



**A NEW DECADE
OF CORPORATE AND
COMMUNITY PARTNERSHIPS**

ANNUAL REPORT 2016



OUR VISION

A world where businesses are generous and children realise their potential.

OUR MISSION

To create opportunities for people to improve their own lives, positively impacting communities and businesses. We exist quite simply to enrich lives.

OUR PURPOSE

The foundation is a trusted partner of Australian businesses, inspiring the corporate sector to give generously and wisely. We do this by creating two-way opportunities for children and youth to fulfil their potential and for businesses and their employees to do the same. We listen to communities and work side-by-side with them, funding unique and life changing projects that deliver positive educational and economic outcomes for children and youth.

WHAT WE BELIEVE

We believe in opportunity. We know it's possible for children to break the cycle of dependence and welfare to become enterprising members of their communities. Our work is to unleash their capacity through investment in education and economic development.

We align ourselves with those who believe that people in privileged positions have a responsibility to give back to those less fortunate, and that doing so will unlock compassion and empathy. In every act of giving there is the experience of receiving which is critical to changing the world.

Our experience has shown that collaboration is the key to positive change. We believe that bringing businesses, not-for-profits and communities together with a common goal results in sustainable, long-lasting improvements.

“ We believe in opportunity.



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CHAIRMAN'S REPORT

2016 was another exciting and record-making year for the Kain Foundation. We are on an upward trend, increasing the funds raised and invested compared to last year, and nearly doubling the amount of funding over the previous two years for local Adelaide programs. Further amplifying the power of our philanthropic giving is the leadership of our corporate partners and their employees who participate in experiential learning opportunities through hands-on volunteering in our programs. This financial and hands-on support translated into substantial positive impact in the lives of children and youth in Australia and Uganda who now have more opportunities to fulfil their potential. Thank you for making this possible.

We are now taking steps to realise the vision of an expanded Corporate Partner network so we can create even more enrichment opportunities for children and their communities in parallel with businesses and their employees. I am particularly excited by our plans for a new local youth program modelled on the success of our Uganda immersion program, where corporate volunteers build a deep and lasting connection to local communities.

2016 marked a turning point for our Foundation, not only the start of our second decade, but ushering in a new, sustainable approach to how we select and resource our projects. You'll see this reflected in new alliances such as with the Edmund Rice Foundation (Australia), our new Uganda and local community partnerships, and a more nuanced approach to infrastructure funding. While we remain committed to ensuring administrative costs are kept low relative to contributions received, we recognise wise investment in staffing and systems will allow us to deliver our programs even more efficiently, and to better measure and evaluate the effectiveness of our programs.

I am pleased to share our 2016 Annual Report with you. The stories and results in this report demonstrate the important role the Foundation continues to play in advancing corporate philanthropy for South Australia and beyond. These results are a testament to the committed partnership of people like you, our corporate partner network – you make the difference! We are counting on you to stand together with us as we move forward in our ambitious mission to enrich the lives of children, youth, employees and businesses alike.

Onward and upward.

Andrew Killey

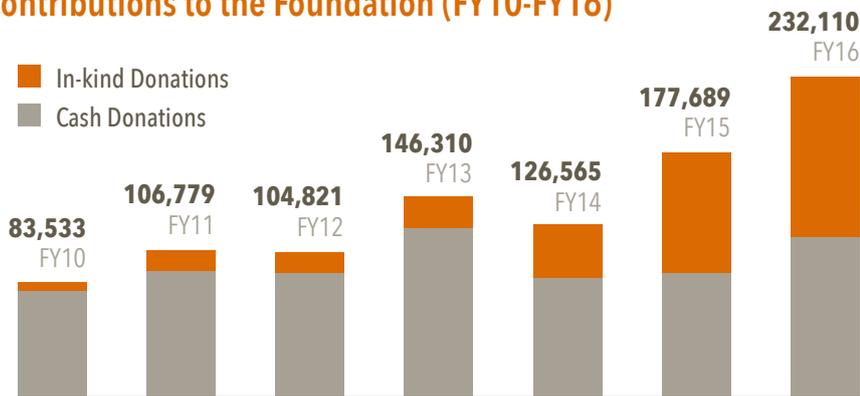
“ These results are a testament to the committed partnership of people like you, our corporate partner network – you make the difference! ”

THE YEAR IN REVIEW

2016 marked the start of our second decade. Ten years on, we've expanded to a wider network of businesses, clients and friends. We're proud and privileged to bring this group together so they can experience the joy and satisfaction that comes from having a collective positive impact for children and youth in Adelaide and overseas.

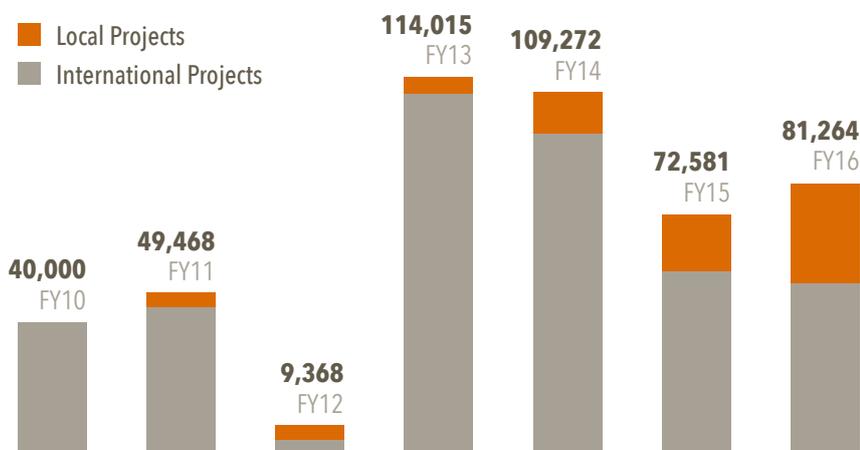
Financially, FY16 was a strong year for the Foundation. After a slight decline in corporate partner investments in FY15, we grew cash income in FY16 by 24% to \$116K, and combined cash and in-kind contributions reached the highest level in our 11 year history – at \$232K (graph 1).

Contributions to the Foundation (FY10-FY16)



We invested \$81K in projects in FY16, a 12% increase over FY15 and the third highest year on record. Of this \$81K, we invested \$29K in local projects, our largest local investment to-date and an increase of 66% from FY15 (graph 2).

International v. Local Project Investment (FY10-FY16)



We're seeing these financial results translate to positive outcomes for our projects which we highlight in the Outcomes section later in this report.

The Foundation made many exciting changes in the last year:

- Ⓞ We sharpened project selection criteria to focus on children and youth education and economic empowerment

- Ⓞ We launched two new Uganda projects and two new Adelaide community projects, selected based on their alignment with this project focus

- Ⓞ After seven years of continuous funding and in order to transition to two new Uganda projects, we decided that 2016 would be the last year of supporting construction projects with Watoto Childcare Ministries for orphans in Gulu, Uganda

- Ⓞ We formed a new alliance with The Edmund Rice Foundation (Australia)

- Ⓞ We simplified our name and brand

- Ⓞ We ramped up our social media presence leveraging a new social media strategy created with the help of our corporate partner KWP Advertising

2016 was a year of farewells and new beginnings

We said goodbye to our Executive Officer, Eliza LeMessurier, who was instrumental in running our projects over the past three years. The fiscal year concluded with two of our board directors, Michael Twelftree and Tegan Knight, stepping down and with the completion of our Two Hands Wines partnership. Two Hands Wines is a boutique winery who has been part of our corporate network for the past six years and contributed over \$200K in that time. We thank them all for their service and dedication to the Foundation.

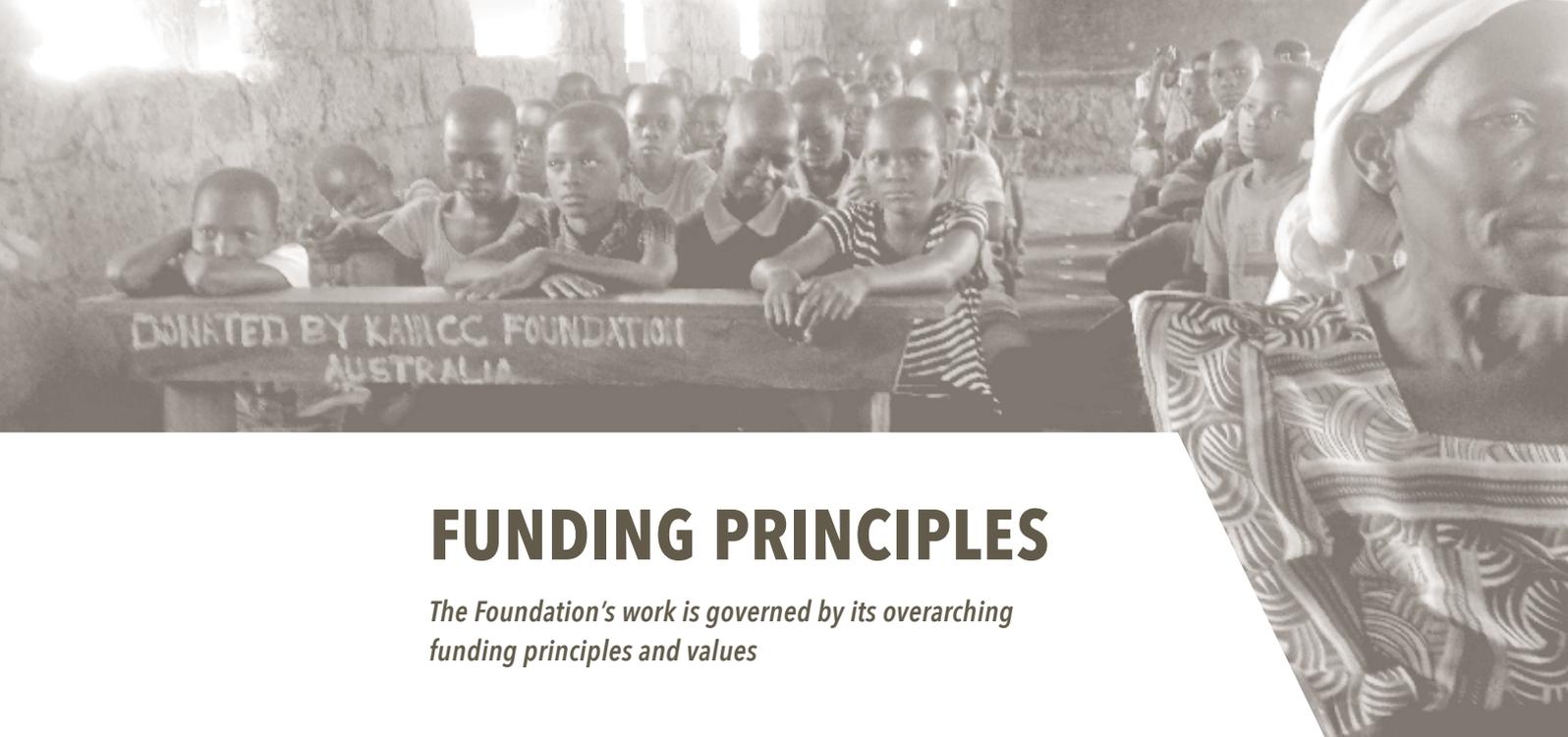
As we kicked off FY17, the Foundation welcomed our new Commercial Manager, Lisa Tarca and new board director, Jan Turbill, Founder and Managing Director of Intuito, an Adelaide-based market research firm. We've had two dedicated and talented volunteers fill our social media assistant position: first Danielle Flower who came to us through Two Hands Wines and elevated coverage of our projects through social media; and most recently, Jessica Kain, an alumnus of our first Uganda trip in 2009, who demonstrates her legal and journalism skills along with her personal passion for the Foundation's work as she creates exciting content for our social media channels and newsletters.

We're working on some excited new developments to enhance our local youth programs and our annual Uganda trip – enriching both of these experiences to deliver even more immersion and growth experiences for all participants. This is really an exciting time for us and all our partners. We're thrilled you're part of it too.

For more information, go to www.kainfoundation.com



Kain Foundation Executive Officer, Eliza LeMessurier, meets with village leaders in Bulesa, Uganda.



FUNDING PRINCIPLES

The Foundation's work is governed by its overarching funding principles and values



Opportunity

Create educational and economic opportunities for children, youth, employees and businesses to fulfil their potential. Unleash opportunity at all levels.



Connection

Encourage connection and collaboration across business, industry and community so that knowledge, expertise and resources are leveraged constructively towards a common goal. Working together for greater impact.



Stability

Foster opportunities for self-growth and self-sufficiency to create lasting improvements in the short and long term well-being of communities. Clearly define, measure and test objectives to encourage stable improvements beyond the Foundation's period of support. Build stability not dependency.



Experience

Encourage Corporate Partners to engage in hands-on experiences to better understand the outcomes that the projects are intended to achieve. Unlock compassion and develop change leaders through knowledge and experience on projects.



Effective Funding

Invest in effective projects where funds and resources are used efficiently and transparently for maximum benefit to all involved. Maximise social return on investment.

OUTCOMES

\$52K

in funding for Uganda projects

980 hours

invested by 7 corporate volunteers visiting these projects during Uganda immersion trip



Watoto (Gulu)

- Completion of staff house in Laminadera village
- These staff serve 590 students, and no longer have to commute 25k on rough roads

Hopeline and The Real Uganda (Kkoba)

- Feasibility study completed and new community-led project approved
- 300 kids will attend the new school
- 2,100 people in Kkoba community

Uganda Landcare Network (Lwengo)

- Feasibility study completed and new Landcare project approved
- 400 kids from 4 primary schools will benefit



L-R: Scenes from Uganda projects – Parent’s Academy building in Kkoba, Children participating in Jr. Landcare project, the school piggery in Butale

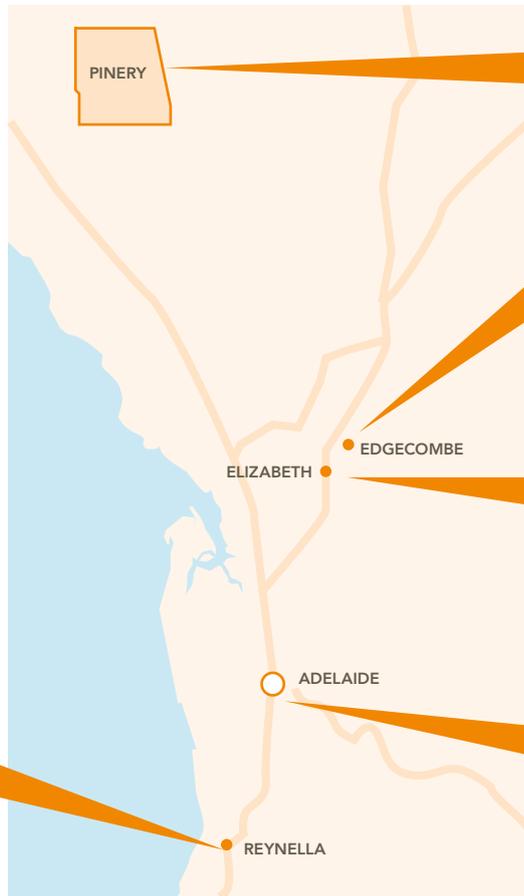


\$29K

in funding for Adelaide projects

820 hours

invested by 88 corporate volunteers spent working on 5 local community projects



Bushfire Recovery (Pinery)

- 43 volunteers worked on 9 properties cleaning up after Pinery bushfires

Home Building Program (Edgcombe)

- 12 volunteers worked on 2 home building projects benefitting a single mum and a migrant family from Afghanistan

Work Inspiration (Freemont-Elizabeth, Playford)

- 12 volunteers engaged 42 high school students from 3 schools in 2-day workshops to explore career opportunities

Puddle Jumpers (metro Adelaide)

- 8 volunteers engaged 80 young kids in foster care, 66 youth and their carers in 4 Activity Days

Drumbeat (Reynella and Onkaparinga)

- 6 volunteers engaged 30 young people in primary schools and a youth centre to explore relationship issues and team work through drumming



2016 Annual Highlights



6

CORPORATE PARTNERS



+

9

COMMUNITY PARTNERS



+

95

EMPLOYEES ENGAGED ACROSS 5 PROJECTS

=

1,910



HOURS OF SUPPORT



WHICH BENEFITED

352

COMMUNITY MEMBERS



81K

INVESTED IN COMMUNITY PROJECTS



239K

IN VALUE CREATED
made up of cash contributions, pro-bono work and investment proceeds

PEOPLE IN OUR COMMUNITY

Danyelle Robson



Danyelle most enthusiastically embraced the Kain Foundation approach of unlocking compassion throughout 2015 – 2016. When Danyelle joined the Uganda 2015 immersion trip, she was the seventh corporate volunteer from Two Hands Wines to participate - yet she blazed a new trail of generosity. Danyelle has many years of experience in commerce, finance and accounting – with roles at PricewaterhouseCoopers and The SANFL prior to joining Two Hands Wines. She’s always had a love for Africa and is compelled to make a difference in the world, so much so that she took a year career break to travel the world and do volunteer work in Africa in 2012. All of this made her the ideal volunteer to work with the Kain Foundation team in FY16 as co-leader of the feasibility study (read more about this in our projects section) which was guided by our new Uganda Strategy and resulted in two new Uganda projects for FY17-18. Throughout the year, she provided operational support for our audit, board meetings, creation of foundation policies and procedures, and helped us fill a new social media assistant role. We’re so happy that Danyelle is now getting a chance to change the world each day in her new role as Finance Manager for the Women’s & Children’s Hospital Foundation.

Kelley Jones Lawyers Team



The Kelley Jones Lawyers team, led by directors Michael Kelley and Natasha Jones, are a boutique, specialist law firm who are “different for good reason”. They are passionate, people-focused, and effective – delivering impressive results for SA councils, public authorities and not-for-profits. Their team cohesion is on full display during volunteering days for Kain Foundation projects when they work and have fun together. They chose to volunteer for Habitat for Humanity projects that benefit local communities and align with their business focus. In FY16, the Kelley Jones team volunteered for two home building days and one Pinery Fire clean-up day. Speaking with Victoria Shute who coordinates the Kelley Jones partnership with the Kain Foundation, she’s shared that they would like to increase the number of build days and would like to explore expanding their volunteering to other projects over time. We’re enriched to have them as part of our network, and are pleased to share their success story of community engagement with others.

Peter Smith, Kain Lawyers



Peter joined Kain Lawyers in 2015 and is part of the Commercial team. As with all new staff joining Kain Lawyers, he volunteered right away for a Kain Foundation project and was selected for our first ever Drumbeat workshop. Peter and another lawyer volunteered at Reynella South Primary School, which is located in a community where 60% of the students live in households at the bottom quartile of socio-economic wellbeing. Peter spent an hour every Monday over 10-weeks in Term 3 (2015) learning to play the Djembe drum and connecting with Year 4 students. The students really enjoyed their time with the Kain Lawyers volunteers, so much so, they invited the volunteers to a pizza lunch before their final concert. Peter shares his experience and insights from the program [in this video](#) – how it reinforced for him the importance of team work and made him feel grateful for his upbringing. Peter must have really enjoyed the experience – he signed up to participate in the program again in 2016!

Tony Wanyoike



Tony and Leslie are the co-managers for one of the Foundation's new Uganda Projects which was approved in FY16 and commenced in July 2016. Tony, founder of Hopeline Organisation is from Kkoba, a village of extreme poverty. Tony's mother died when he was 6, and his father was an alcoholic and rarely around. At 7 years old, in order to survive, Tony took a job at a car wash – a two hour walk from his village. Somehow, Tony was able to flourish, and eventually he was sponsored to go to school where he excelled, and then went on to university where he earned a degree in Economics. He now runs several businesses, is married and a father of two young children. However, he's never forgotten his childhood, and knows firsthand how many other children from Kkoba are barely surviving. Through his work at Hopeline, he's committed to turning things around for this community by building schools, educating families and investing in sustainable farming.

Leslie Weighill



Leslie is founder of The Real Uganda, a volunteering organisation which has hosted over 800 volunteers from around the world to work on projects in Uganda, including with Hopeline. Originally from Canada, Leslie has made her home in Mukono since 2004 and is a tireless advocate for sharing the positive side of Ugandan-culture. [Her blogs](#) about Ugandan music, traditional food, and Ugandan innovation are a joy to read and we hope reading them will inspire many more of you in our network to sign-up for our annual Uganda immersion trip. We're excited about this new partnership and look forward to working with these two passionate change makers over the coming years.

CORPORATE PARTNERS

Our network of Corporate Partners are the engine of the Foundation. While the Foundation provides facilitation, coordination, and connection to community projects, our Corporate Partners drive the change through their resources - financial and in-kind contributions, and volunteered time and effort.

The Foundation had six Corporate Partners in FY16 who collectively contributed \$116K in cash and in-kind contributions also valued at \$116K, the biggest year in combined cash/in-kind contributions in the Foundation's history. Two of these partnerships were renewals first established in FY15; we're thrilled that they've extended their collaboration.

During FY16 our Corporate Partners provided:

- ⊗ Funding to a pre-agreed level either through their own donations or fundraising activities;
- ⊗ In-kind contributions;
- ⊗ Administrative and marketing support to the Foundation;
- ⊗ Volunteers to participate in the Foundation's projects; and
- ⊗ Representation on the Foundation Board.



KAIN LAWYERS

Opportunity. Opportunity. Opportunity.



TWO HANDS WINES

BlueSky Alternative Thinking



HALPIN
FINANCIAL SERVICES

kelledy jones LAWYERS

Who they are... and their approach

Kain Lawyers

An innovative legal consulting business based in Adelaide. Founding partner and key cog of the machine. Best in practice workplace giving program with 100% participation, matching employee financial contributions dollar for dollar.

Two Hands Wines

Boutique winery producing some of Australia's highest quality wines. Created successful cellar door fundraising initiative.

Blue Sky Alternative Investments

Australia's first and only listed diversified emerging alternative asset manager. Rockstar fundraisers for Uganda projects.

KWP! Advertising

Independent Australian ad agency providing communication and marketing solutions for its clients. Bringing creative to the international community.

Halpin Financial Services

One of South Australia's longest established Financial Planning practices providing quality financial advice since 1972. Raising generous amounts through their networks.

Kelledy Jones Lawyers

A unique South Australian law firm that provides dedicated legal, strategic and business support exclusively to South Australian government councils, public authorities and not-for-profit organisations. Gets their entire team involved in volunteering.

As mentioned in the Year in Review, FY16 was our strongest year on record with combined cash and in-kind contributions reaching \$232K of value invested in projects. We want to acknowledge one of our corporate partners, KWP Advertising, for their generous in-kind contributions in FY16. In addition to sponsoring one of their staff to take part in the Uganda trip for the third year running, they also provided professional services valued at over \$30K including FY15 annual report design, video production, developing a social media strategy, and brand collateral for the Foundation's shortened name. We are grateful for KWP's partnership and know the investment they've made to strengthen the Foundation's message of enrichment will yield returns by improving lives in our project communities for years to come.

Ending on a high-note after another stellar year of fundraising through their innovative cellar door initiative, Two Hands Wines concluded its partnership with Kain Foundation at the end of FY16.

This partnership spanned six years where Two Hands sent seven employees to Uganda, hosted four Work Inspiration workshops, filled two Board seats as well as the Finance Manager and Social Media Assistant Volunteer positions, and contributed over \$200K to the Foundation's projects. The Foundation recognises and thanks Two Hands Wines for the significant role they played in our growth and in creating positive outcomes for communities in Uganda and in Adelaide. We raise a glass (or two), and wish them all the best as they continue giving back in the community.

"I'm proud of the positive impact Two Hands Wines has had working with communities in Adelaide and Uganda throughout our six year partnership with Kain Foundation.

At Two Hands, we've always championed charitable initiatives to help those less fortunate. Being part of the Kain Foundation corporate network took this to a new level. We're now focusing our philanthropic efforts on the Barossa Valley community, a region that has been so supportive of our business. The Concordis winemaking project is a partnership we've established with three other Barossa Valley winemakers. Through Concordis, we aim to raise \$700K for an education fund with the Barossa Foundation and to provide traineeships at each of the partner wineries. We're glad for our experience with the Kain Foundation network and how it inspired us to lead charitable projects and partnerships in our local community." - Michael Twelftree, Managing Director, Two Hands Wines

Two Hands Wines is the second company which has leveraged their Kain Foundation corporate partner experience into managing their own philanthropic initiatives.

Perks, an Adelaide-based, BRW top 50 Accounting firm was also a partner in the Kain Foundation corporate network from 2010 – 2014, and went on to establish the Perks Foundation supporting disadvantaged children and youth.

"Perks' mission includes a commitment to our broader community with a focus on contributing both locally and globally.

The Perks team has a keen interest, in particular, to support disadvantaged children and youth. It has been our privilege and pleasure therefore, to be a corporate partner of the Kain Foundation in past years. Our involvement has ranged from sending team members overseas on volunteer missions through to holding a position on the Foundation's Board. Naturally, the next step for us was to build a legacy of our own and we have now begun this journey with the Perks Foundation. We thank the Kain Foundation for their inspiration and support of us to do this and look forward to working alongside them to create opportunities for children and youth." – Mark Roderick, Managing Director, Perks Integrated Business Services

The Foundation is proud to have served as an incubator of philanthropic activity and community investment for these businesses. If your company is interested in establishing and/or amplifying the impact of your existing philanthropic and community projects, please contact us at info@kainfoundation.com to learn more about the benefits of joining our corporate partner network.

COMMUNITY PARTNERS

The Foundation works with a trusted group of not-for-profit and community-based organisations to implement and deliver great projects.

The Foundation draws on the knowledge and experience of Community Partners to guide project work while providing access for Community Partners to corporate volunteer and financial support. The Foundation encourages collaborative partnerships across business, community and the philanthropic sectors so that knowledge, expertise and resources are leveraged constructively towards a common goal.

Who they are... and how we work with them

Watoto



Supporting orphaned children and vulnerable women in Uganda. Building homes and educational facilities in Uganda to provide women and children access to education and housing.

The Real Uganda



A registered non-profit, non-governmental organization (NGO), operating totally in Uganda, since January 2005. Places about 70 volunteers on Uganda-based projects each year, The Real Uganda is co-managing our new Kkoba Community project.

Hopeline Organisation



A community based organisation in Central Uganda, working to bring hope to abandoned, at-risk women and children, in and around rural Buikwe District. Empowering the vulnerable both economically and socially, giving them the chance to dream again. Co-managing our new Kkoba Community project.

Edmund Rice Foundation (Australia)



An international aid organisation which supports sustainable health, education and community projects in developing countries and projects for marginalised and disadvantaged groups in Australia. Formed alliance with Kain Foundation to help us better monitor and evaluate our Uganda projects.

Uganda Landcare Network



An association of individuals and institutions committed to the principles, philosophy and practice of Landcare in Uganda, built on the global successes of Landcare including Australia where it was launched close to 30 years ago. Project manager for our new Junior Landcare project in Lwengo, Uganda.



Habitat for Humanity

Providing families in need access to safe and secure home environments. Building homes for low income families in the South Australian community while at the same time providing unemployed youth access to training and employment.



The Smith Family

Helping disadvantaged children get the most out of their education outside the classroom. Offering advice and guidance for young people around transitioning from school to the workforce.



Re-Engage Youth Services

Gives direct benevolent relief to young people suffering multiple and complex needs, issues and barriers by providing intensive personalised case management services and a range of programs. Uses restorative practice techniques to deliver Drumbeat music therapy program to Adelaide primary schools.



Puddle Jumpers

Organises and runs activities and day camps where children and teens are paired together so both experience a transformative opportunity to grow and develop their capacities and competencies.

Students from Masaka region of Uganda welcome the Kain Foundation team



PROJECTS

Our projects create enrichment opportunities for youth and their communities, and in parallel, for companies and their employees.

Youth are inspired through direct connection with corporate volunteers; communities become stronger as youth pursue new education and employment opportunities. Corporate volunteers are personally enriched through empathy, compassion, and the knowledge they are making a difference for communities in need. Companies deepen connection to the communities where they do business, and experience flow-on benefits as participating staff enhance their leadership skills.



YOUTH ENGAGEMENT

We create educational and economic opportunities for disadvantaged youth in South Australia to fulfil their potential.

Work Inspiration

According to the Brotherhood of St. Laurence report “Australia’s Youth Unemployment Hotspots”, South Australia has among the highest youth (15-24 years old) unemployment rate in the country at 15.5%¹. Young people from disadvantaged backgrounds who may be struggling at school often lack the motivation, encouragement and aspirations to explore their future career options and potential job opportunities. Because of their circumstances they may not realise the possibilities available to them if they complete their education. These children desperately need inspiring employers to help show them the way.

Work Inspiration (WI) is a business-led initiative that provides young people with opportunities to experience the world of work first hand in a meaningful and inspiring way. More than just work experience, Work Inspiration provides a way for employers to play a valuable role in shaping their future workforce – and the next generation of Australian workers. The Foundation works alongside its Corporate Partner network and The Smith Family to deliver the Work Inspirations program for disadvantaged, but not disengaged youth.

In FY16 the Foundation facilitated three Work Inspiration workshops which engaged 42 students and 15 corporate volunteers. In September 2015, Kain Lawyers led a two day workshop with Fremont-Elizabeth City High School students. The students heard from guest speakers who provided insights into their career journeys and were treated with a backstage pass to Adelaide Oval to see the diverse operations and job opportunities behind stadium doors. Two Hands Wines led the Craigmores High School Work Inspirations workshop in their winery facility in October 2015. Students learned about the variety of job pathways through interactive games and role plays as well as hearing from the Two Hands Wines staff about their varied job roles. In April 2016, Kain Lawyers ran another Work Inspiration workshop, this time for students from Playford International. Highlighting the roster of guest speakers were Matt Tarrant, award winning magician/mentalists and recent contestant on the hit show “Australian Survivor”, and Andre Eikmeier, entrepreneur, and co-founder/CEO of Vinomof, one of Australia’s fastest-growing companies and a leader in innovation, disruption and culture.

Student evaluation forms were collected following these workshops, and 86% of the student participants indicated they either “agreed” or “strongly agreed” that the workshop helped them think about their career plans, increase awareness for different options for future work, and increased their motivation to do well in school.

¹ http://library.bsl.org.au/jspui/bitstream/1/9004/1/BSL_Aust_youth_unemployment_hotspots_Mar2016.pdf

L-R (previous page): Scenes from Work Inspiration workshops - students from Fremont-Elizabeth hosted by Kain Lawyers, students from Craigmores High School hosted by Two Hands Wines

iTrack

The iTrack program is an online mentoring program designed to connect, motivate, support and inform students who are beginning to formulate their post school plans. The Foundation works alongside its Corporate Partner network and The Smith Family to deliver the iTrack program for disadvantaged youth. Business volunteers are paired with students who seek mentors to provide career and life coaching. Team members commit one hour a week to mentor those who would otherwise have minimal to no career guidance.

In FY16, 3 corporate volunteers participated in the iTrack online mentoring program, providing mentoring to 4 students.

Drumbeat

Many young people who are at risk of disengaging from society suffer multiple and complex needs and barriers and their reluctance to be involved in 'talk based therapies' compounds their problems. DRUMBEAT (Discovering Relationships Using Music Beliefs Attitudes and Thoughts) is a flexible therapeutic intervention program that responds to young people suffering issues such as isolation, stress and anxiety. Drumbeat engages young people through drumming on Djembe Drums and through group discussions led by a trained youth worker from Re-Engage Youth Services with active participation from corporate volunteers. Corporate volunteers become consistent, positive role models and engage with young people through drumming to encourage connection and self-expression.

In FY16, the Foundation facilitated three Drumbeat programs, engaging 6 corporate volunteers who engaged and drummed with 25 students from Reynella South Primary School, Reynella East College and Onkaparinga Youth Centre. Young people who participated in this program reported increased communication and connection to peers, better able to control their behaviour, and feeling less isolated. Corporate volunteers shared they enjoyed the experience of positively shaping classroom culture, as well as the pure stress relief which comes from drumming.



Students learning the Djembe drum during Drumbeat program

Puddle Jumpers Activity Days

Puddle Jumpers is an Adelaide-based organisation established to respond to the social development needs of society's most vulnerable children and young people; prioritising children who do not live with their birth parents. Puddle Jumpers facilitates Activity Days for young children, youth volunteers and carers/families. The Activity Days are designed so youth volunteers are provided with training, support and opportunities to expand their own development, promote social awareness, social compassion, and social leadership. Through participating in activities such as magic shows and circus days, the children are taught to believe in themselves, to believe that anything is possible and encouraged to 'jump over puddles' that they have in their own lives. Corporate volunteers fill the role of program managers to plan and coordinate each activity day.

In FY16, the Foundation facilitated four Activity Days where 6 corporate volunteers plan and ran Activity Days benefitting 83 kids, 66 youth volunteers, and 46 carers/family members. The Activity Day themes included fire station visits, trampoline bouncing, pony rides, magic shows, and a circus day. Responses to the surveys of the children and youth volunteers participating in the Activity Days indicated both felt increased connection and appreciated the experiences, which for many of the kids, was the first time they'd seen a magic show or toured a fire station.



L-R: Kain Lawyer volunteer Patricia Weyland bonds with a child during a Puddle Jumper activity day, children getting into the Puddle Jumpers spirit

BUILDING PROGRAM

We create opportunities for permanent and stable housing for families experiencing hardship in South Australia.

Home Building Program

Families in the Davoren Park and Salisbury North suburbs north of Adelaide face significant challenges as unemployment is high (8.6% versus state average of 7.0%)² and the median household income is 40% lower than the Australian average. The Foundation works alongside its Corporate Partner network and Habitat for Humanity to support Habitat's Home Building Program. The Home Building Program helps low income families purchase safe and secure home environment by providing financial assistance and volunteer support. Corporate volunteers participate in build days where they contribute hands-on in the building of each home, often side-by-side with the partner family who put in "sweat equity" towards their new home. By working with the Home Building Program, the Foundation provides support to the same target groups as our youth engagement projects, strengthening our commitment and connection in these communities.



² <http://www.skills.sa.gov.au/workforce-information/labour-market>

In FY16 the Foundation provided funding and a combined 100 hours of hands on assistance through corporate volunteers from the team at Kelliedy Jones Lawyers towards the completion of two homes - one in Paralowie and one in Davoren Park, South Australia. Both of these homes were later completed by Habitat for Humanity and handed over to partner families: a migrant family from Afghanistan (Zoreh is the mum) and a single mum (Karen) and her son (Kosta). In addition to the work of our corporate volunteers, these home building projects engaged local students and unemployed persons who are trained in construction by Habitat staff and volunteers at "The Shed" located at the former Para West Adult Campus in Davoren Park. Students from Northern Adelaide Senior College participate on site 1-2 days per week as they work towards a certificate 1 and 2 in construction. Two students were acknowledged for their excellent contribution and one of these students was presented with a certificate and gift at the 19 May 2016 home dedication ceremony.



Pinery Bush Fire Recovery

On 25 November 2015, the Pinery bushfire ravaged the regions north of Gawler in South Australia, affecting approximately 86,000 hectares. Two people lost their lives, 388 properties were damaged, of these, 91 houses were destroyed or damaged. Over 50,000 livestock were lost as well as crops valued over \$25 million. Habitat for Humanity organised disaster recovery assistance for some of the families affected by the Pinery fire, with clean-up and repair services provided at no-cost to the families thanks to volunteers.

From February to April 2016, the Kain Foundation coordinated 43 corporate volunteers (employees and their families) who volunteered 260 hours on clean-up/recovery days for 9 properties, assisting these families to clear debris and restore their yards. For families who are planning to rebuild, they would not have been able to start this without assistance from our volunteers. In one case, our volunteers assisted the widow of a man who lost his life in the fire to plant a new garden – contributing towards her emotional healing. We're especially proud that all of the members of our corporate partner network answered the callout to take part in this significant effort to heal our community following this devastating bushfire.

L-R: The Kelliedy Jones team hard at work volunteering during one of their Habitat for Humanity home building days, Kain Lawyers and KWP volunteers cleaning up properties in Wasleys, SA after the Pinery Bush Fires

UGANDA PROJECT

We create educational and economic opportunities for children and youth in Uganda to build bright, healthy and self-sufficient futures.

Watoto Teacher Housing

In FY16 the Kain Foundation invested \$52K - and a total of \$200K since 2009 - with Watoto Child Care Ministries, a holistic child care ministry whom currently care for approximately 3,000 orphans in Uganda. These funds were used to build onsite teacher accommodation for 10 staff at Watoto's Laminadera village. Previously, the nearest houses for teachers to rent were 22kms away in Gulu town – a distance that was difficult and dangerous to travel on unpaved roads. The hot season is dusty and the rainy season wet and slippery, and there are no commuter taxis available for the teachers to hire – meaning they had to wait for shared staff vehicles or risk a boda (motorbike) ride. Now, by staying onsite, the teachers start each day fresh and give maximum attention to the kids, resulting in many positive outcomes:

- ⊗ **Increases opportunities for teachers to get involved in non-school related activities, such a sports and mentorship programs**

- ⊗ **More role-modelling opportunities for children who are keen observers of how adults conduct their lives**

- ⊗ **Increased opportunity for teachers to give extra support outside the school hours**

- ⊗ **Teachers feel more valued and cared for which is very motivating for them**

- ⊗ **504 primary students and 86 secondary students are currently enrolled at Laminadera village schools and are benefitting from having their teachers onsite.**

"Being a resident teacher has enabled me to have ample time for lesson preparation and also access to resource materials that are only available at school. This was not possible when we were still commuting from Gulu town. As a resident teacher, I have had time to closely interact with the learners outside school as they (children) need more father figures to guide, counsel and encourage them. This has made it easy to follow up on children both at school and home. I now have time for carrying out remedial and extra lessons where needed after the normal class hours."

Quote from a resident teacher, Samuel Opiyo – English Literature (S1 to S4), Hope Senior School.

The Uganda Project Strategy

Since 2009, the Foundation has funded community organisations in Uganda that provide housing and healthcare for some of the 2.5 million children orphaned as a result of war, HIV/AIDS and other diseases. FY16 marked a turning point for our Uganda project where we concluded seven years of support for Watoto Childcare Ministries and their building of villages for orphans. We also completed our funding of a women's and children's hospital complex in Kampala in partnership with Uganda Australia Christian Outreach (UACO). Our investment with UACO of \$95K from 2011-2015 resulted in a major operating theatre in the hospital complex now being fully equipped and operational. Both the Watoto and UACO projects have brought significant benefits to their communities and were enriching experiences for all involved – both in Uganda and Australia.

In 2016, the Foundation board embarked on a new five year strategy for our Uganda Project leveraging place-based capacity building techniques. This strategy establishes that the Foundation will fund organisations and projects in Uganda who create self-reliant communities, working with local leaders as owners of the projects to achieve the following outcomes:

- ④ Children go to school and are taught techniques to grow their own food

- ④ Youth learn trades and gain employment or start businesses

- ④ Farmers sell produce and support their families

- ④ Women and children are empowered in their homes

- ④ Business employees connect and experience projects

Based on these guidelines, the Foundation conducted a feasibility study to review several new funding proposals for Uganda projects – this process and the results of the study are described in later in this report.



L-R: Watoto resident teacher Samuel Opiyo, staff house funded by Kain Foundation corporate partners at Laminadera village, children from Laminadera village



The Experience Trip

The Foundation conducts an annual experience trip for two weeks in Uganda for volunteers from our Corporate Partner network. The objective of this trip is to inspire generosity and compassion for trip participants, and for this compassion to ripple out to our network of corporate partners. It is a deeply personal journey that each person processes in their own way, with a common theme that participants return to work positively transformed and eager to share their insights with others. During the trip, the team is immersed in the social environment of the Foundation's work and is invited to experience and connect with communities. Participants visit our Community Partner projects and typically work hands-on building houses in rural villages. Corporate Partners contribute a proportion of funds to support the project as well as providing their employees an exclusive experience at the heart of their own community work.

In August 2015, 8 people from Kain Lawyers, Two Hands Wines, KWP! Advertising, Halpin Financial Services, Blue Sky Alternative Investments and LeetGeek (now Blackbird IT) took part in the Uganda Project trip. As in previous years, the team distributed clothing, school materials and hygiene kits to orphans and children in need, donated a term's worth of porridge to 360 children in a rural village who frequently go without food, donated 10 desks to a school with minimal resources to enable 30 children a seat to learn, and built a unit of a dormitory facility for teachers in the rural town of Gulu to support education for orphans.

Uganda Feasibility Study and New Community Partnerships

In Uganda, children and youth experience major challenges within their communities. Some of these challenges include lack of access to schooling or tertiary education, poor nutrition and healthcare, lack of relevant skills training or employment prospects, diminishing resources and reliance on others who do not have the means to cope themselves. According to the World Bank, about 70% of Uganda's total land area can be cultivated but only 10% is being utilised for permanent cropland³.

Given this context and armed with the new direction set by the Foundation's new Uganda strategy, two of the 2015 trippers – the Foundation's Executive Officer and volunteer Finance Manager spent an extra two days in Uganda to complete a feasibility study visit with two finalist projects. This visit represented the culmination of over a year of analysis of potential new Community Partners and projects. Following the trip, the team presented their recommendations to the board directors who then approved funding for two new multi-year projects.

By the end of FY16, the Foundation signed memorandums of understanding with the community partners for these projects to commence in FY17. These projects and the Community Partners are:

- ③ **Kkoba Community Project:** Jointly led by *The Real Uganda* and *Hopeline Organisation*, this project aims to improve the economic, education and social conditions of children, youth and their families in this community of 2,100 people where Hopeline founder Tony Wanyoike was born.
- ③ **Junior Landcare Project:** Managed by *Uganda Landcare Network*, this project creates economic opportunity for children, youth and community through the education and practice of sustainable land and water management. Landcare techniques will be taught in 4 schools in the district of Lwengo, reaching approximately 400 students.

A key success factor in launching these projects was the establishment of an alliance between the Kain Foundation and *Edmund Rice Foundation (Australia)*, an international aid organisation. These two organisations have joined forces to share knowledge, experience and resources in order to promote education and economic development for these two rural communities in Uganda. Both Kain Foundation and Edmund Rice Foundation will share responsibility for management, monitoring and evaluation of these two projects.

3 The World Bank, Food and Agriculture Organization databank, Uganda, 2013
<http://data.worldbank.org/indicator/AG.LND.CROP.ZS?locations=UG>

L-R: Scenes from 2016 Uganda trips: Kain Lawyer volunteer Nicole Wilson-Moore connects with a Ugandan woman, Students from a school participating in Jr. Landcare project, the 2015 Kain Foundation Uganda Trip team



GOVERNANCE

Structure

The Foundation was established in 2005 as a trust (ABN 63 425 376 446). Kain Charities Pty Limited (ACN 115 024 309) is the trustee of the Foundation. The Foundation is a Public Ancillary Fund that has been endorsed by the Australian Taxation Office as a Deductible Gift Recipient, and as a registered charity with the Australian Charities and Not-for-Profits Commission. Monetary donations of \$2 or more to the Foundation are tax deductible.

Board

Kain Lawyers Pty Limited (ACN 137 053 395) is the sole shareholder of Kain Charities Pty Limited and has appointed a board of directors in accordance with the Foundation's governance policies and the Australian Taxation Office's requirements for public ancillary funds. Sitting underneath the Board are resources provided by Kain Lawyers and other Corporate Partners to support the operations of the Foundation.

MEET OUR BOARD



ANDREW KILLEY, CHAIR

4 meetings held while Director, 4 attended

Andrew Killey was appointed Chair in December 2015. He brings a wealth of experience, serving as director on many arts, sports and charitable boards as well as working for over 40 years in the advertising and marketing industry.



MARK BOOTH, DIRECTOR

4 meetings held while Director, 3 attended

Mark joined the Board in December 2015. Mark has an extensive background in senior management in the public and private sectors and holds positions on a number of public and private sector boards and committees. Mark is a Director of BRM Holdich, a Chartered Accounting and Commercial Advisory practice based in Adelaide.



JOHN KAIN, DIRECTOR

4 meetings held while Director, 4 attended

John re-joined the Board in December 2015. As the name suggests, John is the Founder of the Foundation as well as the Adelaide-based legal firm Kain Lawyers. Since 1990 he has developed an enviable reputation in consistently being named one of South Australia's leading corporate lawyers. John initiated the Uganda Project in 2009, which is now in its eighth year.



TEGAN KNIGHT, DIRECTOR

3 meetings held while Director, 3 attended

Tegan joined the board in March 2013 and served until the conclusion of her term in June 2016. Previously a lawyer at Kain Lawyers, Tegan travelled to Uganda in 2011 and 2013 as part of the Foundation's Uganda Project team, and served as the facilitator for the 2016 Uganda trip. We recognise and thank Tegan for her passionate commitment to advancing the mission of the Foundation over the past three years.



MICHAEL TWELFTREE, DIRECTOR

3 meetings held while Director, 0 attended

Michael joined the Board in December 2015 and served until his resignation in June 2016. Michael is Proprietor and Managing Director of Two Hands Wines, a Barossa based winery producing award winning Shiraz. We thank Michael for his service to the Foundation and for the significant role which Two Hands Wines held in our Corporate Partner network.

FINANCIAL REPORT

Our Corporate Partners invest significant time and financial resources into the Foundation. The Foundation is acutely aware of the great trust bestowed by our Corporate Partners to ensure that their financial resources are directed to maximise impact when creating opportunities for children and youth in need.

In the first decade of the Foundation's history, the Board aimed to keep administration costs to a minimum with an expense ratio target not to exceed 5% of contributions received. As the Foundation pivots into its second decade, it is embarking on a new strategic plan for growth. As such, the Board has committed to investing in staffing and infrastructure that will allow the Foundation to grow efficiently. Part of this investment will include systems and processes to better measure and evaluate the outcomes and impact of the Foundation's investment in projects. The Foundation is still committed to transparent disclosure of administrative expenses while recognising that wise investment in administration and automation will improve future operational efficiency. In FY16, the Foundation's expenses were 5.1% of funds raised and 4.9% of funds distributed.

During FY16, the Foundation invested \$52k towards the building of a staff dormitory for teachers of Ugandan orphans through Watoto, and \$29k to local programs in Adelaide. The local program contributions were:

- ⊙ \$10k to the Smith Family's Work Inspirations Program

- ⊙ \$9k to Habitat for Humanity's Home Building Program

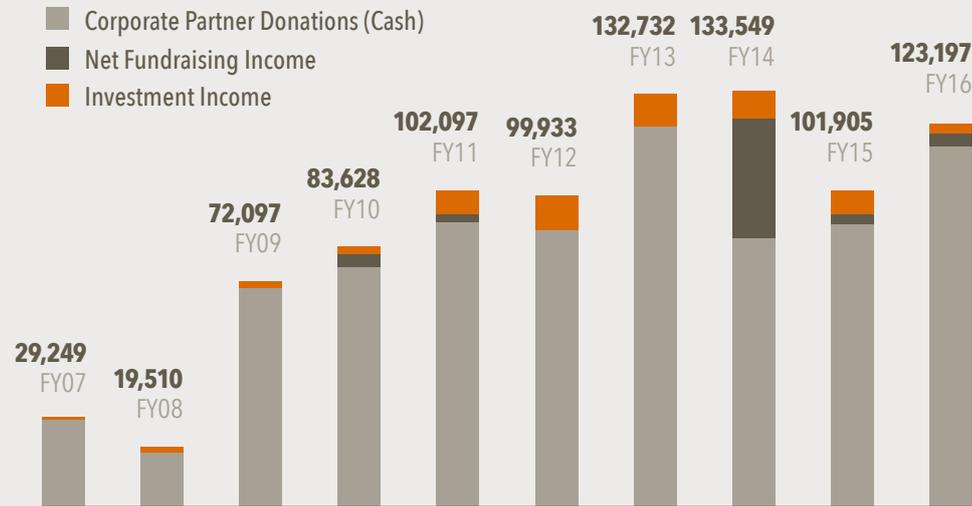
- ⊙ \$5k to Re-Engage Youth Services' Drumbeat program

- ⊙ \$5k to Puddle Jumper's Activities Days

Where does the money come from?

The Foundation's principle source of funding is donations from Corporate Partners (both cash and in-kind support). The chart below shows the sources of income from FY07 to FY16, excluding in-kind support.

Income by Source (FY07-FY16)



Note to chart: FY11 income includes \$41K pledged in FY11 and paid on 1 July 2012.

Where does the money go?

Funds raised are either invested in projects, used to pay expenses, or retained by the Foundation. The Foundation categorises its use of funds in four ways:

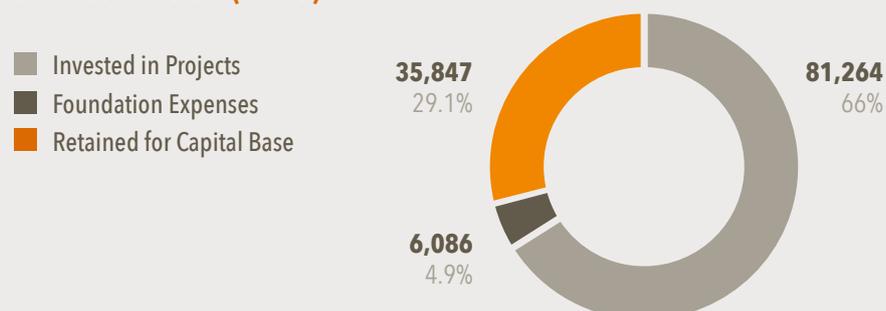
- ⊙ As investment in projects within 12 months of funds being raised. The Foundation typically invests at least 65% of the cash donations it receives directly into projects in the same year that the funds are collected.

- ⊙ As investment in long-term, multi-year projects where funds are invested more than 12 months after the funds were raised

- ⊙ To meet operational expenses

- ⊙ Retained as permanent capital to generate income to meet future project commitments and expenses

Cash Distribution (FY16)



SUMMARISED FINANCIALS

INCOME STATEMENT

AS AT 30 JUNE 2016

	2016 \$	2015 \$
Revenue	120,143	96,252
Other income	5,463	8,091
Donations	(81,264)	(72,581)
Other expenses	(6,086)	(4,013)
SURPLUS BEFORE INCOME TAX	38,256	27,749
Income tax expense	-	-
SURPLUS AFTER INCOME TAX	38,256	27,749

These statements should be read in conjunction with the accompanying notes and independent auditors report which can be found in the full version of our Annual Financial Report for the year ended 30 June 2016 on our website at www.kainfoundation.com/wp-content/uploads/2017/03/FY16-Audited-Financial-Statements.pdf

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	2016 \$	2015 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	390,544	352,533
Other assets	3,886	3,641
TOTAL CURRENT ASSETS	394,430	356,174
TOTAL ASSETS	394,430	356,174
NET ASSETS	394,430	356,174
EQUITY		
Settled sum	10	10
Retained Earnings	394,420	356,164
TOTAL EQUITY	394,430	356,174

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CASH AND CASH EQUIVALENTS

AS AT 30 JUNE 2016

	2016 \$	2015 \$
Cash on hand	10	10
Cash at bank	188,114	152,523
Short-term bank deposits	202,420	200,000
TOTAL CASH AND CASH EQUIVALENTS	390,544	352,533

RETAINED EARNINGS

AS AT 30 JUNE 2016

	2016 \$	2015 \$
Retained earnings at the beginning of the financial year	356,164	328,415
Surplus for the year	38,256	27,749
RETAINED EARNINGS AT END OF THE FINANCIAL YEAR	394,420	356,164

These statements should be read in conjunction with the accompanying notes and independent auditors report which can be found in the full version of our Annual Financial Report for the year ended 30 June 2016 on our website at www.kainfoundation.com/wp-content/uploads/2017/03/FY16-Audited-Financial-Statements.pdf



Kain Foundation Pty Limited is a public ancillary fund endorsed as a Deductible Gift Recipient with the Australian Tax Office, and as a registered charity with the Australian Charities and Not-for-Profits Commission. Monetary gifts of \$2 or more are tax deductible.

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