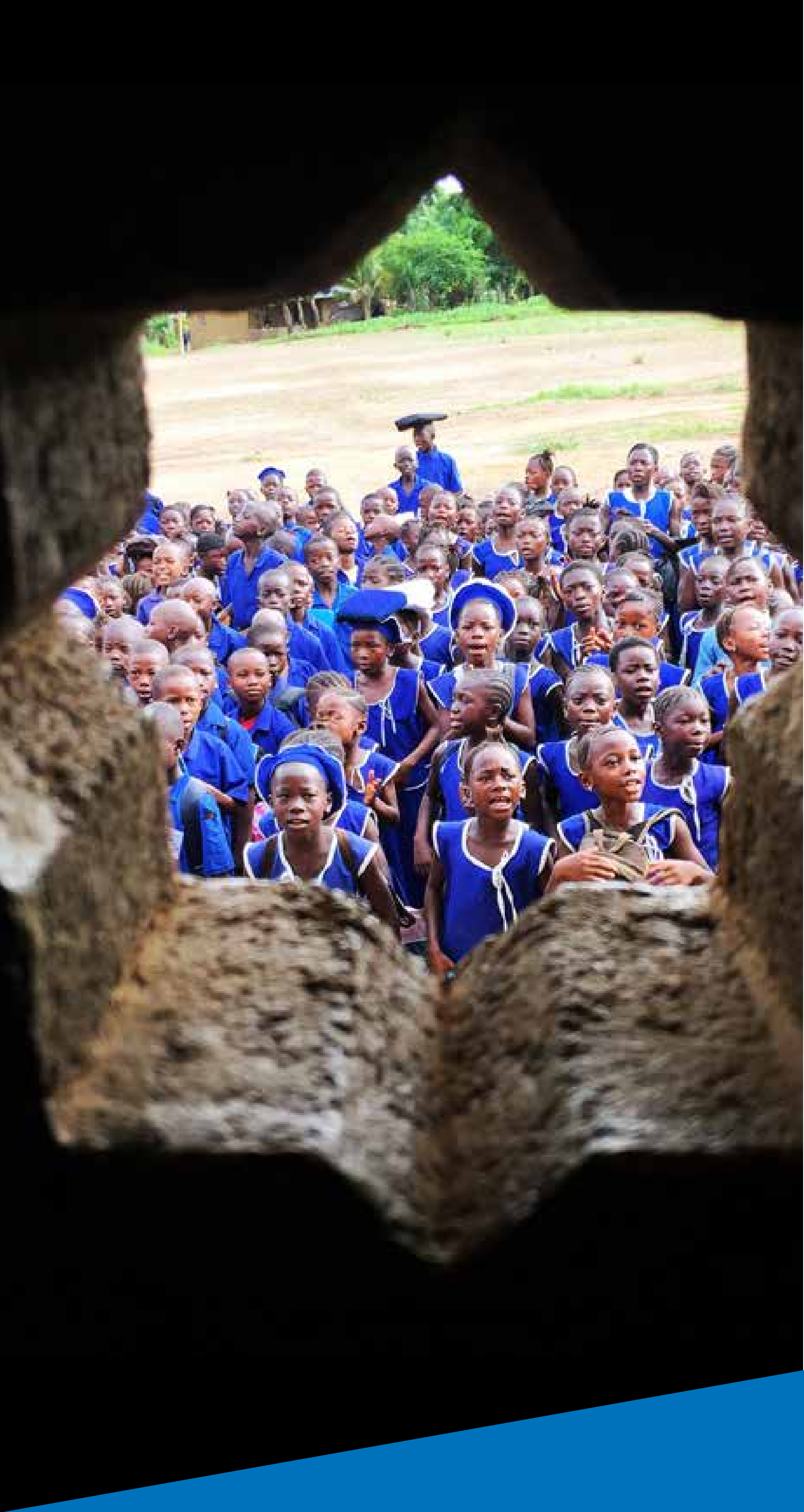

CONTENTS

KEY ABBREVIATIONS AND DEFINITIONS:

Throughout this report, the organisations and operational groupings comprising Plan International are referred to as follows:

Plan International or Plan International Worldwide
- Plan International, Inc., its subsidiaries (including Plan Limited) and the corporate members of Plan International, Inc. and their subsidiaries combined.

PI Inc - Plan International, Inc.

Plan Ltd - Plan Limited

NO - The corporate members of Plan International Inc., also referred as National Organisations (or 'NOs')

Field - Development and humanitarian programme operations undertaken by Plan International Inc. and the Indian and Colombian National Organisations in developing countries in Africa, Asia and Latin America.

International Headquarters
- The central organisation of Plan International comprising the PI Inc head office branch and Plan Limited

The year ended 30 June 2016 is referred to as 2016 throughout this report and similarly for prior years.

PLAN INTERNATIONAL WORLDWIDE

DIRECTORS' REPORT AND COMBINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

Plan International Worldwide

Directors' report

The directors of PI Inc present their directors' report and the audited combined financial statements in respect of Plan International for the year ended 30 June 2016.

1. Activities

Plan International is an independent development and humanitarian organisation that advances children's rights and equality for girls. We strive for a just world, working together with children, young people, our supporters and partners. Plan International works for a better future for children by tackling the root causes of inequality, exclusion and poverty, addressing the barriers and challenges children face in their lives and empowering them to participate as active citizens. Recognising how emergencies and conflict can adversely affect children's lives, Plan International works to strengthen the resilience of families and communities across both our development and humanitarian work.

Plan International's aim is to contribute to children being able to enjoy their rights. This means working with children, their families, communities, governments, civil society organisations and partners across Asia, Africa and Latin America, and influencing decision-makers at national and international levels, to bring about sustainable change. Plan International's work benefits from the support of millions of individuals, who sponsor children in the countries in which we work, support our campaigns or respond with assistance when disasters strike.

Importantly, our child centred development approach and humanitarian work is community-led. It addresses issues that have been identified by children and communities themselves as being violations of children's rights and most pressing for them. Through this work, with partners and civil society, Plan International supports efforts at the local level to enable children to access their rights to education, health, protection, clean water and sanitation, secure family income and participation in decision-making.

The grassroots work is complemented by work at local, national and international levels to influence policy decisions and behaviour, and through Because I am a Girl, our global movement for equality for girls. We remain ready to respond immediately to disasters and crises and can adapt our programme work accordingly in order to secure the well-being and safety of children and their families.

Our investment in country programmes is informed by a number of factors, including the number of children and communities that will benefit, the nature of the rights violations, the drivers of poverty and inequality in a country and our ability to contribute to how children and their families can claim enjoyment of their rights. There are other factors that affect our financial management and operations in a country, such as the local costs of operation, domestic laws and requirements and unforeseen events.

2. Membership and structure

Plan International has 20 NOs, which are members of PI Inc, and 2 prospective NOs, in Italy and Brazil. Brazil and Italy are currently subsidiaries of PI Inc. The member NOs, together, fully control PI Inc and have agreed to comply with the standards of operation prescribed by the By-laws of PI Inc. Each is a separate legal entity in its own country, with objectives, purposes and constitutions which are substantially similar to those of PI Inc. The NOs carry out fundraising, development education, some programming and advocacy and those in India and Colombia also carry out development programmes in their respective countries. PI Inc manages the allocation, distribution and use of funds raised by NOs for work in developing countries.

PI Inc is registered in New York State as a not-for-profit corporation with its principal office in Rhode Island, USA. PI Inc operates in 52 programme countries, coordinated through 4 regional offices. Plan International's Headquarters is located in the United Kingdom. PI Inc has 4 advocacy liaison offices. These include an office in New York, to liaise with the United Nations delegations, an office in Brussels operating as Plan International Europe to liaise with the European Union, an office in Geneva to liaise with the United Nations and an office in Ethiopia to liaise with the African Union.

3. Members' Assembly

The Members' Assembly is the highest decision-making body of PI Inc and is responsible for setting high-level strategy and approving the budget and combined financial statements for PI Inc. The Members' Assembly also elects the Board of PI Inc and ratifies the appointment of the Chief Executive Officer of PI Inc. The Members' Assembly consists of 1 or more delegates from each NO. Each NO is entitled to a minimum of 1 delegate and 1 vote. Entitlement to further delegates and votes is determined by the level of funds transferred to PI Inc or to PI Inc approved programmes.

In June 2016, the Members' Assembly of Plan International Inc. approved and adopted a new Purpose Statement (Vision and Mission) which will place the advancement of children's rights and equality for girls at the centre of Plan International's work. This purpose statement will be reflected in changes in PI Inc's legal objects once the Members' Assembly has adopted relevant changes in its Certificate of Incorporation. This is expected to take place in 2017. The Members' Assembly also approved and adopted a revised set of values in June 2016. Further details are available on Plan International's website www.plan-international.org.

In the shorter term, the Members' Assembly also prioritised a number of strategic choices to guide the development of a 2017 – 2022 Global Strategy. This strategy was adopted by the Members' Assembly in November 2016, and will be implemented in 2017.

4. Directors

The Board of PI Inc ("International Board") directs the activities of PI Inc and is responsible for ensuring that the management of the PI Inc. is consistent with the By-laws and with the strategic goals of Plan International as determined by the Members' Assembly to whom it is accountable. The Members' Assembly elect up to 11 non-executive directors to form the International Board.

As at 30 June 2016 there were 11 directors on the International Board, including 7 directors who also sit on the Board of an NO and 4 directors who are independent of Plan International of whom 3 come from developing countries. All directors have fiduciary duties to act in the interests of PI Inc. Members of the International Board are nominated on the basis that they provide a range of skills and experiences of most importance to PI Inc according to criteria defined by the Members' Assembly. International Board directors hold office for a term of 3 years, upon completion of which they are eligible for re-election for up to 2 further consecutive terms. The Chair of the Members' Assembly is also Chair of the International Board and may serve up to 2 consecutive terms of 3 years as Chair.

The responsibilities and powers of the International Board are prescribed by the By-laws and include the following: the management of PI Inc's affairs in a manner consistent with the By-laws; the preparation of recommendations to the Members' Assembly; implementing the vision, mission and overall strategic goals and policies set by the Members' Assembly; overseeing the development and implementation of budgets and long-term financial plans approved by the Members' Assembly; the selection and evaluation of the performance of the Chief Executive Officer; measurement and evaluation of PI Inc's programme, financial and other performance; and assuring the financial integrity of PI Inc including reporting the results of assurance activities to the Members' Assembly.

A special task force made up of 4 members of the International Board was set up during the year to oversee a new project around financial management and performance. The task force closely monitored process and control improvements undertaken by senior management.

The International Board led the process in developing Plan International's new Purpose Statement (Mission and Vision), a revised set of organisational values and led a workshop to gain high level inputs into the next strategic plan.

Through its Programme and Financial Audit Committees, the International Board reviewed senior management's proposals and responses to the major programmatic and financial changes and challenges facing Plan International. The Programme Committee has reviewed initiatives to improve programme quality and impact through the Programme Quality procedures, Plan International's response to the Ebola outbreaks in West Africa and the Nepal earthquake and Plan International's Tackling Inclusion Framework. The Financial Audit Committee has reviewed Plan International's financial performance and proposed strategies to manage the impact of external financial conditions, such as currency fluctuations and in particular, the instability and depreciation of the Euro.

Directors' report (cont'd)

The Executive Committee of the International Board also convened once during the year to discuss action plans following an extended International Board session on enterprise risk in March 2016.

The International Board of Directors as at 30 June 2016 comprised:

Joshua Liswood - Joshua is currently a Partner at Miller Thomson LLP. His practice has been dedicated to the health field. He has a number of major publications and articles related to this sector. Joshua is currently Vice Chair of Plan Canada and the Chair of the Members' Assembly and International Board.

Gunvor Kronman - Gunvor joined the International Board in November 2014 and is the Vice Chair of the International Board. She is currently the CEO of Hanasaari, the Swedish-Finnish Cultural Centre and during the past 20 years has held positions across the private, public and not for profit sectors in Finland, Denmark and several African countries. Gunvor also holds membership on boards including Finnair, Crisis Management Initiative, Helsinki University, The Royal Dramatic Theatre in Stockholm and the Finnish Red Cross Blood Service. She is the Vice-Chair of Finland's Development Policy Committee and a member of the Board of Plan International Finland.

Werner Bauch – Werner is the Treasurer of the International Board. Werner's most recent position was as Managing Partner of MasterMedia GmbH and former Assistant Professor at the Free University of Berlin. He has also acted as board member of Manning, Selvage and Lee Inc as well as Chairman of Plan International Germany and the Foundation in Germany.

Carlos Aparicio - Carlos has a master's degree in Higher Education Management and expertise in finance and administration. He has been involved in projects and activities for helping students coming from low-income families. Carlos has been involved with Plan International for over 46 years having previously been a sponsored child. Carlos is a board member of Fundación Plan (Colombia).

Mayu Avila - Mayu has long standing experience within the private sector, mostly within banking and insurance, at the highest management and governance level. Her additional knowledge of the public sector comes from serving in several roles, including in 1999 being the first woman to be designated Minister of Foreign Affairs of El Salvador. She has extensive experience of NGO boards, in both El Salvador and the Americas region. She taught at two Universities in El Salvador and at conferences at Business Schools. She has been awarded La Palma Oro for maximum recognition granted by the private sector in El Salvador. Mayu is an independent board director.

Günter Haag - Günter worked for KPMG in Zurich, Geneva and San Francisco in a number of roles as an advisor, auditor and various management positions. He served as a member of the Executive Board of KPMG Switzerland initially as Head of Financial Advisory Services and later as Head of Audit. Günter specialises in audit, consulting, corporate governance, due diligence and capital market transactions. He is the Chair of the Financial Audit Committee and an independent board director.

Gerry Hueston - Gerry joined the International Board in November 2014. He retired in 2010 as President of BP in Australasia after a 34 year career with BP in Australia, New Zealand, United Kingdom and Europe. He is a past board member of the Business Council of Australia, a past Chair and board member of the Australian Institute of Petroleum, a former member of the Chairman's panel of the Australian Great Barrier Reef Foundation, and a former Commissioner with the Australian Climate Commission. Gerry is currently Chair of the Australian Climate Council and of Plan International Australia.

Dorota Keverian - Dorota has extensive international experience in talent management, organisational change, strategy and performance improvement. She is a former director at the William J. Clinton Foundation's Climate Initiative overseeing carbon capture, utilization and storage projects in the US; a former Global Director of Consultant Human Resources at the Boston Consulting Group and a former Arthur D Little Director and Vice President, responsible for Global Oil Practice P&L and people development. She is also a board member and Chair of Plan International USA.

Sonali Khan - Sonali is currently the Country Director and Vice President at human right's organisation, Breakthrough in India. Prior to her career in the development sector, Sonali worked as a journalist for networks including BBC World, Star Plus and CNBC. She holds a master's degree in Philosophy and is a Harvard Business School fellow, having attended the strategic perspectives in non-profit management programme. Sonali is an independent board director.

Directors' report (cont'd)

Anne Skipper - Anne has more than 25 years experience as a company director in the not-for-profit government and private sector. Anne is a corporate governance specialist and is currently a facilitator with the Australian Institute of Company Directors in Australia and internationally. She is also a board member of Plan Hong Kong.

Imeru Tamerat Yigezu - Imeru is an Ethiopian lawyer by training, a reputed academic, researcher and consultant. He has worked in the field of development and has specialised in human rights. He is also a member of the Advisory Committee of the United Nations Human Rights Council. Imeru is an independent board director.

Assefa Bequele, Frans Roselaers and Naderev Sano retired from the International Board on 20 November 2015 and Carlos Aparicio and Imeru Tamerat Yigezu were appointed to the International Board from 21 November 2015. Sonali Khan was appointed to the International Board from 11 June 2016. The average number on the International Board during the year was 11.

5. Management team

In addition to the International Board, key management in Plan International includes the Senior Management of PI Inc. and Plan Limited and the National Directors of the NOs. Members of these groups during the year to 30 June 2016 and up to the date of approval of this report, unless otherwise stated, are listed below:

International Senior Management

Director	Role	
Nigel Chapman	Chief Executive Officer	to 31 August 2015
Anne-Birgitte Albrectsen	Chief Executive Officer	from 1 September 2015
Jonathan Mitchell	Director of International Programmes	
Torben Due	Interim Director of Business Resources and Solutions	from 4 January 2016 to 24 June 2016
Hendrik Jan de Bruijn	Director of Business Resources and Solutions	from 16 May 2016
Ann Firth	Chief Financial Officer	to 30 November 2015
Jon Winder	Acting Chief Information Officer	from 1 July to 30 November 2015
Tara Camm	Chief of Staff and General Counsel	
Pamela Innes	Director of Human Resources and Organisational Development	
Gary Mitchell	Director of Global Assurance	
Sean Maguire	Acting Director of Global Influence and Partnerships	
David Thomson	Director of Strategy and Business Insights	
Mark Banbury	Chief Information Officer	to 24 July 2015
Tjipke Bergsma	Americas Regional Director	to 31 August 2015
Ingrid Kuhfeldt	Acting Americas Regional Director	from 1 September 2015 to 17 January 2016
Corina Villacorta	Americas Regional Director	from 18 January 2016
Adama Coulibaly	West Africa Regional Director	to 30 September 2016
Raymond Rodriguez	Acting West Africa Regional Director	from 1 October 2016
Roland Angerer	East and Southern Africa Regional Director	
Mark Pierce	Asia Regional Director	to 30 June 2016
Haider Yaqub	Acting Asia Regional Director	from 1 July 2016 to 16 October 2016
Senait Gebregziabher	Asia Regional Director	from 17 October 2016

National Directors

Director	National Organisation	
Ian Wishart	Australia	
Dirk van Maele	Belgium	to 3 July 2016
Regine Debrabandere	Belgium	from 4 July 2016
Rosemary McCarney	Canada	to 31 August 2015
Marie Staunton	Canada (Acting)	from 1 September 2015 to 6 March 2016
Caroline Riseboro	Canada	from 7 March 2016
Gabriela Bucher	Colombia	
Gwen Wisti	Denmark	
Ossi Heinänen	Finland	
Yvan Savy	France	from 1 July 2015
Maike Röttger	Germany	
Kanie Siu	Hong Kong	
Bhagyashri Dengle	India	
David Dalton	Ireland	to 21 October 2016
Donal Maher	Ireland (Acting)	from 22 October 2016 to 13 November 2016
Paul O'Brien	Ireland	from 14 November 2016
Tiziana Fattori	Italy	

Gabriel Kazuo Tsurumi	Japan	to 27 September 2016
Yuichi Tanada	Japan	from 30 September 2016
Sang-Joo Lee	Korea	
Monique van't Hek	Netherlands	
Kjell Erik Øie	Norway	
Concha López	Spain	
Anna Hägg-Sjöquist	Sweden	
Andreas Herbst	Switzerland	
Tanya Barron	United Kingdom	
Tessie San Martin	United States	

6. Statement on internal control

The International Board of PI Inc and the Boards of the NOs are accountable for the internal controls within the entities which they govern. Management of the organisations are responsible for maintaining a sound system of internal control. This includes risk management systems that support the achievement of Plan International's mission and objectives, and safeguards the donations received, assets and resources, which includes its staff.

Control processes provide for the prevention and timely detection of unauthorised transactions that could have a material effect on the financial statements. The controls over financial reporting include policies and procedures relating to the maintenance of records, authorisation of transactions and reporting standards. The Global Assurance (GA) function conducts audits of all operating areas within PI Inc based on a programme of work approved by the International Board. The function reports directly to the Financial Audit Committee and the Programme Committee of the International Board. GA also provides direct service to National Organisations when requested.

Global Assurance completed a range of audits during 2016, covering operational and financial activities within PI Inc, as well as follow up audits (to test the effectiveness of controls implemented following an initial audit). A significant number of the audits use a holistic Control Framework approach, based on the Committee of Sponsoring Organisations of the Treadway Commission (COSO) framework, and based on attainment of management standards. GA conducts reviews of project management processes, focused on programme assurance, including an audit of Plan International's response to the Ebola virus outbreak in West Africa. GA also completed a number of specific detailed functional reviews (covering Child Protection and Financial management), and reviews of the effectiveness of some key, global policies. A number of higher materiality institutional grants were audited, some on behalf of the specific NO managing the donor relationship. Overall, these audits are indicating that PI Inc continues to show some improvements in management controls, but that there is variation in application and consistency, and impact and effectiveness of management improvements has yet to be fully demonstrated. Plan International is committed to continue to raise the standard of its internal controls, applying operational procedures and global standards more consistently, as well as strengthening reporting and monitoring routines.

7. Risk management

The International Board of PI Inc. and the Boards of directors of the NOs are responsible for governance and oversight of significant risks. The International Board has delegated the responsibility for quarterly reviewing the effectiveness of this process and monitoring the management of significant risks to its Financial Audit Committee. Each NO is responsible for ensuring that it identifies, assesses, manages and monitors its own risks in accordance with the Plan International Risk Management Policy. The focus of the International Board of PI Inc. is on the top strategic risks and key inherent risks. This approach has strengthened understanding, discussion and challenge of Plan International's strategic risks with greater scrutiny on management's compliance with mitigation plans.

Plan International operates in some of the most challenging environments globally and faces a number of key risks and uncertainties which can have an impact on the delivery of its strategic and operational objectives. Risk management is a recognised part of Plan International's every day activities at all levels and Plan International takes a systematic approach to risk management considering both external and internal factors. Plan International's risk processes are designed to identify key and emerging risks and provide assurance that these risks are fully understood and appropriately assessed with regular reporting and monitoring routines. The approach is in accordance with ISO 31000 methodology. The risk management process is supported by a technology-based system that promotes greater consistency and clarity, the linkage between risk and control activities and the ability to report and monitor a dynamic and evolving risk environment. Plan International continues to develop its approach to risk management throughout Plan International as part of an on-going improvement plan overseen by the Global Risk and Insurance Team. In April 2016, Plan International received external recognition at the Institute of Risk Management Awards.

8. Financial overview

8a Summary

Plan International's combined surpluses and deficits in 2016 equate to a €4 million surplus, compared to a €12 million surplus in 2015. Excluding foreign exchange gains and losses there was a surplus in 2016 of €13 million, compared to a deficit in 2015 of €3 million.

In the year to 30 June 2016 Plan International raised income of €810 million, which was €12 million less than the previous year, a decrease of 1%. Total expenditure was €806 million, which was €3 million less than 2015, a decrease of less than 1%.

As the combined results represent the aggregation of PI Inc and the NOs, the resulting income and expenditure profile and ratios are not necessarily applicable to any of the individual entities.

8b Income

Plan International mainly raises funds in Europe, the Americas and the Asia-Pacific region. During 2015 income was impacted by emergency responses for the Ebola outbreak in West Africa and the earthquake in Nepal. There were no such major emergency responses in 2016.

45% of Plan International's income in the year was derived from regular giving through child sponsorship. This income stream decreased by €3 million or 1% to €363 million in the year, but remained constant at like for like exchange rates. Sponsorship income increased in Germany, Hong Kong and UK, offset by decreases elsewhere.

Grants income fell by €16 million, or 5%, to €274 million in the year and by 5% at like for like exchange rates, with major decreases in the UK and US.

Gifts in kind totalled €62 million in 2016, compared with €44 million in 2015 and are mainly attributable to advertising, food, mosquito nets and school supplies.

Other sources of income amounting to €111 million were, in total, €11 million lower than in 2015. These include other contributions, including disaster and other appeals which decreased by €11 million to €105 million for the year.

8c Expenditure

Total Plan International expenditure, before foreign exchange gains and losses, decreased by €28 million compared to 2015, to €797 million. Total programme expenditure was €616 million, which was a decrease of €18 million over 2015. This represents all costs directly related to delivering programmes, including field staff and associated office and equipment spend, the cost of facilitating communications between sponsored children and sponsors and activities to raise awareness of development issues.

In 2016 the regional profile of expenditure excluding foreign exchange gains and losses has been less significantly affected by major disasters than in 2015. Africa accounts for the largest share of total programme and non-programme expenditure, representing 34% in 2016, compared to 38% in 2015. Expenditure in Asia, including NOs based in the region, represents 24% of total expenditure in 2016, compared with 22% in 2015. Central and South America accounted for 11% of total expenditure excluding net gains on foreign exchange in 2016, compared to 12% in 2015. The remaining 31% of expenditure in 2016 was incurred in Europe and North America, compared to 28% in 2015.

Programme expenditure represents 77% of total expenditure, excluding foreign exchange gains and losses. Fundraising, trading expenditure and other operating costs represent 23%. The same proportions as in 2015. Programme expenditure is categorised into the distinct areas in which Plan International works in accordance with Plan International's programme framework.

Expenditure relating to disaster risk management was Plan International's largest spending programme area in both 2016 and 2015. Disaster risk management includes costs related to disaster risk reduction and relief activities ranging from food and medicine distribution to child psychosocial support and protection. These programmes accounted for €134 million or 22% of total programme expenditure, a 7% decrease on 2015.

Directors' report (cont'd)

Expenditure on early childhood care and development accounted for €91 million or 15% of programme expenditure in 2016. This programme area covers support to primary health care programmes, pre-school infrastructure, malaria prevention work and food security outside disaster programmes. 2016 expenditure represents a 22% decrease compared to 2015, primarily due to Plan International's large scale response to the Ebola outbreak and the necessary strengthening of health systems in 2015.

Education accounted for €97 million or 16% of programme expenditure in 2016, 3% lower than 2015. Education, and particularly girls' education, was Plan International's second largest programme area in 2016.

Expenditure on sexual and reproductive health covers programmes related to family planning, HIV/AIDS and sex education. This expenditure represents €32 million, or 5%, of total programme expenditure. It is €7 million or 29% higher than 2015. This increase is related to a few very large scale grants coming into effect in specific countries, such as Mali.

Water and sanitation programmes of €57 million represent 9% of programme expenditure, a 7% increase, compared to 2015.

Economic security which covers programmes relating to youth employment, family livelihoods and savings schemes and some food distribution, increased by 10% over 2015 and represents €52 million or 8% of programme expenditures. The increase is due to fund-raising efforts related to youth employment which is matched by donor interest in the issue.

Programmes to protect children from exploitation, neglect, abuse and violence represent €47 million or 8% of total programme costs. Spending on these programmes increased by 9% or €4 million compared to 2015.

Spending on participation programmes amounted to €67 million or 11% of programme expenditure. Participation programmes include participatory budgeting and human rights monitoring programmes. Expenditure on this programme area increased by 5% compared to 2015.

Sponsorship communications and development education costs are those associated with communications between sponsors and sponsored children and the cost of activities to raise awareness of development issues and advocate for policy changes and aid. Together these represent €39 million or 6% of programme expenditure and represent a €1 million or a 3% reduction over 2015.

Fundraising costs of €111 million, decreased by 10% or €13 million compared to the previous year, predominantly driven by reduced expenditure in the NOs.

Other operating costs of €67 million represents costs in NOs and at International Headquarters and is an increase of €3 million over the previous year. Trading related expenditure, including online shops and a film production entity was marginally lower than 2015 at €3 million which represented less than 1% of expenditure in 2016.

Loss on foreign exchange of €9 million in 2016 following on from gains of €16 million in 2015 represent the movements of non-Euro balances and exchange differences on intragroup transactions and primarily reflects the movement of the Euro relative to the USD in each year.

8d Fund balances

Fund balances, including non-cash balances at 30 June 2016 were €311 million, €4 million lower than at 30 June 2015, following an increase last year. The decrease in fund balances is driven by the retranslation of net assets denominated in foreign currencies.

Of the €311 million fund balances at 30 June 2016, €35 million is represented by property, plant, equipment and intangibles and €15 million is permanently restricted. The remaining €261 million fund balances globally is represented by donations designated for specific projects by donors, funds received from sponsors in advance and unrestricted fund balances, held across PI Inc and the NOs.

Fund balances held in the NOs account for €160 million of total fund balances, whilst PI Inc holds the remaining half.

Directors' report (cont'd)

9. Statement of directors' responsibilities in relation to the combined financial statements

The directors of PI Inc are responsible for the preparation of this annual report and the combined financial statements in respect of Plan International.

The directors have chosen to prepare combined financial statements for each financial year in accordance with the basis of preparation as set out in note 1 of the combined financial statements. They are responsible for ensuring that the combined financial statements present fairly, in all material respects, the combined financial position of Plan International and also its combined results of operations, combined comprehensive income, combined cash flows and combined changes in fund balances.

In preparing the combined financial statements, the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; state that the combined financial statements comply with the basis of preparation set out in note 1 of the combined financial statements; and prepare the combined financial statements on a going concern basis, unless it is inappropriate to presume that PI Inc and the NOs will continue in business. The directors of PI Inc confirm that they have complied with the above requirements in preparing the combined financial statements.

The directors of PI Inc, together with the directors of the NOs, are responsible for keeping proper accounting records that are sufficient to show and explain Plan International's transactions and disclose with reasonable accuracy at any time the combined financial position of Plan International, and enable the directors of PI Inc to prepare combined financial statements that comply with the basis of preparation set out in note 1 of the combined financial statements. They are also responsible for safeguarding Plan International's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors of Plan Limited are responsible for the maintenance and integrity of Plan International's website, www.plan-international.org on behalf of PI Inc. Information published on the internet is accessible in many countries with different legal requirements relating to the preparation and dissemination of financial statements.

The directors of PI Inc confirm that, in the case of each director in office at the date the directors' report is approved, so far as the director is aware there is no relevant audit information of which the company's auditors are unaware; and he / she has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the auditors of PI Inc. are aware of that information.

Approved by the International Board of PI Inc. and signed on its behalf by

J Liswood

Joshua Liswood
Chair
30 November 2016

Plan International Worldwide

Independent auditors' report to the directors of Plan International, Inc.

Report on the combined financial statements

Our opinion

In our opinion, Plan International Worldwide's non-statutory combined financial statements (the "combined financial statements") for the year ended 30 June 2016 have been properly prepared in all material respects, in accordance with the basis of preparation and accounting policies in Note 1 to the combined financial statements.

Emphasis of matter - basis of preparation

In forming our opinion on the financial statements, which is not modified, we draw attention to the fact that, as described in Note 1 to the combined financial statements, the entities included in the combined financial statements have not operated as a single entity during the year. These combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the businesses had operated as a single entity during the year presented or of future results of the combined entity.

What we have audited

Plan International Worldwide's combined financial statements comprise:

- the combined statement of financial position as at 30 June 2016;
- the combined income statement and the combined statement of comprehensive income and expenditure for the year then ended;
- the combined statement of cash flows for the year then ended;
- the combined statement of changes in fund balances 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 combined financial statements is applicable law and the basis of preparation and accounting policies in Note 1 to the combined financial statements. 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.

Responsibilities for the combined financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities in relation to the combined financial statements set out on page 8, the directors are responsible for the preparation of the combined financial statements in accordance with the basis of preparation and accounting policies in Note 1 to the financial statements and for determining that the basis of preparation and accounting policies are acceptable in the circumstances.

Our responsibility is to audit and express an opinion on the combined 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 opinion, has been prepared for and only for the directors of Plan International, Inc. to discharge their fiduciary duties in accordance with our engagement letter dated 19 July 2016 and for no other purpose. We do not, in giving this opinion, 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, including without limitation under any contractual obligations of Plan International Worldwide, save where expressly agreed by our prior consent in writing.

Independent auditors' report to the directors of Plan International Worldwide (cont'd)

What an audit of combined 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 combined financial statements sufficient to give reasonable assurance that the combined 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 Plan International Worldwide'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 combined 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 combined 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 Plan International Worldwide Directors' Report and Combined Financial Statements to identify material inconsistencies with the audited, combined 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.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
London
United Kingdom
30 November 2016

Plan International Worldwide

Combined income statement
for the year ended 30 June

	Note	**2016 €000**	2015 €000
Income			
Child sponsorship income	2a	**362,927**	365,812
Grants	2a	**273,965**	289,666
Gifts in kind	2a	**62,088**	43,810
Other contributions	2a	**105,399**	116,086
Investment income	2a	**2,362**	2,206
Trading income	2a	**3,308**	4,149
Total income	2a,b	**810,049**	821,729
Expenditure			
Programme expenditure	3a	**615,934**	634,008
Fundraising costs	3a	**111,063**	123,845
Other operating costs	3a	**67,221**	63,980
Trading expenditure	3a	**2,954**	3,355
Total expenditure before foreign exchange		**797,172**	825,188
Net losses / (gains) on foreign exchange	3a	**9,063**	(15,559)
Total expenditure	3a,c	**806,235**	809,629
Excess of income over expenditure		**3,814**	12,100

Combined statement of comprehensive income and expenditure
for the year ended 30 June

	Note	**2016 €000**	2015 €000
Excess of income over expenditure		**3,814**	12,100
Other comprehensive income and expenditure			
Items that will not be reclassified to the excess of income over expenditure:			
Remeasurements of post employment benefit obligations	11	**(298)**	24
Items that may be reclassified to the excess of income over expenditure:			
Change in value of investments available for sale	6	**(583)**	(248)
Currency translation adjustment	6	**(7,386)**	14,126
		(7,969)	13,878
Total comprehensive income and expenditure	6	**(4,453)**	26,002

There is no corporation taxation arising on the items set out above as explained in note 1q to these financial statements. The notes on pages 15 to 42 form part of these financial statements.

Plan International Worldwide

Combined statement of financial position
at 30 June

	Note	**2016 €000**	2015 €000
Current assets			
Cash and cash equivalents	7b,e	**275,585**	293,492
Investments available for sale	7b,e	**25,641**	21,870
Investments held to maturity	7b,e	**3,123**	4,179
Receivables and advances	7h	**33,712**	39,721
Prepaid expenses		**10,627**	11,404
Inventory	8	**1,368**	1,577
		350,056	372,243
Non-current assets			
Investments available for sale	7b,e	**6,231**	6,592
Investments held to maturity	7b,e	**2,347**	1,484
Other financial assets – interests in trusts	7f	**1,035**	1,077
Property, plant and equipment	9	**21,901**	28,937
Intangible assets	9	**13,338**	15,974
Other receivables	7h	**2,538**	1,826
		47,390	55,890
Total assets		**397,446**	428,133
Current liabilities			
Bank overdrafts	7c	**4,820**	6,050
Accounts payable		**20,890**	24,850
Accrued expenses		**25,765**	37,854
Deferred income		**2,300**	7,552
Accrued post employment benefits	10	**25,489**	28,182
		79,264	104,488
Non-current liabilities			
Bank loan	7c	**1,779**	1,937
Deferred income		**-**	1,250
Pension obligations	11	**1,290**	1,358
Provisions for other liabilities and charges	12	**4,009**	3,543
		7,078	8,088
Total liabilities		**86,342**	112,576
Fund balances			
Unrestricted fund balances	6	**94,230**	82,843
Temporarily restricted fund balances	6	**201,431**	216,741
Permanently restricted fund balances	6	**15,443**	15,973
Total fund balances	6	**311,104**	315,557
Total liabilities and fund balances		**397,446**	428,133

The notes on pages 15 to 42 form part of these financial statements.

The financial statements on pages 11 to 42 have been approved by the Board of Directors of Plan International, Inc. and were signed on behalf of the Board on 30 November 2016.

Joshua Liswood
Chair

Günter Haag
Director

Plan International Worldwide

Combined statement of cash flows
for the year ended 30 June

	Note	**2016 €000**	2015 €000
Cash flows from operating activities			
Excess of income over expenditure		**3,814**	12,100
Depreciation and amortisation	9	**11,104**	13,177
Loss / (gain) on sale of property, plant and equipment		**3,069**	(268)
(Gain) / loss on investments		**(975)**	117
Investment income	2a	**(2,362)**	(2,206)
Decrease / (increase) in receivables		**4,259**	(11,673)
Decrease in inventory		**209**	9,249
(Decrease) / increase in payables		**(24,591)**	29,832
Effects of exchange rate changes		**(1,671)**	3,687
Net cash (outflow) / inflow from operating activities		**(7,144)**	54,015
Cash flows from investing activities			
Investment income received		**2,362**	2,206
Proceeds from sale of investments available for sale		**18,071**	14,361
Purchase of investments available for sale		**(20,343)**	(16,563)
Proceeds from settlement of investments held to maturity		**3,444**	1,018
Purchase of investments held to maturity		**(2,868)**	(1,168)
Distributions from interests in trusts		**-**	147
Acquired interests in trusts		**30**	(178)
Proceeds from sale of property, plant and equipment		**558**	280
Purchase of property, plant and equipment	9	**(2,930)**	(6,247)
Purchase of intangible assets	9	**(3,766)**	(4,081)
Net cash (outflow) from investing activities		**(5,442)**	(10,225)
Cash flows from financing			
Loan repayments		**(81)**	(82)
Net cash (outflow) from financing activities		**(81)**	(82)
(Decrease) / increase in cash and cash equivalents		**(12,667)**	43,708
Effect of exchange rate changes		**(4,010)**	2,987
Net (decrease) / increase in cash and cash		**(16,677)**	46,695
Cash and cash equivalents at beginning of year		**287,442**	240,747
Cash and cash equivalents at end of year		**270,765**	287,442
Cash and cash **equivalents at end of year comprise:**			
Cash and cash equivalents		**275,585**	**293,492**
Bank overdrafts		**(4,820)**	**(6,050)**
		270,765	287,442

Plan International Worldwide

Combined statement of changes in fund balances
for the year ended 30 June

	Unrestricted fund balances €000	Temporarily restricted fund balances €000	Permanently restricted fund balances €000	**Total fund balances €000**
Fund balances at 30 June 2014 and 1 July 2014	**115,182**	**158,478**	**15,895**	**289,555**
(Deficit) / Excess of income over expenditure	(34,938)	50,481	(3,443)	12,100
Unrealised losses on investments available for sale	(248)	-	-	(248)
Remeasurements of post employment benefit obligations	24	-	-	24
Exchange rate movements	2,823	7,782	3,521	14,126
Total (deficit) / excess of comprehensive income over expenditure	**(32,339)**	**58,263**	**78**	**26,002**
Fund balances at 30 June 2015 and 1 July 2015	**82,843**	**216,741**	**15,973**	**315,557**
Excess / (Deficit) of income over expenditure	18,347	(13,922)	(611)	3,814
Unrealised losses on investments available for sale	(583)	-	-	(583)
Remeasurements of post employment benefit obligations	(298)	-	-	(298)
Exchange rate movements	(6,079)	(1,388)	81	(7,386)
Total excess / (deficit) of comprehensive income over expenditure	**11,387**	**(15,310)**	**(530)**	**(4,453)**
Fund balances at 30 June 2016	**94,230**	**201,431**	**15,443**	**311,104**

The notes on pages 15 to 42 form part of these financial statements.

Plan International Worldwide

Notes to combined financial statements

1. Principal accounting policies

a. Presentation and functional currency

The directors of PI Inc have concluded that the functional currency of PI Inc is the Euro on the basis that this is the predominant currency affecting PI Inc's operations worldwide. In addition, they have decided to present these combined financial statements in Euros. The functional currency of the NOs and Plan Ltd is their local currency, as this is the predominant currency that affects their operations.

b. Basis of preparation

The combined financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC Interpretations as adopted by the European Union (EU) and under the historical cost convention as modified by the revaluation of certain financial instruments in accordance with IAS 39, Financial Instruments: Recognition and Measurement with 2 exceptions. The exceptions are that these financial statements have been prepared on a combined basis and that as explained in note 1c, the fund balances of entities combined for the first time are included in the combined financial statements.

The basis of preparation and the accounting policies adopted by Plan International in preparing these combined financial statements are consistent with those applied in the year ended 30 June 2015.

The following Standards and Amendments to existing standards have been endorsed by the EU and must be adopted for periods beginning on or after 1 January 2016. Plan International's combined financial statements will adopt these Standards and Amendments, where applicable, for the year ending 30 June 2017.

- Amendments to IFRS 11, Joint arrangements on acquisition of an interest in a joint operation
- Amendments to IAS 16, Property, plant and equipment and IAS 38, Intangible assets, on depreciation and amortisation
- Amendments to IAS 27, Consolidated and separate financial statements
- Amendments to IFRS 10, Consolidated financial statements and IAS 28, Investments in associates and joint ventures
- Amendments to IAS1, Presentation of financial statements
- Amendments to IFRS 10, Consolidated financial statements and IAS 28, on applying the consolidation exception.
- Annual improvements 2014

IFRS 15, Revenue from contracts with customers, is expected to be adopted in Plan International's combined financial statements for the year ending 30 June 2019, subject to adoption by the EU.

IAS 7 amendment to IAS 7, Statement of Cash Flows on disclosure initiative, is expected to be adopted in Plan International's combined financial statements for the year ending 30 June 2018, subject to adoption by the EU

IFRS 9, Financial instruments, must be adopted in Plan International's combined financial statements for the year ended 30 June 2019 and is expected to be adopted for the year ending 30 June 2017, subject to adoption by the EU.

IFRS 16, Leases, is expected to be adopted in Plan International's combined financial statements for the year ending 30 June 2020, subject to adoption by the EU.

c. Basis of combined financial statements

The financial statements of Plan International are a combination of the consolidated financial statements of each of the 20 Member NOs and the consolidated financial statements of PI Inc, which include Plan Italy Onlus, the prospective NO in Italy. The businesses included in the combined financial statements have not operated as a single entity. There is no legal requirement to prepare these combined financial statements as PI Inc and the NOs are separate legal entities. However, the combined financial statements are prepared voluntarily in order to present the combined financial position, results and cash flows of Plan International.

New entities have their consolidated assets and liabilities combined into Plan International from the date they become a Member NO or from the date that they start the process of becoming a Member, unless they are already part of Plan International. There is typically no consideration paid by Plan International and entities'

Notes to combined financial statements (cont'd)

financial results and assets and liabilities are combined into these financial statements on becoming Members. Bringing their consolidated assets and liabilities into the combined financial statements results in an amount also recognised in fund balances. This accounting policy is applied consistently to all such transactions.

PI Inc is controlled by its Members, but no one Member NO has the direct or indirect ability to exercise sole control through ownership, contract or otherwise. The NOs are independent entities which control their own subsidiaries. As set out in the Directors' report, each NO has objectives, purposes and constitutions compatible with those of PI Inc. PI Inc has a wholly owned central services subsidiary in the United Kingdom (Plan Limited). In programme countries, PI Inc operates through branches, except in Brazil, Nigeria, Sierra Leone, Kenya and Ghana where it has established separately incorporated associations. In Ecuador and El Salvador, PI Inc operates through both a branch office and a subsidiary entity. All transactions and balances between entities included in the combined financial statements are eliminated.

d. Accounting for income

i) Child sponsorship contributions are generally paid by sponsors on either a monthly or annual basis. They are accounted for as income when received, including any contributions received in advance. Amounts received in advance are presented within temporarily restricted funds on the combined statement of financial position.

ii) Certain contributions receivable by Plan International, including the majority of the grants from Government bodies and other Non-Governmental Organisations (NGOs), are designated for specific purposes by the donors. These contributions are recognised when the relevant donor-stipulated requirements have been met and Plan International is entitled to receive the income. Any such contributions which have been recognised in income but remain unspent at the year end are presented within temporarily restricted funds on the combined statement of financial position. Income is deferred if cash is transferred to Plan International by the donor prior to the requirements being met which entitle Plan International to the income.

iii) Plan International receives contributions from various other sources, including legacies and trusts in which it is named as a beneficiary (but over which it has neither control nor significant influence). These contributions are recognised when Plan International has an irrevocable entitlement to receive future economic benefits and the amounts are capable of reliable measurement.

iv) Gifts in kind are recognised at fair value when received using the cost of the equivalent goods or services in the country of the ultimate beneficiary, the price of the nearest equivalent goods in terms of quantity, quality, age, condition and branding or wholesale prices, taking into account normal commercial discounts and volume rebates. Valuations provided by institutional donors are used for food and food distributions.

v) Trading income is recognised at point of sale.

vi) Investment income represents both PI Inc's and the NOs' interest and dividend income, all of which is recognised when Plan International becomes entitled to the income, as well as realised gains and losses on the sale of investments. Interest income on debt securities is measured using the effective interest method.

vii) Plan International benefits from the assistance provided by a large number of volunteers both in NOs and PI Inc. It is not practicable to quantify the benefit attributable to this work, which is therefore excluded from the combined income statement.

e. Accounting for expenditure

Expenditure is recognised in accordance with the accruals concept. Programme expenditure which does not involve the receipt of goods or services by Plan International, including payments to the communities and other NGOs with which Plan International works, is recognised either when the cash is paid across to a third party or, if earlier, when an irrevocable commitment is made to pay out funds to a third party.

Notes to combined financial statements (cont'd)

f. Accounting for fund balances

Fund balances are identified in 3 categories:

i) Unrestricted funds are those that are available to be spent on any of Plan International's activities and are held across the NOs and PI Inc. Each fiscal year, the Board of Directors of PI Inc designates from average fund balances held over a 12 month period, funds for specific purposes as set out in PI Inc's reserves policy, which was revised by the International Board in June 2013.

Unrestricted funds include balances for certain assets and liabilities, specifically the net investment of funds in property, plant and equipment and intangible assets and the unrealised gains / (losses) on investments available for sale.

The pre-financing fund is held by PI Inc for liquidity purposes, equivalent to 1 month's average expenditure of donor restricted funds (excluding gifts in kind). As at the 30 June 2016 and 2015, the pre-financing fund was fully utilised and will be replenished in 2017.

Funds which are available for future expenditure include:

- the operating fund balances of the NOs
- the child sponsorship and unrestricted funding working capital fund balance in PI Inc, which is held for liquidity purposes and is equivalent to the higher of 1 month's average expenditure of child sponsorship and unrestricted funding and funds received by PI Inc from NOs awaiting designation
- the contingency fund in PI Inc which is also equivalent to 1 month's average expenditure of child sponsorship and unrestricted funding
- free fund balances, meaning funds in excess of the total fund balance target level which comprises the sum of the specific fund balances. At 30 June 2016 and 2015, there were no free fund balances.

The purposes of the PI Inc contingency fund are that in the event of certain operational and financial risks crystallising, Plan International would be able to:

- complete programme work that is already underway
- safeguard staff and secure assets in the event of civil disorder or war
- adjust spending plans in a controlled manner
- restructure field and central operations.

ii) Temporarily restricted funds comprise:

- advance payments by sponsors
- unspent funds that have been restricted to specific purposes by donors
- unspent funds held by PI Inc that have been restricted to specific purposes by the NOs, including funds originally received by the NO as unrestricted
- contributions receivable at the year end, including amounts receivable from legacies and trusts, but excluding any such amounts which are designated as permanently restricted.

iii) Permanently restricted funds are those that will not become unrestricted. They include endowment funds restricted by donors and statutory funds that are required in accordance with the statutes of the countries in which some NOs operate.

The Plan International's fund balances specified above are defined by the reserves policy.

g. Operating leases

The costs relating to operating leases, being those leases which do not transfer substantially all the risks and rewards of ownership of the related asset, are included in expenditure on a straight-line basis over the lease term. Lease incentives are recognised on a straight line basis over the life of the lease.

Notes to combined financial statements (cont'd)

h. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held with banks which have a maturity date of less than 3 months from the date the deposit was made. For the purposes of the combined statement of cash flows, cash and cash equivalents are stated net of bank overdrafts.

i. Investments

Investments that Plan International has the intent and ability to hold to maturity are classified as held to maturity. These are included in either current or non-current assets as appropriate. All other investments held by Plan International are designated as available for sale and are included in current assets unless it is anticipated that they will not be sold within 12 months of the balance sheet date.

Investments available for sale are carried at fair value, whilst investments held to maturity are carried at amortised cost. Realised gains and losses arising from changes in the fair value of assets available for sale are included in the combined income statement in the period in which they are realised. Unrealised gains and losses are recorded in a separate category of fund balances and the amounts arising in the year are recorded in the combined statement of comprehensive income and expenditure.

Plan International assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. In such cases the cumulative loss is removed from fund balances and recognised in the combined income statement.

j. Other financial assets – interests in trusts

Plan International is a beneficiary of certain trusts administered and managed by third parties. Plan International's interests in these trusts are recorded at fair value and classified as current or non-current assets as appropriate.

k. Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are stated at cost less accumulated depreciation and amortisation and impairment losses. Intangible assets represent software held for internal use, which is either purchased, donated or developed internally. Costs relating to software developed internally are capitalised when the qualifying project reaches the development stage as defined in IAS 38, Intangible Assets. The cost of assets received as gifts in kind is determined as set out in note 1d. Depreciation and amortisation are provided under the straight-line method over the following estimated useful lives of the assets:

Buildings and leasehold improvements..........................	2 - 50 years
Equipment..	3 - 10 years
Intangible assets-purchased software.............................	Lower of 5 years or the period of the licence
Other intangibles..	3 - 5 years

Land is not depreciated.

Gains or losses on disposals in the year are included in the combined income statement.

Property, plant and equipment and intangible assets are subject to review for impairment either where there is an indication of a reduction in their recoverable amount or, in the case of intangible assets not yet available for use, on an annual basis. Any impairment is recognised in the combined income statement in the year in which it occurs.

Notes to combined financial statements (cont'd)

l. Inventory

Inventory is held at the lower of cost and net realisable value, with obsolete stock written off. Inventory comprises both humanitarian supplies and inventory held for trading activities. Cost comprises the cost of purchase and is determined using the first-in, first-out method for both humanitarian supplies and trading inventory. The net realisable value of inventory held for humanitarian supplies is based on the service potential of the inventory. The net realisable value of inventory held for trading activities is the estimated selling price in the ordinary course of business less applicable variable selling expenses. Stock that is damaged or obsolete is written off as an expense. Humanitarian supplies are recognised in programme expenditure when distributed to beneficiaries. Inventory held for trading is recognised as trading expenditure when the goods are sold.

m. Current liabilities – post employment benefits and pension obligations

The amount recognised for post employment benefits represents Plan International's estimated obligation to employees who have an unconditional legal entitlement to termination benefits or to a payment on resignation either under local statute or their employment contract. The obligation recognised is calculated separately for each country in which Plan International operates and considers the relevant local conditions, the service and salary of individual employees and expected changes in Plan International's workforce. Termination payments or statutory payments on resignation and the change in the net liability as a result of service rendered in the period are charged to expenditure in the year.

The obligation under these defined benefit plans is classified as current liabilities as it would be payable when an employee leaves and Plan International would not have the right to defer payment.

A number of Plan International entities maintain defined contribution pension plans or pay contributions to government schemes through social security payments. The amounts charged in the combined income statement in respect of such plans or social security contributions comprise the contributions payable by Plan International in respect of the year.

n. Non-current liabilities – pension obligations

Plan International Netherlands and Plan International Norway maintain defined benefit pension plans. The amount recognised in respect of these pension plans represents the present value of the defined benefit obligations less the fair value of the plan assets. Pension obligations (and costs) are measured using the projected unit credit method. The amount charged in the combined income statement in respect of these plans comprises the current service cost, interest on the net defined liability to the scheme and administration charges payable by Plan International Netherlands and Plan International Norway in respect of the year. Changes in the defined benefit obligations due to remeasurements are charged to the combined statement of comprehensive income and expenditure.

o. Foreign exchange accounting

Transactions in foreign currencies are recorded at the rate of exchange ruling on the date of the transaction or at average contracted rates. Monetary assets and liabilities denominated in foreign currencies are translated at the year end exchange rates. Exchange differences arising are included in the combined income statement. The income and expenditure of NOs and Plan Ltd are translated at weighted average monthly exchange rates. The assets and liabilities of these entities are translated into Euros at year end exchange rates. The translation differences arising are included in the combined statement of comprehensive income.

p. Hedging transactions

During 2015 PI Inc entered into forward foreign exchange contracts to hedge certain of its exposures to exchange rate movements on forecasted expenditure in currencies other than the Euro and Sterling. PI Inc did not apply hedge accounting, and there were no open hedges at either 30 June 2016 or 2015. PI Inc changed its Treasury currency management policy in 2015 and did not enter into forward foreign exchange contracts in 2016 or expect to do so in 2017.

Notes to combined financial statements (cont'd)

q. Taxation

As a registered Not for Profit Corporation, PI Inc has no liability for corporation taxation. PI Inc's subsidiary Plan Ltd is liable to UK taxation. The member NOs are exempt from corporation taxation.

r. Accounting estimates and judgements

The preparation of the combined financial statements requires the use of estimates and judgements in determining the reported amounts of assets, liabilities, income and expenditure and the related disclosures. These estimates and judgements are based on assumptions that are considered reasonable in the circumstances, having regard to historical experience. Actual results may differ from these estimates. Certain accounting policies have been identified as involving particularly complex or subjective judgements or estimates, as follows:

i) Income recognition - income is recognised when unconditional entitlement has been demonstrated. In some situations, for example in relation to contributions designated for specific purposes by the donor, judgement is involved in assessing when Plan International becomes unconditionally entitled to receive the income.

ii) Expenditure allocation - expenditure is analysed between certain programme groupings (called programme areas), as set out in note 3 to the combined financial statements. Judgement is sometimes needed in allocating expenditure, for example where a project covers more than 1 programme area.

iii) Post employment benefits – in many of the countries in which Plan International operates, employees have an unconditional legal entitlement to payments when their employment with Plan International ceases, either under local statute or their employment contract, regardless of the reason for leaving. Estimation is required in quantifying the obligation arising from these entitlements, which are included in the accrual for post employment benefits.

Notes to combined financial statements (cont'd)

2. Income

a. Income by source

	2016 €000	2015 €000
Child sponsorship income	**362,927**	365,812
Grants	**273,965**	289,666
Gifts in kind	**62,088**	43,810
Bequests	**5,549**	9,939
Project sponsorship and appeals	**99,850**	106,147
Other contributions	**105,399**	116,086
Interest and dividend income	**1,861**	2,064
Gain on sale of investments	**501**	142
Investment income	**2,362**	2,206
Trading income	**3,308**	4,149
Total income	**810,049**	821,729

b. Income by location

	2016 €000	2015 €000
Belgium	**15,361**	14,525
Denmark	**8,945**	8,222
Finland	**16,401**	16,613
France	**14,884**	13,809
Germany	**156,548**	148,033
Ireland	**15,161**	13,052
Italy	**366**	746
Netherlands	**48,130**	50,560
Norway	**49,172**	54,486
Spain	**26,118**	16,162
Sweden	**48,553**	46,253
Switzerland	**4,472**	3,836
United Kingdom	**91,180**	107,288
Europe	**495,291**	493,585
Canada	**141,718**	146,774
Colombia	**3,628**	8,650
United States	**64,197**	71,124
Americas	**209,543**	226,548
Australia	**44,871**	47,913
Hong Kong	**7,388**	6,240
India	**8,384**	5,993
Japan	**26,784**	23,490
Korea	**12,225**	12,392
Asia	**99,652**	96,028
Other and intragroup elimination	**2,255**	1,419
	806,741	817,580
Trading income	**3,308**	4,149
Total income	**810,049**	821,729

Notes to combined financial statements (cont'd)

3. Expenditure

a. Expenditure by programme area

	National Organisations €000	Field €000	International Headquarters €000	Intra-group & exchange €000	Total 2016 €000
Early childhood care and development	**9,593**	**80,081**	**1,780**	**-**	**91,454**
Sexual and reproductive health	**5,844**	**25,117**	**588**	**-**	**31,549**
Education	**10,361**	**84,138**	**2,004**	**-**	**96,503**
Water and sanitation	**4,715**	**51,079**	**1,242**	**-**	**57,036**
Economic security	**6,602**	**44,706**	**956**	**-**	**52,264**
Protection	**8,595**	**37,985**	**867**	**-**	**47,447**
Participate as citizens	**19,077**	**44,466**	**3,006**	**-**	**66,549**
Disaster risk management	**10,881**	**119,052**	**4,175**	**-**	**134,108**
Development education	**5,400**	**-**	**-**	**-**	**5,400**
Sponsorship communications	**-**	**31,630**	**1,994**	**-**	**33,624**
Programme expenditure	**81,068**	**518,254**	**16,612**	**-**	**615,934**
Fundraising costs	**102,651**	**9,033**	**568**	**(1,189)**	**111,063**
Other operating costs	**56,565**	**-**	**13,661**	**(3,005)**	**67,221**
	240,284	**527,287**	**30,841**	**(4,194)**	**794,218**
Trading expenditure	**2,954**	**-**	**-**	**-**	**2,954**
Total expenditure before foreign exchange	**243,238**	**527,287**	**30,841**	**(4,194)**	**797,172**
Net losses on foreign exchange	**-**	**-**	**-**	**9,063**	**9,063**
Total expenditure	**243,238**	**527,287**	**30,841**	**4,869**	**806,235**

	National Organisations €000	Field €000	International Headquarters €000	Intra-group & exchange €000	Total 2015 €000
Early childhood care and development	1,863	112,381	3,512	-	117,756
Sexual and reproductive health	5,459	18,453	591	-	24,503
Education	8,170	88,515	2,431	-	99,116
Water and sanitation	5,519	46,580	1,436	-	53,535
Economic security	4,136	42,059	1,283	-	47,478
Protection	7,716	34,463	1,235	-	43,414
Participate as citizens	10,776	47,962	4,467	-	63,205
Disaster risk management	9,096	130,074	5,510	-	144,680
Development education	4,549	-	-	-	4,549
Sponsorship communications	-	33,545	2,227	-	35,772
Programme expenditure	57,284	554,032	22,692	-	634,008
Fundraising costs	113,865	9,441	1,954	(1,415)	123,845
Other operating costs	52,753	-	14,476	(3,249)	63,980
	223,902	563,473	39,122	(4,664)	821,833
Trading expenditure	3,355	-	-	-	3,355
Total expenditure before foreign exchange	227,257	563,473	39,122	(4,664)	825,188
Net gains on foreign exchange	-	-	-	(15,559)	(15,559)
Total expenditure	227,257	563,473	39,122	(20,223)	809,629

Examples of the types of expenditure included within each of the above categories are:

Early childhood care and development: building and equipping pre-school infrastructure and clinics; maternal, neo-natal and child health care programmes; prevention and control of malaria and early stimulation and childhood education.

Sexual and reproductive health: sex education and promotion of sexual and reproductive health services especially for young people.

Education: building and equipping classrooms, access and completion of basic education programmes and advocacy and improvement of quality education including the prevention of violence in schools.

Water and sanitation: community led sanitation programmes and hygiene promotion programmes.

Economic security: youth employment and livelihoods, promotion of savings and loans groups for women and youth.

Protection from exploitation, neglect, abuse and violence: promotion of community based child protection mechanisms and prevention of harmful traditional practices such as child marriage and female genital mutilation/cutting.

Participate as citizens: promotion of social accountability mechanisms involving young people such as participatory budgeting and school and community score-cards, work with civil society to monitor child, women and human rights.

Disaster risk management: promotion of disaster risk reduction through resilience programmes; providing protection and education in emergencies; child-centred climate change adaptation and disaster response activities including food distribution and the provision of shelter facilities, water and sanitation.

Development education: activities to raise awareness of development issues and advocate for policy changes and aid.

Sponsorship communications: the full cycle of field activities, including central and regional management and logistical costs related to Child Sponsorship. The cycle starts with planning and then introducing communities to Plan International and to Child Sponsorship, enrolling children in the scheme, monitoring the development of children within their communities and fulfilling our promise to children, families and communities. This is done through an annual questionnaire and other visits to the sponsored children and their communities as well as the delivery of programmes. We also facilitate communications by letter or email between sponsored children and their sponsors. A sponsorship ends when the child reaches 18, or when the child leaves the scheme for another reason. Sponsorship costs also include phasing out from communities.

Fundraising costs: account management of institutional and corporate donors, resource mobilisation planning and marketing costs associated with attracting new individual donors.

Other operating costs: general management, finance, human resource and information technology costs of administrative systems and the cost of handling funds received.

Trading expenditure: cost of merchandise and operations associated with on-line shops and service subsidiaries of NOs.

Net losses / (gains) on foreign exchange: net losses and gains arising on the retranslation of monetary items denominated in currencies other than the functional currency of the relevant entity. This principally reflects changes in the value of the Euro.

Where applicable, each of the above categories includes salaries, project management, supervision and monitoring, and evaluation. Each category of field expenditure also includes an appropriate allocation of general management and operational support costs.

3b. Expenditure by National Organisation and Field

Expenditure in note 3b excludes net gains and losses on foreign exchange.

(i) National Organisations

	2016 €000	2015 €000
Belgium	**4,832**	4,843
Denmark	**3,634**	3,609
Finland	**7,402**	6,596
France	**4,374**	4,310
Germany	**36,555**	33,788
Ireland	**2,399**	1,811
Italy	**896**	609
Netherlands	**17,997**	17,200
Norway	**10,991**	11,688
Spain	**6,347**	5,386
Sweden	**12,824**	12,593
Switzerland	**1,887**	1,517
United Kingdom	**24,535**	26,041
Europe	**134,673**	129,991
Canada	**42,525**	41,648
Colombia	**374**	977
United States	**34,461**	21,606
Americas	**77,360**	64,231
Australia	**13,995**	15,762
Hong Kong	**2,688**	2,442
India	**1,454**	2,327
Japan	**6,947**	6,218
Korea	**3,167**	2,931
Asia	**28,251**	29,680
Trading expenditure	**2,954**	3,355
Total National Organisation expenditure	**243,238**	227,257

Notes to combined financial statements (cont'd)

(ii) Field

	2016 €000	2015 €000
Bangladesh	**19,672**	16,503
Cambodia	**15,183**	15,036
China	**3,712**	4,161
India	**19,067**	13,787
Indonesia	**8,628**	10,838
Laos	**4,340**	3,848
Myanmar	**13,363**	8,374
Nepal	**22,696**	12,325
Pakistan	**13,215**	11,197
Philippines	**20,349**	27,014
Sri Lanka	**4,105**	3,227
Thailand	**2,893**	3,487
Timor Leste	**3,264**	3,319
Vietnam	**9,893**	10,924
Asia regional office	**5,401**	5,183
Asia	**165,781**	149,223
Bolivia	**10,421**	10,618
Brazil	**5,764**	5,532
Colombia	**13,143**	21,463
Dominican Republic	**4,481**	4,076
Ecuador (incl. Foundation)	**8,367**	7,453
El Salvador	**11,188**	10,651
Guatemala	**7,819**	8,419
Haiti	**6,137**	5,446
Honduras	**6,105**	5,326
Nicaragua	**6,607**	5,693
Paraguay	**3,651**	3,920
Peru	**3,493**	4,540
Americas regional office	**3,727**	4,904
Central and South America	**90,903**	98,041
Egypt	**9,296**	9,609
Ethiopia	**12,804**	10,920
Kenya	**14,252**	12,743
Malawi	**14,687**	10,502
Mozambique	**3,070**	3,701
Rwanda	**6,943**	7,375
Sudan	**7,505**	11,469
South Sudan	**16,682**	21,005
Tanzania	**9,587**	10,195
Uganda	**10,998**	19,204
Zambia	**5,406**	7,305
Zimbabwe	**18,564**	17,840
Eastern and Southern Africa regional office	**5,564**	5,056
Eastern and Southern Africa	**135,358**	146,924
Benin	**7,518**	9,713
Burkina Faso	**8,149**	12,347
Cameroon	**10,237**	12,106
Central African Republic	**6,085**	1,984
Ghana	**6,213**	5,948
Guinea	**25,675**	24,653
Guinea Bissau	**2,881**	3,673
Liberia	**8,966**	19,431
Mali	**12,008**	14,279
Niger	**7,326**	5,564
Nigeria	**1,139**	1,062
Senegal	**8,099**	8,575
Sierra Leone	**16,436**	24,226
Togo	**10,125**	19,258
West Africa regional office	**4,388**	6,466
West Africa	**135,245**	169,285
Total field expenditure	**527,287**	563,473

Notes to combined financial statements (cont'd)

3c. Expenditure by type

	Note	**2016 €000**	2015 €000
Project payments to partners, community groups and suppliers		**264,735**	282,409
Employee salary costs	4	**222,213**	218,279
Other staff costs		**32,655**	38,127
Consultants and other professional costs		**64,574**	53,658
Marketing and media		**69,848**	77,496
Project travel and meetings		**48,349**	52,544
Other travel and meetings		**494**	3,557
Communications		**17,965**	17,098
Rent and related costs		**24,719**	24,617
Depreciation and amortisation	9	**11,104**	13,177
Supplies, vehicles and other costs		**40,516**	44,226
Net losses / (gains) on foreign exchange		**9,063**	(15,559)
Total expenditure		**806,235**	809,629

4. Employee information

	Average number of employees		**Salary costs**	
	2016 Number	2015 Number	**2016 €000**	2015 €000
Field	**8,903**	9,153	**135,465**	134,639
National Organisations	**1,441**	1,367	**69,886**	66,907
International Headquarters	**208**	223	**16,862**	16,733
	10,552	10,743	**222,213**	218,279

Notes to combined financial statements (cont'd)

5. Remuneration of key management

a. Total key management remuneration

The average number of people designated as key management of Plan International for the year ended 30 June 2016 was 45 (2015: 44). This includes management of the 20 NOs and the prospective NO in Italy and the 11 (2015: 11) members of the International Board, who do not receive any remuneration for their services to PI Inc.

The remuneration payable to members of key management was as follows:

	2016 €000	2015 €000
Salaries	**4,129**	3,942
Other short term employee benefits	**1,121**	1,277
Total salaries and short-term employee benefits	**5,250**	5,219
Post-employment benefits	**546**	500
Termination benefits	**40**	86
	5,836	5,805

The majority of key management are paid in currencies other than the Euro, particularly Sterling and the US Dollar and therefore year on year changes in the remuneration reported includes currency movements. Other short term employee benefits include employers' social security contributions and, for staff based outside their home country, additional living allowances and benefits and tax costs which relate to their overseas posting. The post-employment benefits principally comprise contributions payable to defined contribution pension schemes. There are no long-term incentive schemes for key management.

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Notes to combined financial statements (cont'd)

b. International management

Remuneration of key international management is determined by PI Inc and Plan Ltd salary policies which apply pay scales in accordance with market surveys and personal performance and, where relevant, sector norms for staff based outside their home country.

The remuneration of individuals holding key international management positions during the years to 30 June 2016 and/or 30 June 2015 is set out below. Unless otherwise indicated, individuals held key international management positions for full years in both financial years:

	Salaries €'000	Other Short term employee benefits €'000	**2016 Total salaries and short term employee benefits €'000**	Salaries €'000	Other Short term employee benefits €'000	2015 Total salaries and short term employee benefits €'000
Nigel Chapman (Jul 2015 – Aug 2015)	105	3	**108**	246	24	270
Anne-Birgitte Albrectsen (Sep 2015 – Jun 2016)	241	64	**305**	-	-	-
Jonathan Mitchell	136	29	**165**	116	27	143
Torben Due (Jan 2016 – Jun 2016)	68	9	**77**	-	-	-
Hendrik Jan de Bruijn (May 2016 - Jun 2016)	18	2	**20**	-	-	-
Ann Firth (Jul 2015 – Nov 2015)	55	7	**62**	128	16	144
Jon Winder (Jul 2015 – Nov 2015)	51	6	**57**	-	-	-
Tara Camm	134	17	**151**	131	17	148
Pamela Innes	123	15	**138**	118	15	133
Gary Mitchell	108	13	**121**	106	13	119
Sean Maguire	127	16	**143**	-	-	-
Jorn Johansen (Jul 2014 – Jun 2015)	-	-	**-**	109	41	150
David Thomson	125	16	**141**	45	6	51
Mark Banbury (Jul 2014 - Jul 2015)	20	3	**23**	157	20	177
Tjipke Bergsma (Jul 2014 – Aug 2015)	18	15	**33**	125	69	194
Ingrid Khufeldt (Sep 2015 – Jan 2016)	40	28	**68**	-	-	
Corina Villacorta (Jan 2016 – Jun 2016)	52	43	**95**	-	-	-
Matthew Carlson (Jan 2014 – Jun 2014)	-	-	**-**	7	6	13
Adama Coulibaly	128	68	**196**	115	68	183
Roland Angerer	126	35	**161**	116	47	163
Mark Pierce	120	166	**286**	112	187	299
Total salaries and short term employee benefits	1,795	555	**2,350**	1,631	556	2,187
Post employment benefits			**212**			207
Termination benefits			**23**			-
			2,585			2,394

Notes to combined financial statements (cont'd)

c. National Directors

NO boards either assess and approve the remuneration of National Directors directly, or delegate part or all of the remuneration review to a Board Committee. In the majority of cases the National Director's remuneration takes into account the local salary market and performance, though the weighting given to each of these 2 factors varies across the NOs.

The salary levels of National Directors are not comparable due to the different sizes of operations and varying cost of living.

The combined remuneration of the National Directors of the 21 NOs is set out below:

	2016	2015
	€000	€000
Salaries	**2,334**	2,311
Other short term employee benefits	**566**	721
Total salaries and short-term employee benefits	**2,900**	3,032
Post-employment benefits	**334**	293
Termination benefits	**17**	86
	3,251	3,411

The table below shows the full time equivalent (number) of National Director positions with salaries (remuneration excluding non-salary short term benefits, post employment and termination benefits), falling in the following ranges:

			Year to 30 June 2016 Number	Year to 30 June 2015 Number
Up to		€75,000	**4**	5
€75,001	-	€100,000	**5**	4
€100,001	-	€125,000	**4**	4
€125,001	-	€150,000	**2**	5
€150,001	-	€175,000	**4**	1
€175,001	-	€200,000	**-**	1
€200,001	-	€225,000	**1**	-
€225,001	-	€250,000	**-**	1
€250,001	-	€275,000	**1**	-

Notes to combined financial statements (cont'd)

6. Fund balances

	30 June 2015 €000	Additions/ (reductions) €000	Translation differences €000	**30 June 2016 €000**
Unrestricted fund balances				
Net investment in property, plant and equipment and intangible assets	44,911	(8,034)	(1,638)	**35,239**
Unrealised gains / (losses) on investments available for sale	1,230	(583)	(12)	**635**
Remeasurements of post employment benefit obligations	(306)	(298)	-	**(604)**
Funds available for future expenditure	37,008	26,381	(4,429)	**58,960**
Prefinancing fund	-	-	-	**-**
Total unrestricted fund balances	82,843	17,466	(6,079)	**94,230**
Temporarily restricted fund balances				
Advance payments by sponsors	13,572	(846)	168	**12,894**
Donor-restricted contributions not yet spent	187,311	(2,427)	(1,556)	**183,328**
Other restricted funds	15,858	(10,649)	-	**5,209**
Total temporarily restricted fund balances	216,741	(13,922)	(1,388)	**201,431**
Permanently restricted fund balances				
Donor-restricted fund balances	13,813	(601)	(199)	**13,013**
Statutory fund balances	2,160	(10)	280	**2,430**
Total permanently restricted fund balances	15,973	(611)	81	**15,443**
Total fund balances	315,557	2,933	(7,386)	**311,104**
Cumulative foreign exchange differences included within fund balances	13,537	-	(7,386)	**6,151**

	30 June 2014 €000	Additions/ (reductions) €000	Translation differences €000	30 June 2015 €000
Unrestricted fund balances				
Net investment in property, plant and equipment and intangible assets	45,282	(2,602)	2,231	44,911
Unrealised gains / (losses) on investments available for sale	1,285	(248)	193	1,230
Remeasurements of post employment benefit obligations	(330)	24	-	(306)
Funds available for future expenditure	48,696	(12,087)	399	37,008
Prefinancing fund	20,249	(20,249)	-	-
Total unrestricted fund balances	115,182	(35,162)	2,823	82,843
Temporarily restricted fund balances				
Advance payments by sponsors	12,778	312	482	13,572
Donor-restricted contributions not yet spent	127,932	52,079	7,300	187,311
Other restricted funds	17,768	(1,910)	-	15,858
Total temporarily restricted fund balances	158,478	50,481	7,782	216,741
Permanently restricted fund balances				
Donor-restricted fund balances	13,791	(3,452)	3,474	13,813
Statutory fund balances	2,104	9	47	2,160
Total permanently restricted fund balances	15,895	(3,443)	3,521	15,973
Total fund balances	289,555	11,876	14,126	315,557
Cumulative foreign exchange differences included within fund balances	(589)	-	14,126	13,537

The fund balances presented in the combined financial statements are not available for distribution.

Notes to combined financial statements (cont'd)

7. Financial risk management

Plan International's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. Plan International seeks to minimise the potential adverse effects of these financial risks. Risk management is carried out under policies approved by PI Inc's International Board. Plan International's policy is to be risk averse and not to take speculative positions in foreign exchange contracts or any derivative financial instruments.

a. Market risk

(i) Foreign exchange risk

Plan International's NOs receive the majority of their income and incur expenditure in their domestic currency and therefore have a natural hedge against exchange rate fluctuations.

PI Inc faces exchange rate exposure as expenditure is not incurred in the same currencies as income and some income is received in currencies other than the Euro. The purpose of PI Inc's Treasury Currency Management policy is to protect against the risk that there could be a significant change in the funds available for programme expenditure due to exchange rate fluctuations. PI Inc uses natural hedges, principally in the Euro, Sterling and US Dollars, which cover around one third of expenditure. During 2015 PI Inc also entered into forward foreign exchange contracts to manage certain of its exchange rate exposures under the prevailing hedging policy. The forward foreign exchange contracts were held at fair value. This was revoked in March 2015 and replaced with a Treasury Currency Management Policy that does not include the use of Forward Foreign Exchange contracts to hedge foreign exchange movements effective from 1 July 2015.

At 30 June 2016 and 30 June 2015 there were no open forward contracts.

At 30 June 2016, if the Euro had weakened / strengthened against all other currencies by 10% with all other variables held constant, then comprehensive income and fund balances would have been €11 million higher/lower.

(ii) Price risk

Plan International is exposed to equity and debt security price risks because of investments held to maturity or investments available for sale. These securities are held in 6 NOs which mitigates the price risk arising from investments. Each NO sets its own investment policy. Assuming that equity indices had increased / decreased by 5% with all other variables held constant and that all Plan International's equity investments moved in line with the index, then comprehensive income and fund balances would have been €1 million (2015: €1 million) higher/lower.

(iii) Interest rate risk

All bank deposits had a maturity date of less than 1 year and most interest-bearing investments had a maturity date or interest reset date of less than 1 year in the year to 30 June 2016 and the prior year. In view of this and the fact that interest income is small in relation to total income, changes in interest rates do not currently present a material risk to Plan International. At 30 June 2016, if interest rates had been 50 basis points higher/lower with all other variables held constant, investment income for the year and fund balances at 30 June 2016 would have been €1 million (2015: €1 million) higher / lower. Cash and investments are held in many currencies and yields in the year to 30 June 2016 ranged from 0% to 9% (2015: from 0% to 8%).

The maturity profile of bank deposits and interest bearing investments is shown below:

	0 – 1 year €000	1 – 3 years €000	Over 3 years €000	**30 June 2016 €000**
Cash and cash equivalents	275,585	-	-	**275,585**
Current asset investments available for sale	5,572	-	367	**5,939**
Current asset investments held to maturity	3,123	-	-	**3,123**
Non-current asset investments available for sale	-	1,321	3,603	**4,924**
Non-current asset investments held to maturity	-	1,747	600	**2,347**
Total at 30 June 2016	**284,280**	**3,068**	**4,570**	**291,918**

Notes to combined financial statements (cont'd)

	0 – 1 year €000	1 – 3 years €000	Over 3 years €000	30 June 2015 €000
Cash and cash equivalents	293,492	-	-	293,492
Current asset investments available for sale	3,112	-	-	3,112
Current asset investments held to maturity	4,179	-	-	4,179
Non-current asset investments available for sale	-	872	4,003	4,875
Non-current asset investments held to maturity	-	1,484	-	1,484
Total at 30 June 2015	300,783	2,356	4,003	307,142

b. Credit risk

Credit risk arises mainly on cash and cash equivalents. Receivables and advances include small loans advanced under microfinance schemes, which are almost fully provided for in both 2016 and 2015, as these carry a high risk of default. Other receivables and advances are spread across all the countries in which Plan International operates and this minimises the exposure to credit risk. Any large receivables due from individual organisations generally comprise grants receivable from public bodies. The aggregate maximum credit risk at 30 June 2016 was €328 million (2015: €348 million). The table below shows the combined cash balances held by PI Inc, its subsidiaries and the NOs with the 5 largest bank counterparties at the balance sheet date.

	30 June 2016		30 June 2015	
	Rating	**Balance €000**	Rating	Balance €000
Counterparty A	A1	**29,276**	A1	31,651
Counterparty B	A2	**28,051**	A2	32,574
Counterparty C	A1	**25,614**	A1	31,615
Counterparty D	A1	**22,560**	A1	27,155
Counterparty E	A1+	**21,522**	A1	0

PI Inc's policy is to hold cash and investments with institutions with short term ratings of at least A2 or equivalent, whenever possible, but this is not always achievable given the countries in which Plan International operates. Investments held to maturity are corporate and government bonds held by NOs. Cash and investments are analysed below into those held with institutions with short term ratings of A or better and those held with other institutions.

	Bank deposits & cash €000	Debt securities €000	Equities €000	**30 June 2016 €000**
Rated A or better				
Cash and cash equivalents	234,484	-	-	**234,484**
Current asset investments available for sale	-	5,677	5,021	**10,698**
Current asset investments held to maturity	-	3,123	-	**3,123**
Non-current asset investments available for sale	-	4,924	-	**4,924**
Non-current asset investments held to maturity	-	2,347	-	**2,347**
Total rated A or better	**234,484**	**16,071**	**5,021**	**255,576**
Other				
Cash and cash equivalents	41,101	-	-	**41,101**
Current asset investments available for sale	-	262	14,681	**14,943**
Current asset investments held to maturity	-	-	-	**-**
Non-current asset investments available for sale	-	-	1,307	**1,307**
Total other	**41,101**	**262**	**15,988**	**57,351**
Total				
Cash and cash equivalents	275,585	-	-	**275,585**
Current asset investments available for sale	-	5,939	19,702	**25,641**
Current asset investments held to maturity	-	3,123	-	**3,123**
Non-current asset investments available for sale	-	4,924	1,307	**6,231**
Non-current asset investments held to maturity	-	2,347	-	**2,347**

Total cash and investments	**275,585**	**16,333**	**21,009**	**312,927**

Notes to combined financial statements (cont'd)

	Bank deposits & cash €000	Debt securities €000	Equities €000	30 June 2015 €000
Rated A or better				
Cash and cash equivalents	253,643	-	-	253,643
Current asset investments available for sale	-	3,112	4,319	7,431
Current asset investments held to maturity	-	4,179	-	4,179
Non-current asset investments available for sale	-	4,565	200	4,765
Non-current asset investments held to maturity	-	1,484	-	1,484
Total rated A or better	253,643	13,340	4,519	271,502
Other				
Cash and cash equivalents	39,849	-	-	39,849
Current asset investments available for sale	-	-	14,439	14,439
Current Asset investment held to maturity	-	-	-	-
Non-current asset investments available for sale	-	310	1,517	1,827
Total other	39,849	310	15,956	56,115
Total				
Cash and cash equivalents	293,492	-	-	293,492
Current asset investments available for sale	-	3,112	18,758	21,870
Current asset investments held to maturity	-	4,179	-	4,179
Non-current asset investments available for sale	-	4,875	1,717	6,592
Non-current asset investments held to maturity	-	1,484	-	1,484
Total cash and investments	293,492	13,650	20,475	327,617

c. Liquidity risk

Plan International commits to expenditure only when funds are available and seeks to maintain cash required for liquidity as set out in note 1f to these combined financial statements. Therefore liquidity risk is kept to a minimum. This is reflected in the combined statement of financial position where current assets of €350 million are 3.8 times larger than current liabilities of €91 million. Plan International uses bank overdrafts to meet short term financing requirements. As at 30 June 2016, the aggregate value of these bank overdrafts was €5 million (2015: €6 million). In addition, at 30 June 2016, Plan Korea had a long term bank loan of €2 million (2015: €2 million) used to purchase the land and buildings it occupies.

d. Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (level 3).

There have been no changes in valuation method and no transfers between levels.

The following table presents the financial instruments that were measured at fair value at 30 June 2016:

	Level 1 €000	Level 2 €000	Level 3 €000	**30 June 2016 €000**
Available for sale financial assets:				
- Current asset investments	20,326	4,571	744	**25,641**
- Non-current asset investments	5,777	454	-	**6,231**
Total assets	**26,103**	**5,025**	**744**	**31,872**

Plan International Worldwide

Notes to combined financial statements (cont'd)

The following table presents the financial instruments that were measured at fair value at 30 June 2015:

	Level 1 €000	Level 2 €000	Level 3 €000	30 June 2015 €000
Available for sale financial assets:				
- Current asset investments	21,870	-	-	21,870
- Non-current asset investments	6,592	-	-	6,592
Total assets	28,462	-	-	28,462

The fair value of investments held to maturity at 30 June 2016 was €5 million (2015: €6 million). In 2016 and 2015 there were no realised or unrealised gains or losses on investments held to maturity.

On investments available for sale the unrealised gain as at 30 June 2016 was €1 million (2015: €1 million). The realised gain on investments available for sale in 2016 was €0 million (2015: €nil).

The fair value of the investments available for sale is based on market prices obtained from financial institutions at the balance sheet date.

The fair value of cash and cash equivalents, receivables and advances and accounts payable is in line with their carrying values in the combined financial statements. All cash, investments and other monetary items held in foreign currencies at 30 June were converted to Euros at the spot exchange rate on that date.

e. Cash and investments

Cash and investments at 30 June 2016 were held in the following currencies:

	Cash and cash equivalents €000	Current asset investments available for sale €000	Current asset investments held to maturity €000	Non-current asset investments available for sale €000	Non-current asset investments held to maturity €000	**Total €000**
Euro	55,723	5,736	-	-	600	**62,059**
Canadian dollar	33,928	524	-	3,963	-	**38,415**
US dollar	78,256	14,681	-	928	-	**93,865**
Yen	4,346	4,571	-	1,340	1,747	**12,004**
Norwegian krone	18,737	-	-	-	-	**18,737**
Swedish krona	8,827	-	-	-	-	**8,827**
Australian dollar	8,833	-	591	-	-	**9,424**
Sterling	27,079	-	-	-	-	**27,079**
Other	39,856	129	2,532	-	-	**42,517**
	275,585	**25,641**	**3,123**	**6,231**	**2,347**	**312,927**

Cash and investments at 30 June 2015 were held in the following currencies:

	Cash and cash equivalents €000	Current asset investments available for sale €000	Current asset investments held to maturity €000	Non-current asset investments available for sale €000	Non-current asset investments held to maturity €000	Total €000
Euro	67,140	4,333	-	-	-	71,473
Canadian dollar	36,339	451	-	3,680	-	40,470
US dollar	60,018	14,439	-	1,432	-	75,889
Yen	3,337	2,561	-	1,480	1,455	8,833
Norwegian krone	24,591	-	-	-	-	24,591
Swedish krona	6,056	-	-	-	-	6,056
Australian dollar	14,905	-	1,137	-	-	16,042
Sterling	40,895	-	-	-	-	40,895
Other	40,211	86	3,042	-	29	43,368
	293,492	21,870	4,179	6,592	1,484	327,617

There were no impairment provisions on available for sale financial assets in 2016 or 2015.

Notes to combined financial statements (cont'd)

f. Interests in trusts

Plan International has a right to receive future income from certain trusts set up by third party donors. The arrangements vary from trust to trust, but in general Plan International has an irrevocable right to participate in the income generated by the trust and/or will receive a share of the capital held by the trust at some future date. Plan International's interests in these trusts are recorded at their fair value, based on the discounted value of the expected future cash receipts or the value of the assets held by the trust, as appropriate. As at 30 June 2016, the fair value of these interests amounted to €1 million (2015: €1 million).

g. Financial liabilities

Financial liabilities are held at amortised cost.

h. Receivables and advances

Receivables and advances were held in the following currencies:

	Current Assets		Non-current assets	
	2016	2015	**2016**	2015
	€000	€000	**€000**	€000
US dollar	**7,432**	7,742	**-**	-
Euro	**7,654**	4,206	**1,759**	1,261
Sterling	**9,951**	16,060	**402**	240
Canadian dollar	**2,773**	3,476	**-**	-
Norwegian krone	**2,644**	2,015	**-**	-
Other	**3,258**	6,222	**377**	325
	33,712	39,721	**2,538**	1,826

Receivables and advances are stated net of provisions amounting to €2 million (2015: €2 million).

i. Capital management

The capital held by Plan International is categorised in fund balances, for which the amounts for the years ended 30 June 2016 and 2015 and the movements for the year are set out in note 6. Total fund balances of €297 million (2015: €316 million) include €2 million (2015: €2 million) of statutory reserves which are held to meet regulatory requirements for not for profit organisations in some of the countries in which NOs operate. Other fund balances are held by PI Inc in accordance with the PI Inc reserve policy or by NOs in accordance with their own reserve policy or as otherwise approved by their Boards. These purposes are explained in note 1f.

8. Inventory

Inventory is as follows:

	2016	2015
	€000	€000
Inventory for trading activities	**350**	377
Inventory for distribution to beneficiaries	**1,018**	1,200
Total inventory	**1,368**	1,577

The inventory for distribution to beneficiaries comprises tents and disaster packs in 2016 and malaria bed nets and disaster packs in 2015, purchased with donor contributions or received as gifts in kind, but not distributed to beneficiaries before 30 June.

Notes to combined financial statements (cont'd)

9. Property, plant and equipment and intangible assets

	Land and Buildings €000	Equipment €000	Tangible Assets €000	Intangible assets €000	Total €000
Cost					
Prior year					
1 July 2014	13,212	59,216	72,428	40,070	112,498
Additions	375	5,872	6,247	4,081	10,328
Disposals	(38)	(2,586)	(2,624)	(1,970)	(4,594)
Reclassification	(105)	87	(18)	18	-
Exchange adjustments	1,085	1,302	2,387	3,194	5,581
30 June 2015	**14,529**	**63,891**	**78,420**	**45,393**	**123,813**
Current year movements					
Additions	211	2,719	2,930	3,766	6,696
Disposals	-	(10,089)	(10,089)	(1,648)	(11,737)
Reclassification	6,654	(6,677)	(23)	23	-
Exchange adjustments	(372)	(1,722)	(2,094)	(3,679)	(5,773)
30 June 2016	**21,022**	**48,122**	**69,144**	**43,855**	**112,999**
Accumulated depreciation and amortisation					
Prior year					
1 July 2014	3,686	38,731	42,417	24,799	67,216
Charge for the year	922	7,547	8,469	4,708	13,177
Disposals	(35)	(2,577)	(2,612)	(1,970)	(4,582)
Reclassification	(93)	93	-	-	-
Exchange adjustments	456	753	1,209	1,882	3,091
30 June 2015	**4,936**	**44,547**	**49,483**	**29,419**	**78,902**
Current year movements					
Charge for the year	855	4,710	5,565	5,539	11,104
Disposals	-	(6,531)	(6,531)	(1,580)	(8,111)
Reclassification	2,281	(2,281)	-	-	-
Exchange adjustments	(84)	(1,190)	(1,274)	(2,861)	(4,135)
30 June 2016	**7,988**	**39,255**	**47,243**	**30,517**	**77,760**
Net book value:					
30 June 2016	**13,034**	**8,867**	**21,901**	**13,338**	**35,239**
30 June 2015	9,593	19,344	28,937	15,974	44,911

Included in intangible assets is €2 million (2015: €1 million) relating to internally generated software for internal use which is in the course of construction.

10. Accrued post employment benefits

Accrued post employment benefits represent Plan International's estimated obligation to employees who have an unconditional legal entitlement to termination benefits or to a payment on resignation either under local statute or their employment contract. The movement in the accrual during 2016 and 2015 is as follows:

	2016 €000	2015 €000
At 1 July	**28,182**	22,300
Total expense	**6,166**	13,580
Benefits paid	**(8,859)**	(7,698)
At 30 June	**25,489**	28,182

Notes to combined financial statements (cont'd)

11. Pension plans

a. Defined contribution pension plans

The majority of Plan International's pension arrangements for staff are defined contribution schemes. These schemes are governed by local statutory regulations and pension fund assets are held independently of Plan International's assets.

In 2016, 18 (2015: 16) defined contribution schemes exist in 15 (2015: 12) countries in which PI Inc or its subsidiaries operate. In addition, 15 (2015: 14) of Plan International's NOs operate defined contribution schemes.

Contributions to defined contribution pension plans in 2016 totalled €8 million (2015: €7 million) which are charged to expense as contributions fall due.

b. Defined benefit pension plans

2 member NOs, Plan International Netherlands and Plan International Norway operate defined benefit pension plans. Funding of the defined benefit pension plans is determined by local pension trustees in accordance with local statutory requirements and local actuarial advice. The trustees of the defined benefit pension plans consider that their plans are adequately funded. The amount recognised on the combined statement of financial position in respect of the defined benefit pension plans has been calculated on the basis described in accounting policy "1n. Non-current liabilities – pension obligations" by independent actuaries.

The amounts recognised in expenditure for the 2 defined benefit pension plans are as follows:

	2016 €000	2015 €000
Service cost	**789**	808
Interest cost on net defined liability	**16**	32
Management fees	**56**	122
Amendments / curtailments / settlements	**(191)**	-
Total	**670**	962

Expected contributions to the plans for the year ending 30 June 2017 are €1 million.

The amounts recognised in the combined statement of comprehensive income and expenditure are as follows:

	2016 €000	2015 €000
Remeasurements of the defined benefit obligation:		
Loss due to changes in demographic assumptions	**-**	(111)
Loss due to changes in financial assumptions	**(4,547)**	(1,637)
Gain due to experience	**353**	214
Return on plan assets excluding amounts included in interest income	**3,923**	1,584
Investment management cost	**(27)**	(26)
Total (loss) / gain	**(298)**	24

The movement in the net (liability) recognised in the combined statement of financial position for defined benefit pension plans is as follows:

	2016 €000	2015 €000
At 1 July	**(1,358)**	(1,400)
Total expense	**(670)**	(962)
Contributions paid	**1,008**	962
Remeasurements	**(298)**	24
Currency translation effect	**28**	18
At 30 June	**(1,290)**	(1,358)

The movement in the present value of the defined benefit obligation is as follows, all arising in plans that are wholly or partly funded:

	2016 €000	2015 €000
Defined benefit obligation		
At 1 July	**(18,012)**	(15,460)
Service cost	**(789)**	(808)
Interest cost	**(444)**	(482)
Transfers out	**314**	-
Payroll tax	**60**	58
Employee contributions	**(155)**	(106)
Remeasurements:		
Experience (losses) / gains	**353**	214
Loss due to changes in demographic assumption	**-**	(111)
(Loss) / gain due to changes in financial measurements	**(4,547)**	(1,637)
Benefits paid	**217**	224
Currency translation effect	**151**	96
At 30 June	**(22,852)**	(18,012)
Of which:		
Plan Netherlands pension plan	**(20,741)**	(15,788)
Plan Norway pension plan	**(2,111)**	(2,224)

The movements in the defined benefit pension plan assets at fair value are as follows:

	2016 €000	2015 €000
Defined benefit pension plan assets		
At 1 July	**16,654**	14,060
Interest income	**428**	450
Transfers out	**(123)**	-
Employer contributions	**1,008**	962
Payroll tax on employer contributions	**(60)**	(58)
Employee contributions	**155**	106
Benefits paid	**(217)**	(224)
Management fees	**(56)**	(122)
Remeasurement gain / (loss):		
Return on plan assets excluding amounts included in interest income	**3,896**	1,558
Currency translation effect	**(123)**	(78)
At 30 June	**21,562**	16,654
Of which:		
Plan Netherlands pension plan	**19,991**	14,821
Plan Norway pension plan	**1,571**	1,833

Notes to combined financial statements (cont'd)

The Plan International Netherlands pension funds were invested in an insurance policy at both 30 June 2016 and 2015. The percentage of the fair value of the Plan International Norway pension fund assets invested, by asset category at each year end was as follows:

Plan International Norway pension fund assets	2016	2015
Equities	9.5%	6.6%
Alternative investments	-	4.3%
Bonds	11.9%	14.0%
Money market	22.2%	24.0%
Hold to maturity bonds	32.3%	33.8%
Loans and receivables	16.9%	-
Real estate	6.5%	13.9%
Other	0.7%	3.4%
	100.0%	100.0%

Assumptions regarding future mortality experience are set based on advice in accordance with published statistics and experience in each country.

The range of other assumptions used in the actuarial valuations of the defined benefit pension plans are as follows:

	2016	2015
Plan International Netherlands pension plan		
Used to determine defined benefit obligations at year end:		
Discount rate for obligations	**1.4%**	2.5%
Rate of future salary increases	**1.5%**	1.5%
Rate of pension increase	**-**	1.4%
Rate of consumer price inflation	**1.9%**	1.9%
Number of members	**349**	349
Used to determine pension expense for the current year:		
Discount rate for obligations	**2.5%**	3.0%
Rate of future salary increases	**1.5%**	1.5%
Rate of pension increase	**1.4%**	1.4%
Rate of consumer price inflation	**1.9%**	2.0%
Plan International Norway pension plan		
Used to determine defined benefit obligations at year end:		
Discount rate for obligations	**2.7%**	2.9%
Rate of future salary increases	**2.5%**	2.8%
Rate of pension increase	**1.2%**	-
Payroll tax rate	**14.1%**	14.1%
Increase of social security base amount	**2.3%**	2.5%
Number of members	**72**	66
Used to determine pension expense for the current year:		
Discount rate for obligations	**2.9%**	4.0%
Rate of future salary increases	**2.8%**	3.8%
Rate of pension increase	**-**	1.6%
Payroll tax rate	**14.1%**	14.1%
Increase of social security base amount	**2.5%**	3.5%

The following table illustrates the sensitivity of the defined benefit obligation and the projected expense to changes in discount rate assumptions in 2016 and 2015:

Plan International Netherlands pension plan - 2016 Discount rate sensitivity	Assumption	Defined Benefit Obligation at year end €'000	Net Interest on Net Defined Benefit Liability at 1 July €'000	Service Cost including Administration cost €'000
Discount rate	1.4%	20,741	6	740
Discount rate + 0.5%	1.9%	18,373	5	614
Discount rate – 0.5%	0.9%	23,521	5	892

Plan International Netherlands pension plan - 2015 Discount rate sensitivity	Assumption	Defined Benefit Obligation at year end €'000	Net Interest on Net Defined Benefit Liability at 1 July €'000	Service Cost including Administration cost €'000
Discount rate	2.5%	15,788	19	682
Discount rate + 0.5%	3.0%	14,089	18	589
Discount rate – 0.5%	2.0%	17,770	18	794

Plan International Norway pension plan - 2016 Discount rate sensitivity	Assumption	Defined Benefit Obligation at year end €'000	Net Interest on Net Defined Benefit Liability at 1 July €'000	Service Cost including Administration cost €'000
Discount rate	2.7%	2,111	58	501
Discount rate + 0.5%	3.2%	1,811	58	372
Discount rate – 0.5%	2.2%	2,469	55	501

Plan International Norway pension plan - 2015 Discount rate sensitivity	Assumption	Defined Benefit Obligation at year end €'000	Net Interest on Net Defined Benefit Liability at 1 July €'000	Service Cost including Administration cost €'000
Discount rate	2.9%	2,224	65	479
Discount rate + 0.5%	3.4%	2,100	66	424
Discount rate – 0.5%	2.4%	2,690	62	544

The following tables illustrate the sensitivity of the defined benefit obligation to changes in life expectancy assumptions:

Impact on Defined Benefit Obligation (DBO) of a change in life expectancy - in 2016	Change in DBO Plan Netherlands	Change in DBO Plan Norway
Increase by 1 year	Increase by 3.8%	Increase by 4.1%
Decrease by 1 year	Decrease by 3.8%	Decrease by 3.7%

Impact on Defined Benefit Obligation (DBO) of a change in life expectancy - in 2015	Change in DBO Plan Netherlands	Change in DBO Plan Norway
Increase by 1 year	Increase by 3.2%	Increase by 2.8%
Decrease by 1 year	Decrease by 3.3%	Decrease by 2.4%

The sensitivity analyses for the defined benefit pension plans above are based on a change in assumption whilst holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may occur together. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation, calculated using the projected unit credit method at the end of the reporting period) has been applied, as is used to calculate the pension liability recognised within the combined statement of financial position.

c. Other pension plans

In addition to Plan International's defined contribution schemes explained in note 11a and the 2 NO defined benefit schemes explained in note 11b, Plan International pays social security contributions to statutory government pension or social security schemes, which provide varying levels of post retirement benefit, in a further 31 (2015: 31) PI Inc countries and a further 1 (2015: 4) NO countries. Including these, there is some level of post retirement benefit to which Plan International contributes in 91% of the countries in which Plan International operates.

12. Provisions for other liabilities and charges

Provisions for other liabilities and charges are as follows:

	2016 €000	2015 €000
Split interest trusts	**309**	305
Building lease incentive	**2,405**	3,015
Other	**1,295**	223
Total provisions for other liabilities and charges	**4,009**	3,543

	Split interest trust €000	**Lease incentive €000**	**Other €000**	**Total €000**
At 1 July 2015	305	3,015	223	3,543
Additional provisions	2	-	1,135	1,137
Used during the year	-	(1,060)	-	(1,060)
Unused amounts reversed	-	-	(29)	(29)
Currency translation effects	2	450	(34)	418
At 30 June 2016	**309**	**2,405**	**1,295**	**4,009**

The split interest trust is an arrangement whereby a donor contributes assets in exchange for a promise from Plan International to pay the donor a fixed amount for a specified period of time and the related liability is shown as a provision. The lease incentive represents property lease incentives that are being released against rental expenditure over the life of the lease. At 30 June 2016, accrued staff termination benefits are included within other.

13. Contingencies and commitments

a. Contingent liabilities

Plan International is involved in various legal and employment taxation disputes, the outcome of which is uncertain. The best current estimation of the maximum potential impact on Plan International's financial position is €13 million (2015: €7 million) in aggregate.

b. Capital commitments

Contracts for capital expenditure not provided in the financial statements amount to approximately €0 million (2015: €1 million).

c. Operating leases

Plan International's combined rent expense for the year was €17 million (2015: €17 million). Plan International has non-cancellable operating leases for buildings occupied by several NOs, PI Inc and Plan Ltd. Lease terms vary by location. Total future minimum operating lease payments under leases existing as at 30 June are as follows:

	At 30 June 2016			At 30 June 2015		
	Rent €000	Other operating leases €000	**Total €000**	Rent €000	Other operating leases €000	Total €000
Within 1 year	11,940	888	**12,828**	13,413	316	13,729
Between 1 and 5 years	23,967	3,025	**26,992**	28,247	801	29,048
After 5 years	11,618	557	**12,175**	16,777	-	16,777

14. Related parties

Hilfe mit Plan is an independent foundation, registered in Germany that administers a number of trust foundations that are not part of Plan International. As one of its directors is also on the Board of Plan Germany, Hilfe mit Plan is considered to be a related party of Plan International Germany.

In 2012, Hilfe mit Plan purchased the building that was partly occupied by Plan International Germany and completed its refurbishment in 2013. Rent income from Plan International Germany is providing a steady source of income for Hilfe mit Plan. Space is also rented occasionally to other organisations, particularly other non-governmental organisations, mainly through use of meeting and events facilities. Plan International Germany has secured rent predictability and cost stability for future years through the arrangement. Plan International Germany paid rentals of €0.5 million (2015: €0.5 million) to Hilfe mit Plan.

During the year Plan International Germany donated €0.3 million (2015: €0.8 million) to Hilfe mit Plan. During the year, Hilfe mit Plan purchased land and intends to build an office building on the site and rent it out to Plan International Germany in FY18.

Plan International Germany received donations of €2.6 million (2015: €1.9 million) from Hilfe mit Plan and its independent trusts for development programmes. There were no amounts owing to or from Hilfe mit Plan at 30 June 2016 or 30 June 2015.