

**kain** C+C™  
CHARITABLE  
FOUNDATION

**ANNUAL REPORT 2011**



unlocking compassion + to change our world

# ANNUAL REPORT 2011



**JOHN KAIN FOUNDER**

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## FOUNDER'S VISION

The Kain C+C Charitable Foundation was established in 2005 based on the premise that those employed at Kain C+C Lawyers occupy a position of privilege. With that privilege comes responsibility.

When John Kain made the decision to start his own legal business in 2004, he did it on the proviso that he would honour his responsibility to help others and etch in the culture of his business an ethos of philanthropy. In doing so, Kain C+C Lawyers and the Kain C+C Charitable Foundation are forever linked.

The mission of the Foundation is 'unlocking compassion to change our world'. John realised that such a bold mission can't be achieved alone. The principal purpose of the Foundation is to create leverage through the Kain C+C Lawyers network of employees, clients and associates to work together to achieve the Foundation's mission.

To John, the projects that the Foundation undertakes were never the most important things. The most important things were to impact people's thinking and drive meaningful and positive change. Therefore, Foundation projects must allow participants to have hands on involvement, not just a financial interest, and they must be targeted towards those areas where the Foundation's support will drive an incrementally large difference to people's lives.

While John continues to approach his philanthropic efforts with vigour, he has now devolved responsibility for the operations of the Foundation to an independent board. Change is inevitable and while the projects that the Foundation supports will change over time, the ideals that the Foundation is built upon will not waver from those envisaged by the Foundation's founder.



**RAY PINCOMBE** CHAIRPERSON

## CHAIRPERSON'S REPORT

It is my pleasure to introduce the FY11 Annual Report on behalf of the Foundation's Board. This is our second year as a Board and my first full year as Chair, and it has been a year of consolidation and change. Our aim is to build a strong foundation which achieves the vision of founder, John Kain, and his mission of 'unlocking compassion to change our world'.

This underlines the importance of the people involved in helping us to achieve the Mission. It is the commitment of people in actually doing, as well as providing financial support, that makes the difference. Being involved in the Foundation's projects means that the supporters of the Foundation are embedded in the change process.

During FY11 we made improvements to our program at the Hutt Street Centre for the homeless by adding computer literacy training sessions to our legal clinics. This has been well received by the recipients and has achieved some great outcomes. In addition we commenced a partnership with The Smith Family to provide mentoring support to disadvantaged youth in South Australia. This program aims to assist young people in staying in the education system to gain greater skills and long term productive employment.

We are committed to providing support and assistance to people in need locally and are pleased to date with the response to our two local projects.

In FY11 we had to defer our planned trip to Uganda due to the volatile political situation there at the time. While this was disappointing it is pleasing to report that we were able to reschedule the August 2010 trip to August 2011. This Uganda Project was a success due to the commitment and patience of our Corporate and Service Partners in both Australia and Uganda.

We spent time during the year looking at the future of the Foundation and setting up a strategic plan process which will be rolled out in early FY12. An increased focus on establishing strong Corporate Partnerships and expanding the reach of the Foundation will be a cornerstone of the plan.

In addition we consolidated our governance arrangements and reviewed our board structure and membership. One of the most important aims of the Foundation is to ensure that the majority of funds raised are used to fund projects and that the Foundation spends less than 5% of donations received on administrative expenses. We achieved that in FY11 and we wish to acknowledge the contribution of Kain C+C Lawyers in assisting us to achieve this target by providing administrative resources for the Foundation.

I would like to thank our Corporate Partners for their continuing support and the Kain C+C Lawyers team for their ongoing commitment and contribution. Without these partners the Foundation would not be possible. I would also like to thank the Kain C+C Lawyers Board for its strong support and wise counsel and to John Kain for his continued faith in the Foundation as a means to achieve his vision.

My final vote of thanks is to my fellow board members and our Operations Officer, Julie Kerr. Their input and support has been critical in developing our approach to achieving our objectives and consolidating the board. I would also like to welcome Michael Richardson who has been providing general management services to the Board and who will be involved with the board as part of our future development.

I look forward to another productive year in FY12 as we, together with our supporters, work to assist disadvantaged people in both Adelaide and Uganda.

Ray Pincombe



## DIRECTORS' REPORT

The inspiration for the Foundation came from John Kain and Kain C+C Lawyers, the business he established in 2004. The Foundation began as a funnel through which members of the Kain C+C Lawyers team could make financial contributions to those in need.

As the Foundation evolved it was clear that, to truly achieve its Mission, the Foundation would need to not only enlist the assistance of everybody within the Kain C+C Lawyers business but also engage with others in the community.

### KAIN C+C LAWYERS' SUPPORT

In FY11, the Foundation can boast the support of a number of Corporate Partners and other individuals in the community who have opened their hearts to assist the Foundation to move towards achieving its Mission.

While other organisations and individuals have played significant roles, the Foundation is still reliant on, and extremely grateful for, the ongoing and dedicated support of the team at Kain C+C Lawyers.

Throughout FY11, Kain C+C Lawyers' team members:

- spent over 800 hours working directly on Foundation projects which is nearly one week per year per full time team member;
- donated 1.11% of their gross salary (before tax) to the Foundation which is matched dollar for dollar by Kain C+C Lawyers;
- contributed a total of \$54,000 of cash and in kind donations to the Foundation; and

- spent additional hours providing administrative support to the Foundation to ensure that donations received are spent on Foundation projects rather than administration costs.

As part of Kain C+C Lawyers' support, each member of its team has committed to spending 10 hours per quarter performing volunteer work on Foundation projects.

### MAJOR PROJECTS

In FY11, the Foundation commenced work on its third major project - the Disadvantaged Youth Project, to complement its work on the Uganda Project and the Adelaide Homeless Project. The Disadvantaged Youth Project is run in partnership with The Smith Family and aims to break the cycle of generational unemployment by assisting Adelaide youth to reach their potential through improved education.

The Uganda Project scheduled for August 2010 was unfortunately cancelled due to safety concerns in Uganda. However it is pleasing to report that the team was successfully able to reschedule their trip to August 2011.

The Adelaide Homeless Project continues to go from strength to strength with \$167,000 worth of pro bono legal services and more than 44 hours of computer literacy training provided to clients of Hutt Street Centre.

A detailed report on each of the Foundation's major projects is contained in the following section.





# PROJECTS

## FUNDING PRINCIPLES

To honour its Mission, the Foundation seeks projects that demonstrate many of the following criteria:

<b>ROLE</b>	Involve both financial and 'hands on' support, so that the Foundation better understands the outcomes that the projects are intended to achieve
<b>SCALABLE</b>	Able to be replicated in other locations or contexts
<b>SUSTAINABLE</b>	Able to be self sustaining with a continuing long term impact beyond the Foundation's period of support
<b>MEASURABLE</b>	Identifiable outcomes with both short and long term KPIs
<b>PREVENTION</b>	Address the cause of problems, rather than treat the symptoms
<b>MINIMAL RESOURCES</b>	Receive limited government funding or philanthropic support
<b>ADMINISTRATION</b>	Have low administration costs; solid and proven administration; and strong volunteer support



## ADELAIDE HOMELESS PROJECT

### SUMMARY

<b>SERVICE PARTNERS</b>	Hutt Street Centre Welfare Rights Centre (SA) Inc.
<b>CORPORATE PARTNER</b>	Kain C+C Lawyers
<b>COMMENCEMENT DATE</b>	March 2007
<b>TARGETED TOWARDS</b>	South Australia's 7,963 homeless people <sup>1</sup>
<b>SERVICES PROVIDED</b>	Free legal advice every Monday morning One on one computer literacy training sessions every Monday morning
<b>KEY OUTCOMES THIS YEAR</b>	161 homeless persons received \$167,000 worth of free legal advice during FY11 44 hours of computer literacy training

<sup>1</sup> Australian Census Analytic Program: Counting the Homeless, 2006

## NEED FOR ASSISTANCE

People who are living on the street or who are at risk of becoming homeless face many, seemingly insurmountable, legal issues every day. These issues range from housing and tenancy applications and disputes to matters involving serious violence and abuse. To these people, legal assistance can seem like a foreign concept reserved only for those who can afford it.

## OBJECTIVES

In 2007 the Foundation, in conjunction with the Welfare Rights Centre (SA) Inc., identified the need for greater legal support for Adelaide's disenfranchised homeless community. In conjunction with Kain C+C Lawyers, the Foundation conceived the Adelaide Homeless Project. This project is based on working with Hutt Street Centre for the homeless (one of Adelaide's leading frontline homeless support providers) to:

- prevent homelessness by fighting the eviction of public and private tenants; and
- reduce the marginalisation of those who are homeless or at risk of homelessness.

The Adelaide Homeless Project was launched in March 2007 and has been operating successfully ever since.

## SERVICES PROVIDED

Every Monday morning, two lawyers from Kain C+C Lawyers conduct a free legal clinic at Hutt Street Centre. The clinic gives advice to the homeless and those at risk of becoming homeless.

At the same time the non-legal members of the Kain C+C Lawyers team perform one on one computer literacy training programs with clients of Hutt Street Centre. The team has developed a PC operations manual which is provided to each client who participates in the program and steps through the basic steps in operating a computer.

During FY11, the Adelaide Homeless Project provided \$167,000 worth of free legal services and 44 hours of computer literacy training.

## OUTCOMES ACHIEVED

The value of free legal advice and the hours of computer training in isolation do not explain the outcomes achieved by the Adelaide Homeless Project. Jane's and Brian's stories are just two of a number of the success stories to come out of the Adelaide Homeless Project in FY11.

## JANE'S STORY

Jane attended Hutt Street Centre on 10 January 2010. Jane has several health problems and freely admits to being a reformed drug user and prostitute.

Just before Christmas 2010, Jane was advised that she was to be evicted from her Unity Housing unit on 14 January 2011. The decision came after a long legal process at which Jane was unrepresented. Jane was unable to see a lawyer since receiving notice of her eviction and was just four days away from being homeless. She had lodged appeal papers with the District Court and, to buy some more time, agreed to withdraw her appeal on the condition she could have until May 2011 to vacate her unit.

Between January 2011 and May 2011, Kain C+C Lawyers team member Adam Cooper took up Jane's cause and did an extraordinary amount of work behind the scenes in an attempt to find Jane alternative accommodation. After being advised there could be a four to five year wait for a Housing SA property, Adam tried it all - wrote letters to anyone who might listen and even arranged to see Jane's local Member of Parliament.

At a point where Jane had all but given up hope, Housing SA advised that they had a property for her.

Below is a transcript taken from a card written from Jane to the team at Kain C+C Lawyers:

*To everybody behind the scenes,*

*I don't know who you all are or your names. Adam Cooper has made me aware you all were involved in helping me.*

*Since my adopted family threw me away when I was 15 years old I've been on my own. Never, ever have so many people, educated, smart people, believed in me and were genuinely concerned for what was being done to me and what could happen to me.*

*Without your assistance I would now be homeless. I would have been destroyed and I would have lost little Roxy (Jane's cat).*

*Thank you, Thank you, Thank you.*

*Jane*

\* Jane's name has been changed to protect her anonymity.



## BRIAN'S STORY

Brian attended Hutt Street Centre in October 2010 to participate in the computer literacy training program. Brian had never operated a computer and had been out of contact with his children for nearly 10 years.

A Kain C+C Lawyers team member, Marnie Hughes, was teaching the computer literacy training program at the time. Marnie taught Brian the basics of using a computer and after a few sessions introduced Brian to facebook.

Marnie opened a facebook account for Brian and explained how to add his children as 'friends'. A few days later, Brian's now adult children accepted his friend requests and he was able to contact them for the first time in nearly 10 years.

Clare Horan, one of the staff at Hutt Street Centre, reported that Brian, in the days after making contact, was 'walking around with his head held high and his face shining'.





## DISADVANTAGED YOUTH PROJECT

<b>SERVICE PARTNER</b>	The Smith Family – Learning for Life program
<b>CORPORATE PARTNER</b>	Kain C+C Lawyers
<b>COMMENCEMENT DATE</b>	March 2011
<b>TARGETED TOWARDS</b>	Disadvantaged children and young people all the way through their education, from preschool to tertiary studies
<b>SERVICES PROVIDED</b>	One on one online personal and career mentoring for disadvantaged students
<b>KEY OUTCOMES THIS YEAR</b>	Four Kain C+C Lawyers team members participated in iTrack during FY11 Planning underway for increased involvement in FY12 including expanding iTrack participation and participating in Next Steps

### NEED FOR ASSISTANCE

While many consider Australia to be a land of opportunity, statistics show that the gulf between the haves and have-nots in Australia has widened with the top 20% of Australian households owning 61% of Australia's total wealth and the bottom 20% sharing just 1%.<sup>1</sup>

In metropolitan Adelaide and rural South Australia, many families have financial struggles. The effect of financial difficulties can be widespread and can be frightening, particularly when we consider the impact on children.

The Foundation aims to see its projects have impact beyond the immediate assistance given and, to this end, the Foundation's board felt that it would be better to address economic and social disadvantage in ways designed to 'break the cycle' of disadvantage, rather than provide 'handouts' as bandaid solutions to the problem.

Research has shown that education is key in breaking the cycle of disadvantage, hence the Foundation has chosen to partner with The Smith Family, whose motto is 'helping disadvantaged Australian children realise their potential through education'.

<sup>1</sup> Australian Bureau of Statistics, Year to July 2006

## OBJECTIVES

The Foundation seeks to support disadvantaged youth in South Australia in their educational pursuits – to keep them engaged and to assist them in transitioning to the workforce.

The Foundation supports The Smith Family's 'Learning for Life' suite of programs, which:

- focuses efforts in communities identified as disadvantaged;
- incorporates a range of different methods and financial scholarships to support disadvantaged students from preschool to tertiary education – programs include emergent literacy and numeracy; comprehension; digital, financial, health and emotional literacy; tutoring; mentoring and employment skills coaching; and
- encourages sponsorship for primary, secondary and tertiary students, with funds available for all education-related expenses, for example fees, books, excursions, uniforms, sports clothing and bags.

## SERVICES PROVIDED

During FY11 the Foundation and the Kain C+C Lawyers team provided funds and volunteer support to disadvantaged communities and students in South Australia by:

- sponsoring one primary school child to assist with educational and related expenses;
- providing funding to help support a Learning for Life worker in a disadvantaged South Australian community; and
- four volunteers participating in the iTrack online mentoring program for Year 10 students, in order to connect, motivate, support and inform students who are beginning to formulate their post-school plans.

## OUTCOMES ACHIEVED

Craigmore High School student Brad was one of four students mentored by representatives from Kain C+C Lawyers during the FY11 iTrack program. In the article on this page which appeared in The Advertiser on 27 September 2011, Brad talks about his discussions with his mentor regarding a career in the law.

# Mentor programs inspire students



**POTENTIAL:** Craigmore High students Brad, Elizabeth and Natasha, who take part in the iTrack program.

Picture: BRENTON EDWARDS

MENTORING programs in schools will assist students to reach their full potential and give them strategies to make informed decisions, a local researcher says.

Flinders University Inspire mentor program co-ordinator Michelle Campbell said recent research showed there was academic and social advantage in mentoring young people.

"Research shows that young people who have been mentored are less likely to leave school early, so it does improve school retention, it increases academic performance and improves relationships," she said.

"Inspire aims to increase the retention and participation for students at risk of disengaging from education."

Currently there were 145 Flinders University students mentoring school primary and secondary school students through the program, with another 53 volunteering in mentor-based programs within the community.

Mentors supported students with English as a second language, Aboriginal and Torres Strait Islander students, and school students under the Minister's guardianship.

The program targets specific areas with

NIE  
MANAGER

MARTINA  
SIMOS



a low socio-economic status in the inner and greater south, Murray-Mallee, Adelaide Hills, and regional areas including Kadina, Port Augusta and Quorn.

Ms Campbell said the program aimed to help students reach their full potential and to provide strategies for making informed decisions about what they wanted to do.

Another student mentoring program, The Smith Family's iTrack has involved students at Craigmore High School for the second year.

They were among 50 students from northern suburbs high schools who were matched with anonymous, volunteer mentors for the online program which runs over two terms.

Students received career advice from the mentors to help them consider their future options.

The Smith Family worker Ryan Leaver

said the online mentoring provided an outside link to the business world.

"Participating students who may otherwise not have access to business networks, or trusted adults outside of their parents and teachers, are enjoying the opportunity to communicate with mentors online, learning about the career and study options available to them," he said.

Elizabeth Capin, 15, said she would like to study law and psychology and had enjoyed being mentored by another person who was not a parent, friend or teacher.

Her mentor was a para-legal who had encouraged her to stay at school.

"My mentor has encouraged me to continue in school, to make sure I am organised, to be prepared for what I will face in this job and to be genuinely interested," she said.

Brad McNamara, 16, was also keen on a legal career and said getting out of his "comfort-zone" meant he had access to information not available through a teacher or a book.

"I tried to find out what it is like to be a lawyer, how extensive is the learning to get to the required level and what the job's like when you get there," he said.

## LOOKING FORWARD

In FY12, the Foundation is looking to build on its relationship with The Smith Family and increase its involvement by participating in other Learning for Life programs. In March 2012, representatives from Kain C+C Lawyers and other Corporate Partners will be asked to participate in the Next Steps program which is an employment skills coaching workshop for senior high school students. It aims to assist disadvantaged students to make a successful transition from school to the workplace, with a combination of theory (information sessions) and practice (virtual job searches, mock applications and interviews) to teach skills and test them.

The Foundation also intends to continue with the iTrack online mentoring program in FY12.



## UGANDA PROJECT

<b>SERVICE PARTNERS</b>	<p>Watoto Childcare Ministries</p> <p>UACO</p> <p>M-LISADA Orphanage</p> <p>Gateway Mercy Orphanage</p>
<b>CORPORATE PARTNERS</b>	<p>Kain C+C Lawyers</p> <p>Two Hands Wines</p> <p>Perks</p> <p>Blue Sky Alternative Investments</p> <p>P&amp;R Electrical Wholesalers</p>
<b>COMMENCEMENT DATE</b>	1 July 2009
<b>TARGETED TOWARDS</b>	Uganda's 2.7 million orphans <sup>2</sup>
<b>SERVICES PROVIDED</b>	<p>Housing and 'family' support</p> <p>Education (technical and commercial)</p> <p>Clothing, medicine and related support</p>
<b>KEY OUTCOMES THIS YEAR</b>	<p>2010 Uganda Project unfortunately postponed due to safety concerns</p> <p>Planning for future Uganda Projects completed during FY11</p>

<sup>2</sup> UNICEF, UNICEF - Uganda - Statistics ([http://www.unicef.org/infobycountry/uganda\\_statistics.html](http://www.unicef.org/infobycountry/uganda_statistics.html)) estimated in 2009



## NEED FOR ASSISTANCE

In 2009, UNICEF estimated that 2.7 million of Uganda's estimated population of about 33 million were orphans.<sup>2</sup>

Those orphans often have no family, financial or medical support, survive on less than one meal a day, and do not have an education or prospects for the future. The Uganda Project aims to alleviate the problems faced by the millions of orphans in a country that has been ravaged by HIV/AIDS, war and other diseases by providing opportunities to receive an education and healthcare, and to have the skills to develop their local community.

## OBJECTIVES

The Uganda Project aims to transform the lives of some of those children by providing for the children:

- a safe, secure and loving home environment; and
- the opportunity for an improved education.

## 2010 PROJECT

On 11 July 2010, two bomb attacks killed 76 people in Kampala, Uganda's capital. In response to these events and based on travel advice provided by the Department of Foreign Affairs, the Foundation's board resolved to postpone the 2010 Uganda Project scheduled for August 2010.

While the postponement of the 2010 trip was regrettable it did not change the Foundation's resolve to continue to channel its efforts in making a difference to the plight of some of Uganda's 2.7 million orphans.

Through the persistence of the Foundation's board and the patience of the 2010 travelling party, the 2010 Uganda Project was successfully completed in August 2011 with the 2010 travelling party helping to build a student dormitory in the Watoto village of Suubi in Kampala and distributing almost 100 kilograms of donated goods to children in various orphanages around Kampala.

We will report in more detail about the success of the latest Uganda Project in the 2012 Annual Report.



<sup>2</sup> UNICEF, *UNICEF - Uganda - Statistics* ([http://www.unicef.org/infobycountry/uganda\\_statistics.html](http://www.unicef.org/infobycountry/uganda_statistics.html)) estimated in 2009





## CORPORATE PARTNERS

One of the Foundation’s seven funding principles provides that projects which the Foundation supports involve both financial and ‘hands on’ elements.

Historically our Corporate Partners have played a vital role in the Uganda Project, sending representatives to participate in the hands on work on the ground in Uganda. Our Corporate Partners are yet to participate in the Disadvantaged Youth Project or the Adelaide Homeless Project. It is a goal of the Foundation over the next three years to extend an invitation to each of the Corporate Partners to participate in each of the Foundation’s projects in order to better fulfil the first limb of the Mission of ‘unlocking compassion’.

During FY11 Corporate Partners provided:

- funding to a pre-agreed level either through their own donations or fundraising activities;
- in kind contributions; and
- volunteering members of their teams to work with the Foundation in its projects.

### 2011 CORPORATE PARTNERS:

<b>KAIN C+C LAWYERS</b>	South Australia’s premier boutique corporate and commercial law firm
<b>TWO HANDS WINES</b>	Boutique winery producing some of Australia’s highest quality wines
<b>PERKS</b>	One of South Australia’s leading second tier accounting and financial services firms
<b>BLUE SKY ALTERNATIVE INVESTMENTS</b>	One of Australia’s emerging alternative asset managers
<b>P&amp;R ELECTRICAL WHOLESALERS</b>	South Australia’s largest independent electrical wholesaler

The Foundation looks forward to the continuing support of the Corporate Partners through FY12 and beyond.





## GOVERNANCE

### STRUCTURE

The Foundation was established in 2005 as a trust. Kain C+C Charities Pty Limited ACN 115 024 309 is the trustee of the Foundation.

The Foundation is a public ancillary fund and has been endorsed by the Australian Taxation Office as a deductible gift recipient. Donations to the Foundation are tax deductible.



#### **RAY PINCOMBE** INDEPENDENT CHAIRMAN

Since his appointment as a director in April 2010, Ray has been the Chair of the board.

During FY11 Ray was the Chief Executive Officer of The City of Unley. He brings to the Foundation's board a wealth of experience at the board table, including as the National President of Local Government Managers Australia.

### BOARD

Kain C+C Lawyers Pty Limited ACN 137 053 395 is the sole shareholder of Kain C+C Charities Pty Limited and has appointed a board of four directors in accordance with the Foundation's governance policies and the Australian Taxation Office's requirements for public ancillary funds.



#### **SARAH CHIA** DIRECTOR

Sarah was the Chair of the board until April 2010 and has been a director since the Foundation was established.

Sarah is a lawyer and a team member of Kain C+C Lawyers. She was a member of the team which travelled to Uganda in August 2009 and again in August 2011 as part of the Uganda Project.

In addition to the Foundation, Sarah serves on the board of Morialta Trust Inc. which helps disadvantaged children in South Australia.



### **PAT HOBBY** INDEPENDENT DIRECTOR

Pat has been a director since October 2009.

Pat is an accountant and a director of Perks. In August 2009, Pat was a member of the inaugural team which travelled to Uganda as part of the Uganda Project.



### **MICHELLE HUTTON** DIRECTOR

Michelle has been a director since October 2009.

Michelle is a lawyer and a team member of Kain C+C Lawyers. Amongst other things, Michelle is responsible for the Disadvantaged Youth Project, which was launched in 2011.

The board composition complies with the Australian Taxation Office's requirements for public ancillary funds and the Foundation's policies that require:

- between three and six directors;
- at least two, and no more than three, directors from the Kain C+C Lawyers team; and
- at least one director external to Kain C+C Lawyers.

The directors' terms and positions are set out in the table below.

The expiry dates for the directors have been arbitrarily set to ensure that there is rolling rotation of expiry dates amongst directors. Future appointments will comply with the Foundation's policies that director appointments are for periods of three years.

Board member	Position	First appointment date	Current appointment date	Expiry date
Sarah Chia	Director	10 October 2005	10 October 2005	AGM following 30 June 2011
Michelle Hutton	Director	16 October 2009	16 October 2009	AGM following 30 June 2012
Pat Hodby	Director	16 October 2009	16 October 2009	AGM following 30 June 2013
Ray Pincombe	Chairman	22 April 2010	22 April 2010	AGM following 30 June 2013

Since 1 July 2011, Michelle Hutton has resigned as a director and consequently Sarah Chia has agreed to continue as a director until the AGM following 30 June 2012. Michelle will be replaced as a director at the FY11 AGM.

## MEETINGS

In FY11 board attendances were as follows:

Director	Number of meetings held while a director	Number of meetings attended
Ray Pincombe	12	12
Sarah Chia	12	11
Michelle Hutton	12	9
Pat Hodby	12	10

## GOVERNANCE

The Foundation is committed to observing a demonstrably high standard of corporate governance. This commitment is manifest in internal policies which govern, amongst other things, appointment and rotation of directors, meetings procedures and reporting requirements.





## FINANCIAL REPORT

### WHERE DOES THE MONEY COME FROM?

The Foundation's four principal income sources are:

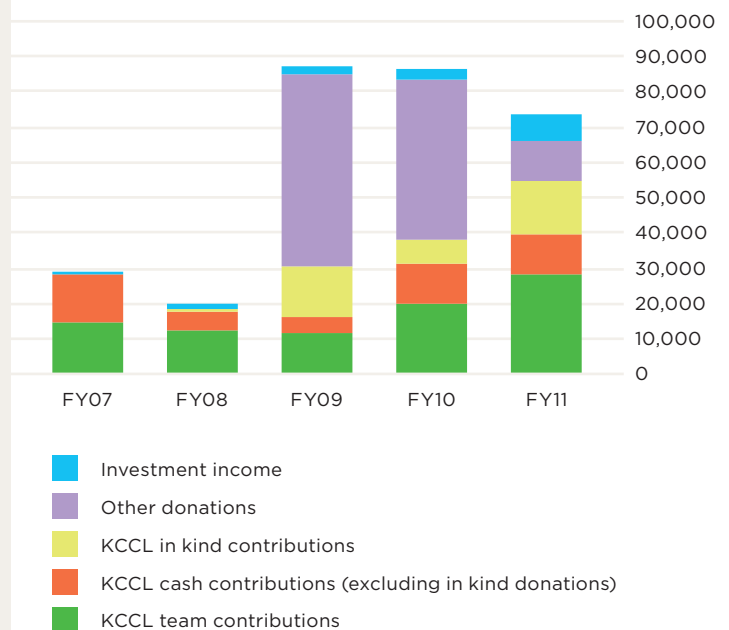
- donations from Kain C+C Lawyers and its team;
- donations from Corporate Partners;
- fundraising; and
- investment income.

Since the Foundation's inception in 2005, members of the Kain C+C Lawyers team have made fortnightly donations to the Foundation. Kain C+C Lawyers then matches those donations, either through financial or in kind donations.

Since 2009 the Foundation has actively been seeking donations from other entities and Corporate Partners.

The chart (right) shows the sources of income from FY07 to FY11.

### WHERE OUR DONATIONS COME FROM



*Note to chart: On 1 July 2011, the Foundation received a \$41,273 donation from Two Hands Wines attributable to the FY11 financial year (not included in chart).*



## WHERE DOES THE MONEY GO?

Funds raised are either directed into existing projects, retained to build the long term capital base of the Foundation or paid towards expenses.

## EXPENSE RATIO

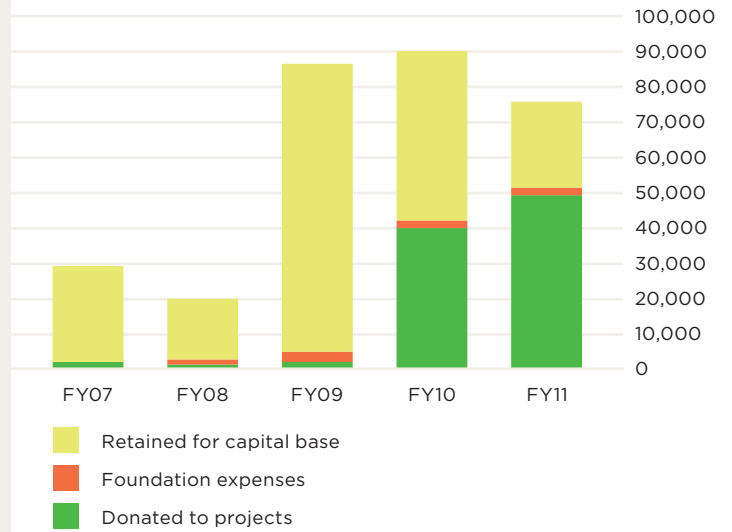
Much has been written in recent months about the lack of transparency in the expenditure of some not for profit organisations. The Foundation is acutely aware of the great trust bestowed upon the Foundation by its many supporters. To honour that trust the Foundation is committed to:

- ensuring that administration costs do not exceed an expense ratio of 5% of contributions received; and
- transparent disclosure of all administration costs.

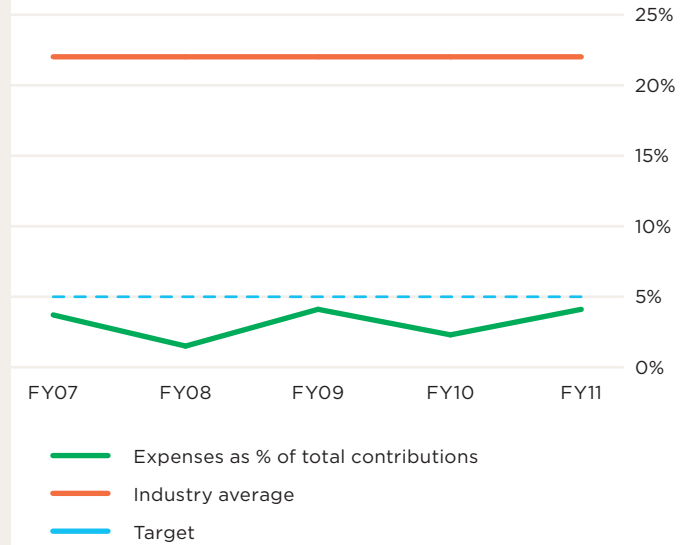
Through these commitments the Foundation ensures that the money contributed by its supporters is applied to its projects or building the capital base of the Foundation and not to unnecessary administration and other overheads.

To allow the Foundation to operate within this self imposed expense ratio, its Corporate Partner, Kain C+C Lawyers, meets all administration costs and overheads which would otherwise exceed this expense ratio.

## WHERE OUR DONATIONS GO



## EXPENSES AS A PERCENTAGE OF TOTAL CONTRIBUTIONS



*Note to chart: Industry average was taken from The Advertiser on 24 October 2011 based on a survey of 40 Australian charities with fundraising revenue of over \$1 million per annum.*

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CHARITABLE  
FOUNDATION

ABN 63 425 376 446

**FINANCIAL STATEMENTS**

For the Year Ended 30 June 2011

**INCOME STATEMENT**

	2011 \$	2010 \$
<b>INCOME</b>		
Revenue	50,716	77,120
Interest income	7,888	1,497
Net event revenue	2,493	3,956
Dividend income	-	1,055
<b>Total Income</b>	<b>61,097</b>	<b>83,628</b>
<b>LESS: EXPENSES</b>		
Donations	49,468	40,000
Accounting and audit fees	1,320	-
Bank charges	765	738
Company fees	40	212
Loss on sale of investments	-	810
<b>Total Expenses</b>	<b>51,593</b>	<b>41,760</b>
Operating surplus before income tax	9,504	41,868
<b>Operating surplus after income tax</b>	<b>9,504</b>	<b>41,868</b>

## STATEMENT OF FINANCIAL POSITION

	NOTE	2011 \$	2010 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	160,274	150,770
<b>Total Current Assets</b>		<b>160,274</b>	<b>150,770</b>
<b>Total Assets</b>		<b>160,274</b>	<b>150,770</b>
<b>Net Assets</b>		<b>160,274</b>	<b>150,770</b>
<b>EQUITY</b>			
Settled sum		10	10
Retained Earnings	3	160,264	150,760
<b>Total Equity</b>		<b>160,274</b>	<b>150,770</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

This financial report is a special purpose financial report.

The financial report has been prepared on a cash basis.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

#### (b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### (c) Revenue and Other Income

Revenue is measured at the fair value of the consideration received.

Interest revenue is recognised when received.

All dividends received are recognised as revenue when the dividend has been received.

### 2 CASH AND CASH EQUIVALENTS

	2011 \$	2010 \$
Cash on hand	10	10
Cash at bank	60,264	150,760
Short-term bank deposits	100,000	-
	<b>160,274</b>	<b>150,770</b>

### 3 RETAINED EARNINGS

	2011 \$	2010 \$
Retained earnings at the beginning of the financial year	150,760	108,892
Surplus for the year	9,504	41,868
<b>Retained earnings at end of the financial year</b>	<b>160,264</b>	<b>150,760</b>



## TRUSTEE DECLARATION

The registered office and principal place of business of the foundation is 315 Wakefield Street, Adelaide SA 5000.

The trustee declares that the foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The trustee declares that:

- 1 The financial statements and notes, as set out on pages 1 to 4, present fairly the foundation 's financial position as at 30 June 2011 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 In the trustee's opinion, there are reasonable grounds to believe that the foundation will be able to pay its debts as and when they become due and payable.

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

Trustee

Dated this 24th day of November 2011

## INDEPENDENT AUDIT REPORT

### REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report, being a special purpose financial report, of Kain C&C Charitable Foundation (the foundation), which comprises the statement of financial position as at 30 June 2011, and the income statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the trustee declaration.

### THE RESPONSIBILITY OF THE TRUSTEES FOR THE FINANCIAL REPORT

The trustees are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate. The trustee's responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial report 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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for the purpose of fulfilling the trustees' financial reporting obligation. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the trustees, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### INDEPENDENCE

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

### AUDITOR'S OPINION

In our opinion, the financial report presents fairly, in all material respects, the financial position of Kain C&C Charitable Foundation as of 30 June 2011 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

#### PERKS AUDIT & ASSURANCE

247 Fullarton Road  
Eastwood  
South Australia 5063

#### PETER J HILL

Partner  
Registered Company Auditor

Dated this 24th day of November 2011



# GLOSSARY

TERM	MEANING
AGM	Annual General Meeting
BOARD	The Board of directors of the Foundation
CORPORATE PARTNER	Kain C+C Lawyers Two Hands Wines Perks Blue Sky Alternative Investments P&R Electrical Wholesalers
FOUNDATION	Kain C+C Charities Pty Limited ACN 115 024 309 as trustee of the Kain C+C Charitable Foundation ABN 63 425 376 446
FYXX	The financial year ending 30 June 20XX
KAIN C+C LAWYERS	Kain C+C Lawyers Pty Limited ACN 137 053 385
KCCL	Kain C+C Lawyers Pty Limited ACN 137 053 385
MISSION	Unlocking compassion to change our world
SERVICE PARTNER	An organisation that the Foundation works with to help achieve its Mission
UACO	Uganda Australia Christian Outreach
WATOTO	Watoto Childcare Ministries



**kain** C+C<sup>TM</sup>  
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FOUNDATION

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unlocking compassion to change our world