

Plan International Canada Inc.

Financial Statements

June 30, 2025

(in thousands of Canadian dollars)



Independent auditor's report

To the Board of Directors of Plan International Canada Inc.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Plan International Canada Inc. (the Organization) as at June 30, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at June 30, 2025;
- the statement of operations for the year then ended;
- the statement of net assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's 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 are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



In preparing the financial statements, management is responsible for assessing the Organization'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 management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
November 20, 2025

Plan International Canada Inc.

Statement of Financial Position

As at June 30, 2025

(in thousands of Canadian dollars)

	Note	2025	2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		41,821	36,526
Short-term investments	4	2,807	3,715
Receivables and prepayments		15,362	14,010
Receivable from Plan International, Inc.	11	10,273	15,598
Gifts-in-kind inventory		1,022	9,981
		<u>71,285</u>	<u>79,830</u>
Long-term investments	4	23,795	19,223
Investment in subsidiary	3	31	-
Capital assets	5	806	1,505
		<u>95,917</u>	<u>100,558</u>
Liabilities			
Current liabilities			
Advance payments by donors		2,396	2,362
Undisbursed designated contributions	6	10,205	14,688
Undisbursed grants	7	48,516	49,355
Accounts payable and accrued liabilities		11,470	8,983
Deferred lease inducements		90	242
		<u>72,677</u>	<u>75,630</u>
Investment in subsidiary	3	-	123
Deferred lease inducements		314	592
		<u>72,991</u>	<u>76,345</u>
Net Assets			
Restricted for endowment purposes		3,874	3,807
Invested in capital assets		401	670
Unrestricted		18,651	19,736
		<u>22,926</u>	<u>24,213</u>
		<u>95,917</u>	<u>100,558</u>

Commitments

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Approved by the Board of Directors



Director



Director

Plan International Canada Inc.
Statement of Operations
For the year ended June 30, 2025

(in thousands of Canadian dollars)

	Note	2025	2024
		\$	\$
Public support and revenue			
Government and other grants	7, 9	174,024	135,717
Gifts-in-kind	7, 10, 11	39,543	20,640
Child sponsorship income		55,212	56,950
Contributions, gifts and bequests	6	36,730	40,866
Investment and other income		2,360	3,054
		<u>307,869</u>	<u>257,227</u>
Expenditures			
Program services	11, 14	262,486	213,980
Fundraising	14	31,724	27,803
Operating costs	14	16,679	15,558
		<u>310,889</u>	<u>257,341</u>
Deficit of public support and revenue over expenditures for the year before the undernoted		<u>(3,020)</u>	<u>(114)</u>
Other income (expense)			
Gain (loss) on investment in subsidiary		154	(78)
Change in fair value of investments		1,512	1,394
		<u>1,666</u>	<u>1,316</u>
(Deficit) surplus of public support and revenue over expenditures for the year		<u>(1,354)</u>	<u>1,202</u>

Plan International Canada Inc.
Statement of Net Assets
For the year ended June 30, 2025

(in thousands of Canadian dollars)

	Amount			
	Restricted for endowment purposes	Invested in capital and intangible assets	Retained earnings	Total
	\$	\$	\$	\$
Balance - July 1, 2023	3,786	937	18,267	22,990
Surplus of public support and revenue over expenditures for the year	-	-	1,202	1,202
Endowment fund contributions	21	-	-	21
Amortization of capital assets	-	(528)	528	-
Amortization of intangible assets	-	(8)	8	-
Amortization of deferred lease inducements invested in capital assets	-	242	(242)	-
Purchase of capital assets	-	27	(27)	-
Balance - June 30, 2024	3,807	670	19,736	24,213
Balance - July 1, 2024	3,807	670	19,736	24,213
Deficit of public support and revenue over expenditures for the year	-	-	(1,354)	(1,354)
Endowment fund contributions	67	-	-	67
Amortization of capital assets	-	(35)	35	-
Amortization of deferred lease inducements invested in capital assets	-	430	(430)	-
Purchase of capital assets	-	141	(141)	-
Capital assets written off	-	(805)	805	-
Balance - June 30, 2025	3,874	401	18,651	22,926

Plan International Canada Inc.
Statement of Cash Flows
For the year ended June 30, 2025

(in thousands of Canadian dollars)

	Note	2025 \$	2024 \$
Cash provided by (used in)			
Operating activities			
Deficit of public support and revenue over expenditures for the year		(1,354)	1,202
Items not affecting cash			
Change in fair value of investments		(1,512)	(1,394)
(Gain) loss on investment in subsidiary		(154)	78
Amortization of capital assets		35	528
Amortization of intangible assets		-	8
Amortization of deferred lease inducements		(430)	(242)
Capital assets written off		805	-
		(2,610)	180
Changes in non-cash working capital items	13	10,130	(15,755)
		7,520	(15,575)
Investing activities			
Purchase of capital assets		(141)	(27)
Proceeds from sale of investments		17,048	10,570
Purchase of investments		(19,199)	(12,234)
		(2,292)	(1,691)
Financing activities			
Endowment fund contributions		67	21
Increase (decrease) in cash and cash equivalents during the year		5,295	(17,245)
Cash and cash equivalents - Beginning of year		36,526	53,771
Cash and cash equivalents - End of year		41,821	36,526
Cash and cash equivalents consist of			
Cash		41,708	36,493
Cash in investment funds		113	33
		41,821	36,526

(in thousands of Canadian dollars)

1. Organization and purpose

Plan International Canada Inc. (Plan Canada or the Organization) has been a member of the Plan International global federation (Plan International) since 1968. Plan Canada is a not-for-profit corporation, federally incorporated without share capital and granted status as a registered charity under the Income Tax Act (Canada), and continued under the Canada Not-for-profit Corporations Act on September 18, 2014.

Plan International is a global movement for change, mobilizing millions of people around the world to support social justice for children in developing countries. Founded in 1937, Plan International is one of the world's oldest and largest international development agencies, working in partnership with millions of people around the world to end global poverty. In fiscal 2023, Plan International strengthened its role in humanitarian work. Plan International is not-for-profit, independent and inclusive of all faiths and cultures. Plan International's mission is to advance children's rights and equality for girls.

Plan International comprises different legal entities operating in many countries around the world under the Plan name and brand, comprising Plan International, Inc. (a New York State not-for-profit corporation with 501(c)(3) tax exempt status) and its 20 members (known as the National Organizations). Plan International, Inc. operates its international headquarters in the United Kingdom through its UK subsidiary company, Plan Limited.

The National Organizations (located in Australia, Belgium, Brazil, Canada, Colombia, Denmark, Finland, France, Germany, Hong Kong, India, Indonesia, Ireland, Italy, Japan, Korea, Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom and the United States of America) all have a child sponsorship fundraising model. Most National Organizations also raise funds through additional fundraising channels that include individual, corporate and institutional engagement. For example, Plan Canada also raises significant funds through grants, project and community sponsorship, as well as individual/corporate donations and Gifts of Hope. The National Organizations in Brazil, India, Indonesia and Colombia raise funds primarily through grants and individual/corporate donations and also carry out development programs in their respective jurisdictions.

National Organizations transfer funds to Plan International, Inc., which is responsible for implementing programs in developing countries through its country offices. Plan Canada uses its available sponsorship funds to purchase services from Plan International, Inc. to carry out and support Canadian programs pursuant to contractual agreements. Plan Canada also licenses certain intellectual property from Plan Limited pursuant to a brand licensing arrangement.

A National Organization's net financial contribution to Plan International, Inc. determines that National Organization's representation at the Members' Assembly according to a formula set out in the bylaws of Plan International, Inc. The Members' Assembly, which is the highest decision-making body, sets high-level strategy and direction for Plan International, approves the financial budgets, receives the audited consolidated financial statements and elects the Board of Directors of Plan International, Inc., which reports and is accountable to the Members' Assembly. There can be up to 11 directors on the Board of Directors of Plan International, Inc., the majority of whom must be sitting board members of a National Organization.

Plan International, Inc. uses funds remitted by the National Organizations for programs benefiting children, their families and communities in 80 countries. Central services, such as program support and global assurance for the program countries, are provided by Plan Limited. As noted above, Plan Canada has contractual arrangements in place, which specify how its sponsorship funds are to be used by Plan International, Inc. The National Organizations, Plan International, Inc. and its subsidiaries are subject to both external and internal financial audits in order to ensure funds raised are used only for work that contributes to Plan International's stated aims and that these funds are properly accounted for and recorded.

(in thousands of Canadian dollars)

2. Summary of significant accounting policies

Basis of preparation

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), which set out generally accepted accounting principles for not-for-profit organizations in Canada. The significant accounting policies are outlined below.

Revenue recognition

The Organization uses the deferral method of accounting for contributions.

Child sponsorship contributions are recognized in revenue for the sponsorship month on an accrual basis. Sponsorship contributions received prior to the end of the fiscal year and applicable to subsequent periods are reported as advance payments by donors.

Designated contributions, gifts and bequests are recognized as revenue when they are spent. Undisbursed designated contributions represent amounts received by the Organization and Plan International but not yet disbursed in the field as stipulated by the donor.

Unrestricted contributions are recognized as revenue when received.

Government and other grants are recognized as revenue when they are spent. Undisbursed grants represent amounts received by the Organization and Plan International but not yet disbursed in accordance with the terms of the grant agreements.

Gifts-in-kind revenue relating to food, agriculture and anti-malaria bed nets is recognized when distributed by the Organization's related party field offices to beneficiaries. These contributions are stated at fair value in US dollars, and are translated into Canadian dollars using the average monthly exchange rate.

Gifts-in-kind delivered to the Organization's related party field offices but remaining undistributed to beneficiaries at year-end are recorded as inventory and included in undisbursed grants until their imminent distribution.

The endowment funds represent amounts designated by donors to be held in perpetuity. Endowment contributions are recorded at fair value as direct increases in net assets restricted for endowment purposes when the Organization becomes unconditionally entitled to receive economic future benefits and the amounts can be reliably measured.

Investment income, which is recorded on an accrual basis, includes interest and dividend income.

Contributed services

A number of volunteers contribute their services to the Organization each year. Due to the difficulty of determining the fair value, these contributed services are not recognized or disclosed in the financial statements.

Inventory

Inventory comprises gifts-in-kind supplies to be distributed to beneficiaries at no charge, and is recorded at the lower of cost and current replacement cost.

(in thousands of Canadian dollars)

Program expenditures

International program services represent funds expended in Plan International's program thematic areas, which include the following: health, humanitarian response, food security and nutrition, sexual reproductive health, education, protection, civil society strengthening and rights, economic security and water, hygiene and sanitation.

Canadian program services include costs of personnel, travel and other expenses directly related to supporting international programs, as well as costs incurred in Canada toward the goal of enhancing youth and public engagement in international development.

Cash and cash equivalents

Cash and cash equivalents consist of cash and highly liquid investments with an original term to maturity of three months or less.

Investments

The Organization's investment activities are governed by investment policies set by the Board of Directors. These policies have strict guidelines as to asset categories and mix in accordance with the risk and return objectives established by the Board of Directors and management. The funds are professionally managed by advisers associated with a major Canadian chartered bank. Investments maturing within one year from the statement of financial position date are reflected as short-term investments.

Investment in subsidiary

Plan International Canada established a subsidiary corporation, Plan Catalyst Inc. (Plan Catalyst), which provides consultancy services in international development and corporate responsibility. These services focus on maximizing the impact of social investments and ESG initiatives, offering expertise in gender transformative strategies, impact measurement and management and technical expertise in health, education and economic empowerment. The common share of Plan Catalyst is \$0.1, and the investment is accounted for using the equity method. Plan Catalyst also has a June 30 fiscal year-end.

Related party transactions with Plan Catalyst are recognized at cost. The Organization recognizes its share of gains and losses in excess of the carrying amount of its investment in Plan Catalyst to the extent it is assured of imminent profitability.

Capital assets

Movable capital assets that are purchased by Plan Canada are recorded at cost less accumulated amortization and any provision for impairment. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practical and significant and when estimates can be made of the estimated useful lives of the separate components.

The Organization amortizes its capital assets on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements	straight-line over the term of the lease
Fixtures and fittings	5 years straight-line
Computer equipment	3 years straight-line

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to Plan Canada's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The writedowns of capital assets are recognized as expenses in the statement of operations. Writedowns are not subsequently reversed.

(in thousands of Canadian dollars)

Impairment of capital assets

The Organization reviews the carrying amount, amortization and useful lives of its capital assets regularly. If the capital assets no longer contribute to Plan Canada's ability to provide services, the excess of the net carrying amount over any residual value is recognized as an expense in the statement of operations.

Deferred lease inducements

The benefits of lease inducements are accounted for as an adjustment to rental expense over the term of the lease on a straight-line basis.

Financial instruments

Financial instruments are recorded at fair value on initial recognition. Cash and cash equivalents and investments are subsequently measured at fair value with the changes in fair value recorded in the statement of operations. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instrument at fair value.

Cash and cash equivalents fair value

Investments fair value

Receivables amortized cost

Accounts payable and accrued liabilities amortized cost

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized on a straight-line basis.

Allocation of expenses

The Organization engages in providing international and Canadian program services. The costs of each program include personnel and other expenses that are directly related to providing the programs. For Canadian program services, fundraising and operating functions, the Organization allocates the marketing, development, program, administration and operating costs using various bases, which are reviewed, updated and applied on a prospective basis.

The marketing, development, program, administration and operating expenses are allocated to program, fundraising and operating functions as follows (note 14):

- Personnel costs are allocated based on the percentage of relevant employees' time involved in supporting the program, fundraising and operating functions.
- Public education expenses, publications and other donor specific material expenses are allocated based on the extent of content applicable to public education, awareness and fundraising.
- Other operating and general expenses are allocated on a proportionate basis relating to the function.

Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates. Estimates are used when accounting for amortization and allocating certain expenditures. Accounts requiring estimates include collectibility of receivables, valuation of inventory, valuation and recoverability of capital and intangible assets, valuation of investments and valuation of gifts-in-kind.

(in thousands of Canadian dollars)

Cloud computing arrangements (AcG-20)

Cloud computing arrangements refers to cloud-based software delivery where applications are accessed via the internet on a subscription basis. The provider hosts, maintains and updates the software, eliminating the need for local installation or infrastructure. Effective January 1, 2024, the Organization adopted Accounting Guideline 20 (AcG-20), Customer's Accounting for Cloud Computing Arrangements, issued by the Accounting Standards Board (AcSB). This guideline provides accounting guidance for expenditures incurred in cloud computing arrangements. The Organization adopted the simplified method, under which software as service arrangements are evaluated to determine if they meet the criteria for recognition as intangible assets; if they qualify, they are recognized as intangible assets. If they do not meet the criteria, they are expensed as incurred. Implementation costs are recognized as expenditures when incurred. Plan Canada has applied this policy retrospectively. Adoption of this policy resulted in a reclassification of software implementation costs from intangible assets to opening net assets of \$3,900 as well as a reversal of the amortization expenses of \$1,725 impacting the comparative figures. The software services cost incurred by Plan Canada during the current year is \$1,960 (2024 - \$1,800).

3. Investment in Plan Catalyst Inc. (subsidiary)

Financial information based on Plan Catalyst's unaudited financial statement is as follows:

	2025	2024
	\$	\$
Financial position		
Total assets	863	111
Total liabilities	832	234
Shareholder's equity	31	(123)

Result of operations

Total income	1,418	152
Total expenses	1,264	230
Net gain (loss) for the year	<u>154</u>	<u>(78)</u>

Statement of cash flows

Cash provided by (used in)

Operating activities	(422)	(112)
Financing activities	419	108
Decrease in cash and cash equivalents during the year	<u>(3)</u>	<u>(4)</u>
Cash and cash equivalents – Beginning of year	43	47
Cash and cash equivalents – End of year	<u>40</u>	<u>43</u>

In 2023, the Organization entered into an agreement with Plan Catalyst to provide a loan of up to \$500 , which is provided at the commercial prime lending rate. The loan balance including accrued interest as at June 30, 2025 was \$492 (2024 - \$197).

(in thousands of Canadian dollars)

4. Investments

	2025	2024
	\$	\$
Short-term		
Canadian fixed income	2,807	3,715
	2025	2024
	\$	\$
Long-term		
Canadian fixed income	9,067	8,614
Foreign fixed income	2,917	2,355
Canadian equities	4,008	2,759
Foreign equities	7,803	5,495
	<u>23,795</u>	<u>19,223</u>

5. Capital assets

	2025		2024	
	Cost	Accumulated amortization	Net	Net
	\$	\$	\$	\$
Leasehold improvements	2,960	2,315	645	1,423
Fixtures and fittings	478	478	-	-
Computer equipment	1,546	1,385	161	82
	<u>4,984</u>	<u>4,178</u>	<u>806</u>	<u>1,505</u>

Amortization expense for the year was \$35 (2024 – \$528).

The Organization wrote off capital assets of \$805 with a gross book value of \$2,220, accumulated amortization of \$1,415 in 2025, and fully amortized assets of \$1,488 in 2024. These assets had outlived their useful lives and were no longer in use.

6. Undisbursed designated contributions

Changes in the undisbursed designated contributions are as follows:

	2025	2024
	\$	\$
Balance – Beginning of year	14,688	20,260
Contributions received during the year	20,938	26,541
Revenue recognized during the year	(25,421)	(32,113)
Balance – End of year	<u>10,205</u>	<u>14,688</u>

(in thousands of Canadian dollars)

Total contributions, gifts and bequests recognized for the year amounted to \$36,730, which comprises \$25,421 from undisbursed designated contributions and \$11,309 from unrestricted contributions (2024 - revenue was \$40,866, with amounts of \$32,113 and \$8,753 recognized from undisbursed designated contribution and unrestricted contributions, respectively).

7. Undisbursed grants

			2025	2024
	Government and other grants	Gifts-in-kind	Total	Total
	\$	\$	\$	\$
Balance – Beginning of year	39,374	9,981	49,355	43,596
Grants received during the year	182,118	30,610	212,728	162,116
Revenue recognized during the year	(174,024)	(39,543)	(213,567)	(156,357)
Balance – End of year	47,468	1,048	48,516	49,355

Undisbursed grants include \$25,680 (2024 - \$17,354) of amounts received from Global Affairs Canada prior to the end of the fiscal year and not yet disbursed as at the end of the fiscal year.

8. Financial instruments

Plan Canada's financial instruments are primarily exposed to interest rate risk, credit risk, market risk, foreign currency risk and liquidity risk. Plan Canada has formal policies and procedures that establish a target asset mix. Plan Canada's policies also require diversification of investments within asset categories and set limits on exposure to individual investments.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of investments held by Plan Canada. Plan Canada manages this risk by holding primarily term deposits with fixed rather than variable interest rates and through diversification of the portfolio.

Credit risk

Credit risk is the risk one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Plan Canada is exposed to credit risk primarily through its investments with various financial institutions and accounts receivable. Management considers the credit risk to be low, as the Organization only places its investments with reputable and financially stable organizations. Receivables are primarily with various levels of government and the associated credit risk is considered low.

Market risk

Market risk arises as a result of fluctuations in the marketplace, which affect the trading values of equity securities and bonds. Plan Canada mitigates this risk through its investment policies and by monitoring the asset mix of the portfolio. The investment portfolio is managed by a reputable investment manager.

(in thousands of Canadian dollars)

Foreign currency risk

Foreign currency risk arises from gains and losses due to fluctuations in foreign currency exchange rates on the Organization's foreign investments. Plan Canada mitigates this risk by setting limits on non-Canadian investments as a percentage of the total fair value of the portfolio through its investment policies. Included in investments are amounts that are denominated in Canadian dollars, which will have to be settled in US dollars in the amount of CA\$6,235 (2024 - CA\$3,852) as at year-end.

Liquidity risk

Liquidity risk is the risk the Organization will not be able to meet its financial obligations when they come due. Plan Canada's liquidity risk is considered low given its strong cash flow position combined with the composition of its accounts payable and accrued liabilities.

Management periodically monitors the Organization's cash flow expectations and believes that the anticipated cash inflows for the upcoming year will be sufficient to meet the expected cash outflows and the organization's operational needs for that period. The Organization maintains ongoing oversight of its liquidity position to ensure adequate funding is available as required. In addition, management has access to an established line of credit (note 16), if necessary.

9. Government and other grants

	2025	2024
	\$	\$
Federal government	41,461	50,533
Multilaterals, UN agencies, overseas foundations, Canadian charities and other	132,563	85,184
	<u>174,024</u>	<u>135,717</u>

Included in government and other grants are contributions of \$124,688 (2024 - \$76,230) relating to multilateral local income, which were received in the country offices for programs administered by Plan Canada and attributed to the Organization by Plan International. For the year ended June 30, 2025, grants from Global Affairs Canada included in government and other grants comprised approximately 16% (2024 - 16%) of public support and revenue.

10. Gifts-in-kind revenue

	2025	2024
	\$	\$
Food and agriculture	3,286	17,290
Anti-malaria bed nets	36,257	2,976
Other	-	374
	<u>39,543</u>	<u>20,640</u>

(in thousands of Canadian dollars)

11. Related party balances and transactions

As indicated in note 1, Plan Canada uses its available sponsorship funds to purchase services from Plan International, Inc. to carry out and support Canadian sponsorship programs pursuant to contractual agreements. Plan Canada also licenses certain intellectual property from Plan Limited pursuant to a brand licensing arrangement for \$2,700 (2024 - \$2,700), which is recorded in program services expense.

Plan Canada is a core member of the Humanitarian Coalition and, as such, the CEO of Plan Canada has a board position. During the year, \$1,535 (2024 - \$1,589) was received in grant income from this organization. In addition, Plan Canada paid a membership donation of \$64 (2024 - \$59). There were no amounts outstanding as at June 30, 2025 and 2024.

During the year, the Organization provided funding of \$204,091 (2024 - \$167,532) to Plan International entities, which is included in program services in the statement of operations. In addition, gifts-in-kind of \$40,565 (2024 - \$30,620) were provided to country offices of Plan International, Inc., of which \$1,022 (2024 - \$9,980) are included in inventory as at year-end. These inventories consist of anti-malaria bed nets. There have been no write offs of inventory as at year-end.

As at year-end, the amount due from Plan International, Inc. was \$10,229 (2024 - \$14,959). In addition, the amount outstanding includes \$44 (2024 - \$639) owing from Plan Colombia.

The following transactions have been incurred with Plan Catalyst during the year. All of the transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the Organization and Plan Catalyst.

	2025	2024
Share capital	0.1	0.1
Loan including interest	492	197
Recharge of staff salaries	112	89
Brand licensing	10	5

12. Retirement savings plan

The Organization contributes to a group retirement savings plan that covers all full-time permanent employees. The expense for the year ended June 30, 2025 was \$1,708 (2024 - \$1,829).

13. Changes in non-cash working capital items

	2025	2024
	\$	\$
Gifts-in-kind inventory	8,959	(9,678)
Receivable from Plan International, Inc.	5,325	(1,465)
Receivables and prepayments	(1,352)	(3,791)
Advance payments by donors	34	(745)
Undisbursed designated contributions	(4,483)	(263)
Undisbursed grants	(840)	(5,572)
Accounts payable and accrued liabilities	2,487	5,759
	<u>10,130</u>	<u>(15,755)</u>

(in thousands of Canadian dollars)

14. Allocation of expenses

Marketing, development, program, administration and operating costs have been allocated as follows:

				2025
	Program services	Fundraising	Operating	Total
	\$	\$	\$	\$
Canadian				
Marketing, development and programs	12,685	25,386	4,200	42,271
Operation and support	6,773	6,338	7,161	20,272
International				
Program services	243,028	-	-	243,028
Operation and support	-	-	5,318	5,318
	<u>262,486</u>	<u>31,724</u>	<u>16,679</u>	<u>310,889</u>

				2024
	Program services	Fundraising	Operating	Total
	\$	\$	\$	\$
Canadian				
Marketing, development and programs	14,946	21,262	4,195	40,403
Operation and support	7,561	6,541	7,414	21,516
International				
Program services	191,473	-	-	191,473
Operation and support	-	-	3,949	3,949
	<u>213,980</u>	<u>27,803</u>	<u>15,558</u>	<u>257,341</u>

15. Commitments

The Organization is obligated under the terms of operating leases for office premises and office equipment. Lease commitments for the next five years are approximately as follows:

	\$
2026	1,128
2027	1,149
2028	1,142
2029	1,133
2030	566
	<u>5,118</u>

(in thousands of Canadian dollars)

The Organization has an agreement to sublease excess office space, which terminates in 2029, at an annual rate of \$355.

In addition to the fixed commitments disclosed above, the Organization is committed to proportionately matching the amount of the contributions made by certain grantors. These amounts, as well as the timing of the respective payments, are not determinable at the reporting date as they will depend on the amount of contributions made by grantors in following periods.

16. Credit facility

The Organization has a revolving unsecured credit facility to a maximum amount of \$5,000. The credit facility, when drawn, bears interest at the bank's prime rate and is due on demand. No amounts have been drawn from the facility in fiscal year 2025 (2024 - \$nil).