other payables	1,417	2,025
	1,417	2,025

(a) Market risk

Plan's investments primarily include fixed interest debt instruments and equity investments in predominantly Australian listed companies (with a small amount invested in non-Australian listed companies). As a result of these investments, operating cash flows are exposed, although not materially, to changes in the market interest rates. The fair value of the equity investments, held at fair value through profit and loss, are exposed to movements in the share price for those investments. Under the direction of the Finance and Audit Committee, Plan engages an external fund manager to actively manage this investment portfolio to maximise returns and manage downside risk through share selection, trading and asset allocation.

(b) Credit risk

Credit risk arises from cash and cash equivalents, favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to, including outstanding receivables and committed transactions.

Plan has no significant concentrations of credit risk. At year end the consolidated entity does not have any significant amounts that are receivable from external parties.

2 Financial risk management (continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and liquid investments and the availability of funding through an adequate amount of committed credit facilities. The consolidated entity aims to maintain flexibility in funding by keeping adequate cash resources, liquid investments and credit lines available.

3 Critical estimates, judgements and errors

The preparation of the financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Plan's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

4 Revenue

	Consolidated entity	
	2021	2020
	\$'000	\$'000
From continuing operations		
Donations and Gifts - Monetary and Non-Monetary		
Child sponsorship	15,291	16,195
Designated projects	7,253	6,179
	22,544	22,374
Legacies and bequests	564	114
	23,108	22,488
Grants		
World Food Program emergency food distribution - point in time	8,311	7,866
DFAT - over time	6,508	6,494
Other Australian - over time	17,773	9,424
Other Overseas - point in time	4,136	5,264
	36,728	29,048
Other revenue		
Other revenue	404	144
	60,240	51,680

5 Other income

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Jobkeeper and Cashflow Boost Government assistance	1,610	800
Net fair value gains/(losses) on financial assets recognised through the profit or loss (unrealised)	1,317	(807)
Realised investment income	368	289
	3,295	282

6 Expenses

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Surplus/(deficit) includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	165	4
Computer equipment	13	43
Leasehold improvements	20	56
Total depreciation	198	103
<i>Amortisation</i>		
Website	15	122
Computer software	80	124
Right-of-use assets	580	356
Total amortisation	675	602
Employee benefits expenses	9,524	9,849
World Food Program funds remitted to Plan International	8,311	7,866
Surplus funds remitted to Plan International	27,059	27,086
Remittances to other institutions	6,463	5,507

7 Current assets - Cash and cash equivalents

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Cash	5,391	6,107

Cash at bank

Cash at bank is bearing a floating interest rate between 0.00% and 0.10% (2020: 0.00% and 0.25%).

8 Current assets - Receivables

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Trade and other receivables	571	672
Prepayments	105	73
	676	745

Further information related to receivables from related parties is set out in note 20.

9 Current assets - Financial assets at amortised cost

	Consolidated entity	
	2021 \$'000	2020 \$'000
Fixed term deposits (maturity greater than three months)	1,071	1,072

The investments are to be held to their maturity in one year or less and carry fixed interest rates between 0.05% and 0.08% (2020: 0.00% and 0.20%).

10 Non-current assets - Property, plant and equipment

Consolidated entity	Plant and equipment \$'000	Leasehold improvements \$'000	Computer equipment \$'000	Total \$'000
At 1 July 2019				
Cost	73	962	551	1,586
Accumulated depreciation	(63)	(759)	(471)	(1,293)
Net book amount	10	203	80	293
Year ended 30 June 2020				
Opening net book amount	10	203	80	293
Additions	233	-	10	243
Depreciation charge	(4)	(56)	(43)	(103)
Closing net book amount	239	147	47	433
At 30 June 2020				
Cost	309	962	566	1,837
Accumulated depreciation	(70)	(815)	(519)	(1,404)
Net book amount	239	147	47	433
Consolidated entity				
Year ended 30 June 2021				
Opening net book amount	239	147	47	433
Additions	38	-	17	55
Depreciation charge	(165)	(20)	(13)	(198)
Closing net book amount	112	127	51	290
At 30 June 2021				
Cost	207	962	584	1,753
Accumulated depreciation	(95)	(835)	(533)	(1,463)
Net book amount	112	127	51	290

11 Non-current assets - Intangible assets

Consolidated entity	Website * \$'000	Computer software ** \$'000	Total \$'000
At 1 July 2019			
Cost	836	3,455	4,291
Accumulated amortisation and impairment	(836)	(3,297)	(4,133)
Net book amount	-	158	158
Year ended 30 June 2020			
Opening net book amount	-	158	158
Additions	122	52	174
Amortisation charge	(122)	(124)	(246)
Closing net book amount	-	86	86
At 30 June 2020			
Cost	958	3,507	4,465
Accumulated amortisation and impairment	(958)	(3,421)	(4,379)
Net book amount	-	86	86
Consolidated entity			
Year ended 30 June 2021			
Opening net book amount	-	86	86
Additions	59	-	59
Amortisation charge	(15)	(80)	(95)
Closing net book amount	44	6	50
At 30 June 2021			
Cost	1,017	3,019	4,036
Accumulated amortisation and impairment	(973)	(3,013)	(3,986)
Net book amount	44	6	50

* Website is an internally generated intangible asset.

** Computer Software includes Payment Card Industry Data Security Standard (PCIDSS) compliance, Customer Relationship Management software and computer upgrade projects.

12 Financial assets at fair value through profit or loss

	Consolidated entity	
	2021 \$'000	2020 \$'000
Opening net book amount	7,900	8,097
Additions	2,156	2,430
Disposals	(1,297)	(1,809)
Adjustment to fair value	1,317	(818)
Closing net book amount	10,076	7,900

13 Leases

This note provides information for leases where Plan is a lessee.

(a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Right-of-use assets		
Buildings	2,225	2,805
Lease liabilities		
Current	573	565
Non-current	1,668	2,241
	2,241	2,806

Additions to the right-of-use assets during the 2021 financial year were \$nil (2020: \$nil).

(b) Amounts recognised in the statement of profit or loss

The consolidated income statement shows the following amounts relating to leases:

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Depreciation charge of right-of-use assets		
Buildings	580	356

The total cash outflow for leases in 2021 was \$643,000 (2020: \$585,900).

14 Current liabilities - Trade and other payables

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Trade and other payables	506	505
Payables to related parties	-	744
Other payables	911	776
	1,417	2,025

Further information related to payables to related parties is set out in note 20.

15 Current liabilities - Provisions

	Consolidated entity	
	2021 \$'000	2020 \$'000
Employee benefits	1,205	1,181
Restructure provision	386	-
	1,591	1,181

16 Non-current liabilities - Provisions

	Consolidated entity	
	2021 \$'000	2020 \$'000
Employee benefits	123	125
Make good provision	131	131
Restructure provision	81	-
	335	256

17 Reserves and retained (deficit)

(a) Reserves

	Consolidated entity	
	2021 \$'000	2020 \$'000
Grant support reserve	-	1,500
Investment reserve	1,666	1,244
Memorial fund	2,157	1,637
Operating reserve	-	3,638
Foreign currency translation reserve	-	2
Retained earnings reserve	5,652	(1,266)
	9,475	6,755

	Consolidated entity	
	2021 \$'000	2020 \$'000

Movements:

<i>Grant support reserve</i>		
Opening balance	1,500	1,949
Deficit for the year	-	(449)
Transfer to other reserves	(1,500)	-
Balance 30 June	-	1,500

<i>Investment reserve</i>		
Opening balance	1,244	1,369
Deficit for the year	422	(125)
Balance 30 June	1,666	1,244

17 Reserves and retained (deficit) (continued)

(a) Reserves (continued)

	Consolidated entity	
	2021 \$'000	2020 \$'000
<i>Memorial fund</i>		
Opening balance	1,637	1,536
Surplus for the year	520	101
Balance 30 June	2,157	1,637
<i>Operating reserve</i>		
Opening balance	3,638	3,638
Transfer to other reserves	(3,638)	-
Balance 30 June	-	3,638
<i>Foreign currency translation reserve</i>		
Opening balance	2	22
Other comprehensive income	(2)	(20)
Balance 30 June	-	2
<i>Retained earnings reserve</i>		
Opening balance	(1,266)	(1,488)
Surplus for the year	1,778	222
Transfer from other reserves	5,138	-
Other comprehensive income	2	-
Balance 30 June	5,652	(1,266)

(i) Nature and purpose of other reserves

Grant support reserve

The grant support reserve represents unrestricted funds that can be distributed for program use. The grants support reserve is a fund used to guarantee grant matches in any particular year or to pre-finance a grant where the donor only pays in arrears or after results. The Board has determined to transfer the Grant reserve to the Retained earnings reserve to provide flexibility to best direct funds to business needs.

Investment reserve

Amounts representing the capital reserve to support Plan programs that help vulnerable families in Africa and Asia to achieve long-term food security. This includes The Food for Life Fund which receives donations from major donors in the form of living gifts or bequests for the express purpose of assisting with food needs of children.

Operating reserve

The operating reserve is maintained for business continuity reasons. It provides a healthy buffer for daily operations as well as acting as a risk mitigation measure in the event of some major breakdown either within Plan or in the building, city or nation. The Board has determined to transfer the Operating reserve to the Retained earnings reserve to provide flexibility to best direct funds to business needs.

Retained earnings reserve

Retained earnings reserve is the retained earnings of the business at any point in time that is not held in other designated reserves. It generally represents the available float of funds held by the business to mitigate for any risk of income shortfalls or unanticipated expenditure. The operating reserve also serves as a store of equity to provide guarantees and bonds for ongoing business, such as the Lease Guarantee and the Credit Card Bond.

17 Reserves and retained (deficit) (continued)

(a) Reserves (continued)

(i) *Nature and purpose of other reserves (continued)*

Memorial fund

The memorial fund reserve represents the principal of contributions held in accordance with the wishes of the donor, to remain in perpetuity in Australia for use by Plan Australia for purposes specified by the donor.

(b) Retained earnings/(deficit)

Movements in retained (deficit) were as follows:

	Consolidated entity	
	2021	2020
	\$'000	\$'000
Balance 1 July	-	-
Net surplus/(deficit) for the year	2,720	(251)
Transfers from/(to) grant support reserve	1,500	449
Transfers (to)/from investment reserve	(422)	125
Transfers (to) memorial fund	(520)	(101)
Transfers from operating reserve	3,638	-
Funds transferred (to) retained earnings reserve	(6,916)	(222)
Balance 30 June	<u>-</u>	<u>-</u>

18 Contingencies

Plan International Australia provides a security deposit guarantee of \$513,506 at 30 June 2021 by Plan's bank in favour of The Trustee Company Limited, as lessor of the office lease (2020: \$513,506).

19 Commitments

Plan International Australia had no commitments as at 30 June 2021 (2020: \$nil).

20 Related party transactions

(a) Parent entities

The nature of the organisation's activities and relationship with Plan International worldwide is described in note 1 to the financial statements.

(b) Subsidiaries

On 1 September 2020 control was transferred of Plan International in PNG and Plan International Australia in Solomon Islands Trust Board Inc. to Plan International IH. As such, they were no longer consolidated from that point forward.

(c) Key management personnel compensation

	Consolidated entity	
	2021	2020
	\$	\$
Employee benefits	1,074,583	1,028,783

There were no other transactions with key management personnel in the year.

20 Related party transactions (continued)

(d) Remuneration and retirement benefits

Directors serve in an honorary capacity and do not receive remuneration for their services as Directors of Plan. No amounts were paid on retirement from office or to prescribed superannuation funds in respect of Directors of Plan.

(e) Other transactions with Directors and Director-related entities

There were no transactions with the Directors and Director related entities during the year other than reimbursement of out of pocket expenses.

(f) Transactions with related parties

As disclosed in note 6, Plan has the following transactions with related parties:

	Consolidated entity	
	2021	2020
	\$	\$
World Food Program funds remitted to Plan International	8,310,972	7,866,091
Surplus funds remitted to Plan International	27,059,369	27,085,613

Amounts are transferred to Plan International Australia for program and services expenditures. Directors are not paid any remuneration for their services as Directors of Plan International Australia Board or as members of Plan International Inc.

(g) Outstanding balances arising from transactions with related parties

There were \$nil related parties payable to Plan International IH as at 30 June 2021 (2020.: \$744,405).

21 Members' guarantee

Plan is limited by guarantee. If Plan is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of Plan. There were 20 members as at 30 June 2021 (2020: 12 members).

22 Events occurring after the reporting period

During the first quarter of FY2022, Plan management has focused their efforts on executing the restructure that was announced at the end of FY2021 as part of the revised strategy. The costs of this restructure have been fully recognised in FY2021. The net result of the restructure will be to deliver a reduced cost base, combined with a more diversified revenue portfolio over time.

No other matters or circumstances have occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of Plan, the results of those operations or the state of affairs of Plan or economic entity in subsequent financial years.

23 Cash flow information

Reconciliation of surplus/(deficit) from ordinary activities to net cash inflow from operating activities

	Consolidated entity	
	2021 \$'000	2020 \$'000
Surplus/(deficit) for the year	2,720	(251)
Adjustment for		
Depreciation and amortisation	873	799
Fair value loss/(gains) on financial assets at fair value through profit or loss	(1,317)	817
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	66	(444)
Increase in trade and other payables	814	534
(Decrease)/increase in other operating liabilities	(144)	3,093
(Decrease)/increase in other provisions	(188)	659
Decrease in other liabilities	(1,263)	(469)
Net cash inflow from operating activities	1,561	4,738

24 Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2021 \$'000	2020 \$'000
Balance sheet		
Current assets	7,269	7,449
Total assets	19,910	19,119
Current liabilities	8,432	9,224
Total liabilities	10,435	12,488
<i>Shareholders' equity</i>		
Reserves		
Grant support reserve	-	1,500
Investment reserve	1,666	1,244
Memorial fund	2,157	1,637
Operating reserve	-	3,638
Revaluation reserve	-	2
Retained earnings	5,652	(1,390)
	9,475	6,631
Surplus/(deficit) for the year	2,903	(557)
Total surplus/(deficit)	2,903	(557)

(b) Contingent liabilities of the parent entity

The parent entity provides a security deposit guarantee of \$513,506 at 30 June 2021 by Plan's bank in favour of The Trustee Company Limited, as lessor of the office lease (2020: \$513,506).

**Plan International Australia
Directors' declaration
30 June 2021**

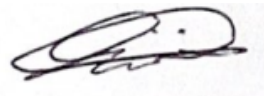
In the Directors' opinion:

- (a) the financial statements and notes set out on pages 13 to 35 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) complying with Accounting Standards - Reduced Disclosure Requirements, the ACNC regulations and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Gerry Hueston (Chair)
Director



Vanessa Ng
Director

Melbourne
10 November 2021



Independent auditor's report

To the members of Plan International Australia

Our opinion

In our opinion:

The accompanying financial report of Plan International Australia (the Company) and its controlled entities (together the Group) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2021
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* 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 are independent of the Group in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.



Independent auditor's report (continued)

To the members of Plan International Australia

Other information (continued)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

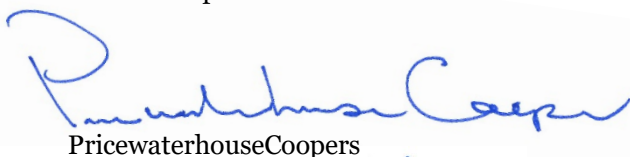
The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 the Australian Auditing Standards 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.



PricewaterhouseCoopers



David Kennett
Partner

Melbourne
10 November 2021