

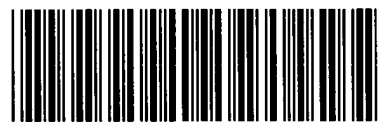
Development Works Ltd

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 30 June 2020

Company Number: 11693908

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Legal and administrative details

DIRECTORS

Jane French (Chair)
Simon Bishop
Rose Caldwell (appointed 20 September 2019)
William Cunningham (resigned 24 July 2020)
Tanya Barron (resigned 20 September 2019)
James Endersby (resigned 28 September 2020)
John Kerr (resigned 28 September 2020)
Richard Laing (resigned 2 October 2020)
Tim Samaranyake (resigned 15 September 2020)

REGISTERED OFFICE

Finsgate
5-7 Cranwood Street
London
England
EC1V 9LH

Tel: 020 7482 9777
Fax: 020 7482 9778

COMPANY REGISTERED NUMBER

11693908

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

SOLICITORS

Russell-Cooke LLP
2 Putney Hill
London
SW15 6AB

BANKERS

Barclays Bank PLC
Church Street East
Woking
GU21 1AE

Directors' report for the year ended 30 June 2020

The Directors present their report and the audited financial statements of the company for the year from 1 July 2019 to 30 June 2020.

In preparing this directors' report, advantage has been taken of the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Organisation and purpose

Development Works Ltd ('the company') is a private limited company, incorporated in England and Wales (company no. 11693908). It is limited by shares and is a wholly-owned subsidiary of Plan International UK (referred to as Plan International (UK)) which is a registered charity (charity no. 276035). Plan International (UK) is also a company limited by guarantee in the UK (company no. 1364201).

Plan International UK is one of 20 national organisations within the Plan International family that work with Plan International Inc, a not-for-profit organisation incorporated in the USA, whose members are the Plan International national organisations.

Plan International is an international development organisation that works with children, families and communities. We strive for a just world that advances children's rights and equality for girls.

Plan International predominantly funds this work by raising sponsorship and other funds from individual donors and raising institutional grants from official bodies such as governments and multilateral agencies (e.g. the European Commission and the United Nations), and also by raising grants from corporates, trusts and foundations.

The company was incorporated as a new subsidiary company of Plan International UK on 23 November 2018 to carry out international development contracts and other non-primary purpose trading activities on behalf of Plan International UK.

The company's taxable profits in the year ended June 2020 were donated partially to Plan International UK, with the remainder to be donated within 9 months of the financial year end.

Results

The statement of income and retained earnings is set out on page 10 and shows the result for the financial year.

£915 has been donated to Plan International UK for the year ended 30 June 2020, all of which was paid by 30 June 2020.

Principal activities, trading review and future developments

In the year there was no trading activity and therefore no income through the company. Cost of sales are in credit due to invoices for prior year consultancy fees being marginally lower than the year-end accrual in FY19. Administrative expenses include the FY20 statutory audit fee and costs associated with the corporation tax return, partly offset by a realised forex gain.

The main activity of the company was to bid for and carry out international development contracts and other non-primary purpose trading activities on behalf of Plan International UK. The company intends to increase revenue and profit by winning and delivering large multi-year contracts from donors (e.g. the British government) whilst also exploring new revenue streams and partnerships.

Going concern

Development Works Ltd has modest administration and overhead costs consisting of audit and regulatory costs. Development Works Ltd is a trading subsidiary of Plan International UK and is used to manage Plan International UK commercial contracts for which any associated staff costs will be cross charged from Plan International UK. The subsidiary has sufficient working capital following a share issue and purchase of shares by Plan International UK in the prior year and can, therefore, be considered a going concern.

The directors are satisfied that it is appropriate for the financial statements to be prepared on a going concern basis.

Financial risk management

Liquidity and interest rate risk

The company maintains a cash balance to ensure it can meet its obligations as and when they fall due. Interest is earned on this cash balance at a floating rate of interest.

Currency risk

All of Development Works Ltd's transactions are denominated in either sterling or euros, and therefore the company does not anticipate significant currency risks. The purchasing power of funds transferred by Development Works Ltd to implementing partners, including Plan International Inc, is affected by the strength of the donor currency against the local currencies in the countries in which those funds are spend. The risk is managed by the implementing partners. Development Works Ltd does not enter into foreign exchange contracts for speculative reasons.

Credit risk

The company does not have a significant credit risk exposure with any third parties.

Directors

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

Jane French (Chair)
Simon Bishop
Rose Caldwell (appointed 20 September 2019)
Tanya Barron (resigned 20 September 2019)
William Cunningham (resigned 31 July 2020)
Tanya Barron (resigned 20 September 2019)
James Endersby (resigned 28 September 2020)
John Kerr (resigned 28 September 2020)
Richard Laing (resigned 2 October 2020)
Tim Samaranyake (resigned 15 September 2020)

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Independent auditors

The directors appointed PricewaterhouseCoopers LLP as independent auditors for the year ended 30 June 2020 but the directors do not intend to re-appoint them the following financial year, and it is expected a tender process will take place during the year.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

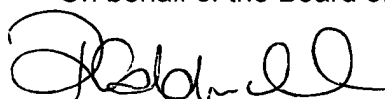
The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

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
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board of Directors



Rose Caldwell
Director

13 October 2020

Independent auditors' report to the members of Development Works Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Development Works Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2020; the statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material

uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

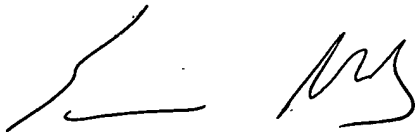
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to prepare financial statements in accordance with the small companies regime. We have no exceptions to report arising from this responsibility.



Simon Morley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

13 October 2020

Statement of income and retained earnings for the year ended 30 June 2020

Development Works Ltd
 Company Number: 11693908

	Note	2020 Total £	2019 Restated Total £
Turnover	2	-	161,619
Cost of sales		1,308	(39,753)
Gross Profit		1,308	121,866
Administrative expenses		(36)	(7,680)
Profit before taxation and gift aid		1,272	114,186
Tax charge on profit	6	(242)	(21,695)
Tax relief in respect of gift aid	6	242	21,695
Profit after tax for the year		1,272	114,186
Retained earnings at the beginning of the financial year		-	-
Profit for the financial year		1,272	114,186
Change in accounting policy – payment to parent charity made under the gift aid scheme		(915)	(114,186)
Retained earnings at the end of the financial year		357	-

All income and expenditure relates to continuing operations.

All comprehensive income in the current year is included in the statement of income and retained earnings. There is no material difference between the profit before taxation and the profit for the financial year as stated above and their historical cost equivalents.

The restatement relates to a change in accounting policy that reflects an amendment to FRS102. Please see note 1(d)

There is no taxation charge for the year.

The notes on pages 12 to 16 form part of these financial statements.

Balance sheet as at 30 June 2020


Development Works Ltd
Company Number: 11693908

	Note	2020 Total £	2019 Total £
Current assets			
Debtors	7	357	99,755
Cash at bank and in hand		252,786	166,278
		<u>253,143</u>	<u>266,033</u>
Creditors: amounts falling due within one year	8	(2,785)	(16,032)
Net assets		<u>250,358</u>	<u>250,001</u>
Capital and reserves			
Called up share capital	9	25,001	25,001
Share premium account		225,000	225,000
Retained earnings		357	-
Total shareholders' funds	10	<u>250,358</u>	<u>250,001</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 12 to 16 form part of these financial statements.

The financial statements on pages 10 to 16 were approved by the Board of Directors on 14 September 2020 and signed on its behalf by:



Rose Caldwell
Director

13 October 2020

Notes to the financial statements for the year ended 30 June 2020

1. Principal accounting policies

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the company's financial statements.

a) Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, including UK Generally Accepted Accounting Practice (Financial Reporting Standard 102 (FRS 102)). There are no material departures from FRS 102 in these financial statements.

b) Turnover

Turnover represents the amount invoiced to customers for international development commercial contracts. The contractual income is included on an accruals basis and is recognised upon contractual terms being met.

c) Cost of sales

Cost of sales represents the staff and consultant costs of delivering the contracts and include staff costs for Plan International UK employees that worked on the contracts that were recharged to the company.

d) Donations and change in accounting policy

The company has adopted a policy of paying all its taxable profits to its parent charity, Plan International UK, under Gift Aid. These Gift Aid payments are recognised in the company as a distribution through equity to the parent company in the financial year in which the profits are paid over.

FRS 102 and the Charity SORP requires gift aid payments from a trading subsidiary to its charitable parent to now be accounted for as a distribution to the charity. As a distribution, it should be recognised as a movement in equity rather than expenditure. As at 30 June 2019, this amendment was not required to be adopted and this therefore represents a change in accounting policy for the year ended 30 June 2020 and the 2019 comparatives have been restated accordingly.

e) Cash flow statement

As a member of a group where the parent prepares publicly available consolidated financial statements, the company is a qualifying entity for the purposes of FRS 102 and has taken advantage of exemption from the requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).

f) Related Party Transactions

The company is a wholly-owned subsidiary of Plan International UK. The related party transactions with the parent company are disclosed in Note 11. The company's financial

statements are consolidated into the financial statements of Plan International UK.

g) Going Concern

Development Works Ltd has modest administration and overhead costs consisting of audit and regulatory costs. Development Works is a trading subsidiary of Plan International UK and is used to manage Plan International UK's commercial contracts for which any associated staff costs will be cross charged from Plan International UK. The subsidiary has sufficient working capital following a share issue and purchase of shares by Plan International UK in the prior year. The financial statements have therefore been prepared on a going concern basis.

h) Functional currency

Transactions in foreign currencies are recorded at the monthly book rate at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange at the balance sheet date. All exchange differences are taken to the profit and loss account.

i) Judgements and estimates

There are no areas in which management have made estimates or made accounting judgements.

2. Turnover

	2020	2019
	Total	Total
	£	£
Overseas Development Institute	-	45,953
Plan International Germany	-	28,916
Plan International Netherlands	-	86,750
	<u>-</u>	<u>161,619</u>

3. Profit before taxation

The profit before taxation of £1,272 (2019: £nil) is stated after charging services provided by the company's auditors:

	2020	2019
	Total	Total
	£	£
Fees payable for the audit	3,570	6,600
iXBRL tagging	1,000	-

4. Directors' remuneration

None of the Directors received any remuneration for their services to the company during the year (£nil in the period ended 30 June 2019).

5. Employee information

There were no permanent staff employed by the company during the year (no staff in the period ended 30 June 2019). No support services were received from the staff of Plan International UK during the year (£12,075 in the period ended 30 June 2019).

6. Tax on profit

The company's taxable profits are donated to Plan International UK, the parent charity. The standard corporation tax rate of 19% is chargeable on taxable profits but after amounts donated to Plan International UK. The profit before tax for the year ended 30 June 2020 is £1,272 (2019: £nil). A payment of £915 was made to Plan International UK during the year ended 30 June 2020 (£114,186 during the year ended 30 June 2019). The amount of £357 will be donated to Plan International UK within 9 months of the financial year end and therefore there will be no taxable profit resulting in no tax charge or liability for the year ended 30 June 2020 (2019: £nil).

7. Debtors

	2020	2019
	Total	Total
	£	£
Trade debtors	-	99,755
VAT receivable	357	-
	<u>357</u>	<u>99,755</u>

8. Creditors: Amounts falling due within one year

	2020	2019
	Total	Total
	£	£
Accruals and deferred income	2,785	16,032
	<u>2,785</u>	<u>16,032</u>

9. Called up share capital

	2020	2019
	Total	Total
	£	£
Authorised £1 Ordinary Shares	25,001	25,001
Allotted, issued and fully paid £1 ordinary shares	25,001	25,001

10. Reconciliation of movements in total shareholders' funds

	2020	Restated 2019
	Total	Total
	£	£
Opening position on the statement of income and retained earnings	-	-
Profit for the financial year	1,272	114,186
Gift aid distribution	(915)	(114,186)
Share capital	-	25,001
Share premium	-	225,000
Opening shareholders' funds	250,001	-
Closing shareholders' funds	<u>250,358</u>	<u>250,001</u>

No ordinary shares were issued in the year ended 30 June 2020 (25,001 in the period ended 30 June 2019). The restatement is described in note 1(d).

11. Ultimate parent undertaking and controlling party

The controlling party and ultimate parent undertaking is Plan International UK.

Plan International UK is a charitable company limited by guarantee registered in England and Wales. Transactions with the parent company are listed below.

Plan International UK incurred costs of £nil that were recharged to Development Works Limited for staff time (£12,075 in the period ended 30 June 2019).

Party	Nature of Relationship	Transaction	Income for the year ended 30 June 2020	Gift aid for the year ended 30 June 2020	Debtor balance as at 30 June 2020	Creditor balance as at 30 June 2020
			£	£	£	£
Plan International (UK)	Parent company	The company's taxable profits are donated to Plan International (UK)	-	915	-	-

The financial statements of the company are included in the consolidated financial statements of Plan International UK (the only company to consolidate Development Works Limited's financial statements in its statutory accounts), a copy of which may be obtained from Plan International UK, Finsgate, 5-7 Cranwood Street, London EC1V 9LH or the website www.plan-uk.org.