

# You + Plan = A brighter future for impoverished children worldwide

ANNUAL FINANCIALS 2007



Plan works with children, their families and communities in all aspects of their well-being – health, education, habitat and livelihood – to ensure lasting change.

Founded in 1937 as Foster Parents Plan



**Plan**

Be part of something extraordinary

# Plan International Canada Inc. and Plan Worldwide Financial

## SUMMARIZED BALANCE SHEETS

(THOUSANDS OF CANADIAN DOLLARS)

	PLAN INTERNATIONAL CANADA INC. <sup>1,2</sup> AS AT JUNE 30		PLAN INTERNATIONAL WORLDWIDE <sup>1,2,3</sup> AS AT JUNE 30	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>				
Current Assets	9,857	4,419	186,077	163,491
Investments	1,560	8,596	29,747	37,017
Balance due from Plan International, Inc.	1,477	–	–	–
Equipment	1,602	934	32,137	25,176
<b>TOTAL ASSETS</b>	<b>14,496</b>	<b>13,949</b>	<b>247,961</b>	<b>225,684</b>
<b>LIABILITIES</b>				
Deferred Revenue	10,439	9,947	–	–
Accounts Payable and Accrued Expenses	1,239	784	61,609	58,738
Deferred Lease Amounts	181	155	–	–
Balance due to Plan International, Inc.	–	1,190	–	–
<b>TOTAL LIABILITIES</b>	<b>11,859</b>	<b>12,076</b>	<b>61,609</b>	<b>58,738</b>
<b>NET ASSETS/FUND BALANCES <sup>1,2</sup></b>				
Unrestricted Funds	51	–	91,413	66,694
Temporarily Restricted Funds	–	–	80,051	85,908
Endowment Funds	984	939	14,888	14,344
Net Investment in Equipment	1,602	934	–	–
<b>TOTAL NET ASSETS/FUND BALANCES</b>	<b>2,637</b>	<b>1,873</b>	<b>186,352</b>	<b>166,946</b>
<b>TOTAL LIABILITIES AND NET ASSETS/FUND BALANCES</b>	<b>\$14,496</b>	<b>\$13,949</b>	<b>\$247,961</b>	<b>\$225,684</b>

## AUDITORS' REPORT ON SUMMARIZED FINANCIAL STATEMENTS

To the Directors of Plan International Canada Inc.

The accompanying summarized balance sheet and statement of support, revenue, expenditures and changes in net assets are derived from the complete financial statements of Plan International Canada Inc. as at June 30, 2007 and for the year then ended on which we expressed an opinion without reservation in our report dated November 16, 2007. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of the Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position, results of operation and cash flows, reference should be made to the related complete financial statements.

*PricewaterhouseCoopers LLP*

Chartered Accountants, Licensed Public Accountants  
Toronto, Canada  
November 16, 2007

# Statements

## SUMMARIZED STATEMENTS OF SUPPORT, REVENUE, EXPENDITURES AND CHANGES IN NET ASSETS

(THOUSANDS OF CANADIAN DOLLARS)	PLAN INTERNATIONAL CANADA INC. <sup>1,2</sup> AS AT JUNE 30				PLAN INTERNATIONAL WORLDWIDE <sup>1,2,3</sup> AS AT JUNE 30			
	2007		2006		2007		2006	
<b>PUBLIC SUPPORT AND REVENUE</b>								
Public Support and Government Grants	76,599		68,406		628,439		599,424	
Investment Income	657		635		5,231		5,512	
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>77,256</b>		<b>69,041</b>		<b>633,670</b>		<b>604,936</b>	
<b>EXPENDITURES</b>		%		%		%		%
International Program Services	56,982		54,147		490,238		538,081	
Canadian Program Services	2,894		2,213		2,894		2,213	
Total Program Expenditures <sup>4</sup>	78.2 59,876		81.5 56,360		81.0 493,132		82.4 540,294	
Fundraising	13.3 10,150		10.8 7,435		9.8 59,948		8.9 58,052	
Operating	8.5 6,541		7.7 5,352		9.2 56,084		8.7 57,069	
<b>TOTAL EXPENDITURES</b>	<b>100.0 76,567</b>		<b>100.0 69,147</b>		<b>100.0 609,164</b>		<b>100.0 655,415</b>	
<b>EXCESS OF PUBLIC SUPPORT AND REVENUE OVER EXPENDITURES</b>	689		(106)		24,506		(50,479)	
<b>NET ASSETS <sup>1,2</sup></b>								
Beginning of Year as previously stated	1,873		1,974		166,946		243,190	
Prior year adjustment	—		—		—		—	
Beginning of Year restated	1,873		1,974		166,946		243,190	
Endowment Contribution	24		5		—		—	
Translation Adjustment	—		—		(5,455)		(18,889)	
Unrealized Gain (Loss) on Foreign Exchange	—		—		355		(6,876)	
Unrealised Gain/(loss) on Investments	51		—		—		—	
<b>NET ASSETS – END OF YEAR</b>	<b>\$2,637</b>		<b>\$1,873</b>		<b>\$186,352</b>		<b>\$166,946</b>	

### NOTES TO SUMMARIZED FINANCIAL STATEMENTS

- The summarized financial statements of Plan International Canada Inc. are reported using the deferral method, consistent with Canadian generally accepted accounting principles. Under the deferral method, restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Endowment contributions are recognized as direct increases to net assets.
- Plan International Canada Inc. is a member of Plan International Worldwide (Plan), a non-profit international child-centred development organization. Plan is comprised of 20 legal entities that include 17 National Organizations, and Plan International, Inc., (located in the United States), Plan Limited, (located in the United Kingdom) and Plan International Brasil. The National Organizations raise funds and build relations between sponsors and sponsored children. Plan International, Inc. utilizes these funds raised by National Organizations for programs benefiting children, their families and communities in 49 Program Countries. Plan Limited, the subsidiary of Plan International, Inc., provides central services to the 49 Program Countries and National Organizations. Plan International, Inc. is controlled jointly by the National Organizations, each of which is an independent entity. Therefore, Plan International Worldwide combined financial statements represent the combined transactions of the National Organizations, Plan International, Inc., and Plan Limited, which are prepared using consistent accounting policies in accordance with International Accounting Standards. These statements recognize restricted contributions and endowment contributions as revenue in the period in which the contributions are received.
- Plan International Worldwide combined financial statements have been audited by PricewaterhouseCoopers LLP, (United Kingdom), whose report thereon was dated December 3, 2007. The Worldwide figures are translated from U.S. dollars into Canadian dollars at the year end exchange rate 1.0654 (2006 - 1.1162), except for the opening net asset amount which is translated at the prior year-end exchange rate giving rise to a translation adjustment.
- Program Expenditures – International Program services represent funds expended in Plan's five program domains: Growing Up Healthy, Learning, Habitat, Livelihood and Building Relationships. Canadian program services include costs incurred in Canada toward the goal of enhancing cross-cultural awareness and understanding, as well as expenditures related to the Global Education program.

For a complete copy of Plan International Canada Inc. or Plan International Worldwide combined audited financial statements, please visit [plancanada.ca/aboutplan](http://plancanada.ca/aboutplan), call us at 1-800-387-1418 or write to our Toronto office.

## How donations flow to communities

Funds raised in Canada and by Plan worldwide are used to support child-centred, community development projects designed to benefit children, their families and communities.

Child sponsorship contributions and general donations are pooled centrally and transferred to Plan offices in countries where we work (Program Countries) to support projects that improve life for all children living in the community. Decisions on how to use these funds are based on strategic plans prepared by Program Country staff in consultation with children, their families and communities – and, where appropriate, with local governments and partner organizations. Designated contributions are directed to the specific program indicated by the donor.

On average, Plan Canada spends about 80% of revenue on planning, implementing, supervising and reporting on programs within the areas of health, learning, habitat, livelihood and building relationships. The remaining 20% is spent on operating and fundraising costs. These percentages may fluctuate from year to year.

## How money is spent worldwide

Spending is divided into three broad categories:

### **Program – 81%**

This refers to the cost of planning, implementing, supervising, evaluating and reporting on projects in Program Countries, and related salaries.

Program also refers to:

- Program Support, which includes program staff, travel and equipment for program purposes
- National Organizations, which includes program expenditures within donor countries, such as development education and school programs
- Field Administration, which includes rent, utilities, accounting and auditing staff, communications, technology and training.

### **Fundraising – 9.8%**

The cost of generating funds includes marketing costs and related salaries to attract and retain donors.

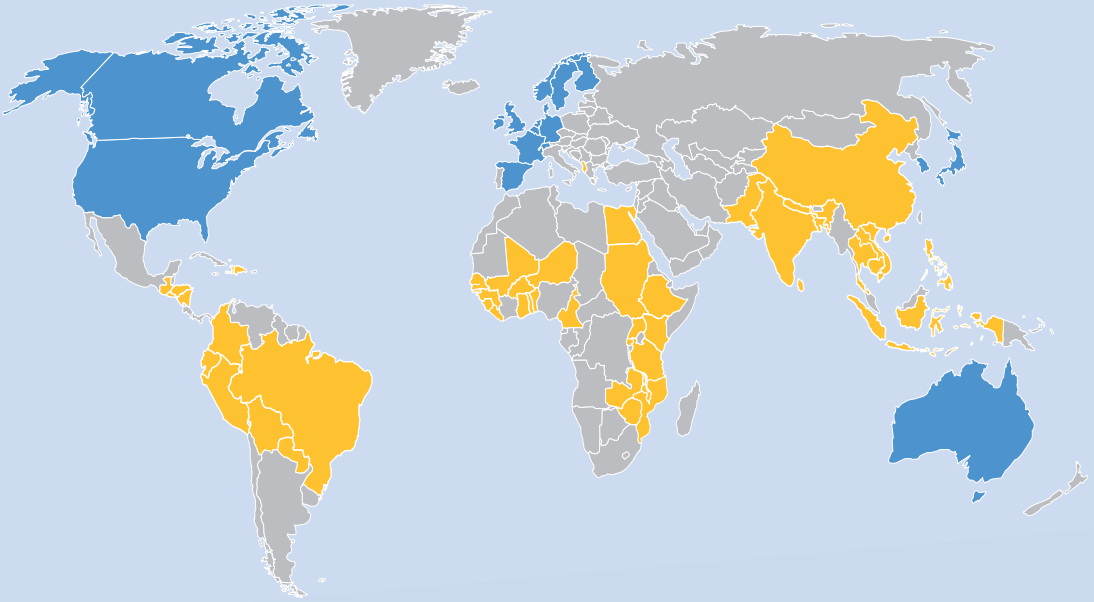
### **Operating – 9.2%**

This includes the costs of handling the funds received from donors, communicating with donors, rent, external auditors and related salaries.

# Worldwide Structure

Plan Canada is part of the international organization Plan, founded in 1937 as Foster Parents Plan.

Today, Plan works with donors and funding partners in 17 countries, and carries out programs to benefit children, their families and communities in 49 developing countries.



### Program Countries

- Albania
- Bangladesh
- Benin
- Bolivia
- Brazil
- Burkina Faso
- Cambodia
- Cameroon
- China
- Colombia
- Dominican Republic
- East Timor
- Ecuador
- Egypt
- El Salvador
- Ethiopia
- Ghana
- Guatemala
- Guinea
- Guinea Bissau
- Haiti
- Honduras
- India
- Indonesia
- Kenya

- Laos
- Liberia
- Malawi
- Mali
- Mozambique
- Nepal
- Nicaragua
- Niger
- Pakistan
- Paraguay
- Peru
- Philippines
- Rwanda
- Senegal
- Sierra Leone
- Sri Lanka
- Sudan
- Tanzania
- Thailand
- Togo
- Uganda
- Vietnam
- Zambia
- Zimbabwe

### National Organizations

- Australia
- Belgium
- Canada
- Denmark
- Finland
- France
- Germany
- Ireland
- Japan
- The Netherlands
- Norway
- Republic of Korea
- Spain
- Sweden
- Switzerland
- United Kingdom
- United States



## Canadian Board of Directors (as of June 30, 2007)

### Chairman

Benoit La Salle  
President  
Semafo Inc.  
St. Laurent, Quebec

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John C. Bonnycastle  
Chief Financial Officer, Retired  
Beaufort Insurance Group  
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Ottawa, Ontario

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Chief Financial Officer  
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Royal Bank  
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# Plan

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