



ANNUAL REPORT 2019



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.

STUDENTS AT KABOYO SCHOOL WELCOMING THE KAIN FOUNDATION TEAM WITH A TRADITIONAL DANCE, AUGUST 2018.



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SARA UCCI (KAIN LAWYERS) DANCING AT KABOYO SCHOOL
IN MASAKA. AUGUST 2018.



CHAIRMAN'S REPORT



2019 has been a year of quiet consolidation and changes to personnel.

After several years of planning we have finalised our Northern Opportunities program. This program, devised and principally funded by our Foundation, will see the Kain Foundation partner with Salisbury High School, RAISE Foundation and Youth Opportunities to deliver a program to help Salisbury High School students fulfil their potential. The first cohort of Year 9 students will commence in Term 2 of 2020. They will undertake various modules integrated over four years from Year 9 to Year 12. By 2024, we expect that up to 80 students will participate in this program each year.

Further afield in Uganda, we continue to expand our work with Uganda Landcare Network and the Kkoba Community Project. With our support of the Uganda Landcare Network now extending to 8 of the targeted 12 schools, this year we began to look at opportunities to further extend the impact of this project. In 2020 we will progress a study into the feasibility of developing and funding a micro-finance component to this project.

Last year's Annual Report noted the beginning of our Schools4Schools program to support our work in Uganda. This year, Pedare Christian College become the first school to join this program, being linked to Mpuggwe Primary School, one of the first schools we supported with the Uganda Landcare Network.

Sadly, 2019 saw the resignation of our Commercial Manager Lisa Tarca. Lisa's dedication, professionalism and enthusiasm since joining us in 2016 has been a breath of fresh air and critical to the success of our work over this time. Her legacy will continue long into the future, as the foundations she has laid for the expanded work in our Uganda Projects, together with the development of both the Northern Opportunities and Schools4Schools projects will continue to create meaningful educational and economic opportunities for children and youth for many years to come. Lisa leaves us to focus on her work through her own PAF, the Millner Road Foundation. She joins other former partners, such as Perks and Two Hands Wines, who, after periods working with us have gone on to develop their own community initiatives. We wish Lisa every success with this next stage of her life.

This year also marked Andrew Killey's resignation as Chair of the Foundation. Whilst resigning as Chair, Andrew will continue to serve as a Director of the Foundation. The transition of the Chair from Andrew to me was foreshadowed in last year's Annual Report. I am delighted that Andrew's insight and commitment will continue to benefit our work.

Finally, in our focus on planning and execution, we should never lose sight of the children and youth whom we exist to serve. 2019 has seen many examples of the work we do making a positive, meaningful and lasting impact on the lives of hundreds of children in both Australia and Uganda. Any one of their stories makes our work worthwhile – the scores of stories we hear each year makes it truly rewarding. This year again, we have been enriched!

And none of this would have been possible without the support of our corporate partners and their teams. For that, I thank you and look forward to continuing to work with you in 2020.

JOHN KAIN

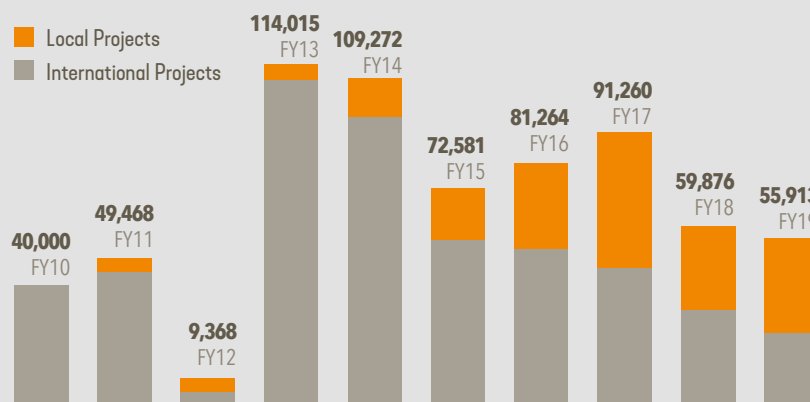
THE YEAR IN REVIEW (JULY 2018 – JUNE 2019)

THE FOCUSES OF FY19 WERE CEMENTING OUR KEY RELATIONSHIPS WITH COMMUNITY AND CORPORATE PARTNERS AND BUILDING A SOLID BASE FOR THE FUTURE OF OUR PROJECTS.

That consolidation meant diverting emphasis away from the financial growth of the Kain Foundation and instead concentrating on:

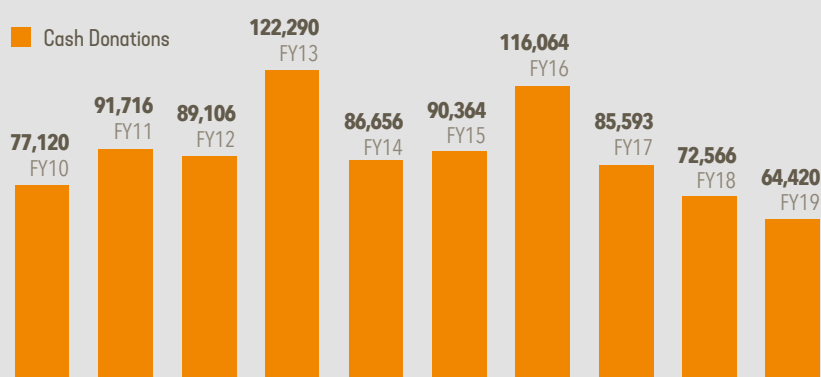
- ensuring our projects would deliver positive long-term outcomes for children and youth; and
- working with fewer Corporate and Community Partners but developing stronger relationships with those partners.

INTERNATIONAL V. LOCAL PROJECT INVESTMENT (FY10-FY19)



Cash contributions from Corporate Partners decreased from \$82k in FY18 to \$65k in FY19 reflecting the reduction in the number of Corporate Partners in FY19. Notwithstanding the decrease in those cash contributions, the percentage of cash contributions donated to our Community Partners has increased (from 73% in FY18 to 83% in FY19).

CONTRIBUTIONS TO THE FOUNDATION (FY10-FY19)





HIGHLIGHTS FROM FY19 ARE:

- delivering four Work Inspiration workshops for 64 students from Roma Mitchell Secondary College, Salisbury High School and Ocean View College;
- funding \$17k of scholarships for 16 graduates of Youth Opportunities' Personal Leadership Program as part of our Northern Opportunities scholarship program;
- connecting Pedare Christian College in Golden Grove, South Australia with Mpugwe Primary School in Masaka, Uganda through our Schools 4 Schools campaign; and
- our ninth Uganda immersion trip in August 2018 which allowed volunteers to see the continuing growth of the Junior Landcare Project and the Kkoba Community Projects.

In early FY19, we farewelled our Commercial Manager, Lisa Tarca. Lisa's expertise in the not-for-profit and private sectors is greatly missed by the Kain Foundation but is not lost to the children and youth on whom our projects are centred, as she now chairs the Milner Road Foundation which was founded by Lisa and her late husband, Silvio Tarca, to provide educational opportunities to disadvantaged young people in South Australia. We wish Lisa and the Milner Road Foundation every success.

GRACE LYNG (KAIN LAWYERS) WITH STUDENTS FROM
ST JOSEPH'S SCHOOL, KAMPALA, AUGUST 2018



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.



CONNECTION

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



STABILITY

Clearly define, measure and evaluate our program outcomes to create long-lasting improvements beyond the Foundation's period of support. Build stability not dependency.



EXPERIENCE

Facilitate Corporate Partners in engaging in hands-on experiences to unlock compassion and empathy.



EFFECTIVE FUNDING

Invest in effective projects where funds and resources are used efficiently and transparently for maximum benefit to all involved.

KAIN LAWYERS COMMUNITY DIRECTOR SARAH CHIA AWARDING A KAIN LAWYERS
SPONSORED YOUTH OPPORTUNITIES SCHOLARSHIP. NOVEMBER 2018.



OUR PROJECTS: LOCAL

IN FY19, OUR LOCAL PROJECT FOCUS REMAINED ON YOUTH EDUCATION AND TRAINING PROGRAMS AND WE CONTINUED OUR EXISTING NORTHERN OPPORTUNITIES SCHOLARSHIP PROGRAM, AND WORK INSPIRATION WORKSHOPS.



NORTHERN OPPORTUNITIES

Youth Opportunities works with Year 10 students across South Australia to deliver the Youth Opportunities Personal Leadership Program (PLP). This wellbeing and life skills program runs for 60 hours over a school term and focuses on topics such as self-confidence, motivation for study, goal planning and dealing with negative experiences.

In partnership with Youth Opportunities and as part of the Foundation's Northern Opportunities program, the Foundation funded \$17k of scholarships for 16 graduates of the PLP in FY19, with each student receiving about \$1k of support. That support was provided to students from Gawler & District College B-12, Craigmore High School, Murray Bridge High School, Paralowie R-12 School, Playford International College, Woodville High School and Northern Adelaide Senior College in the form of:

- laptops and other IT-related hardware for 10 students;
- career guidance for four students;
- school supplies for seven students;
- sporting equipment and sporting club fees for one student;
- further study course fees for one student;
- transportation assistance (such as metroCARDS) and driving lessons for five students; and
- subject tutoring for three students.

All the students awarded Northern Opportunities scholarships in Semester 1 of 2019 were renewals of previous scholarships, showing the ongoing value of those scholarships to those students.



CORPORATE PARTNER KAIN LAWYERS HOSTING A MOCK TRIAL WITH WORK INSPIRATIONS WORKSHOP STUDENTS FROM ROMA MITCHELL SECONDARY SCHOOL. SEPTEMBER 2018.

WORK INSPIRATION

Work Inspiration is an initiative of The Smith Family to provide students from Years 8 to 11 opportunities to see and experience a workplace firsthand. The Foundation has been partnering with The Smith Family since FY12 to deliver Work Inspiration programs (previously called Next Steps).

Volunteers from our Corporate Partner, Kain Lawyers, delivered four Work Inspiration programs in FY19. In line with the focus of Northern Opportunities, the Work Inspiration programs were delivered to students at Adelaide Roma Mitchell Secondary College, Salisbury High School and Ocean View College, all located in the northern suburbs of metropolitan Adelaide.

The Work Inspiration programs in FY19 included:

- visits to workplaces such as SAHMRI, Adelaide Oval, the University of Adelaide and an architecture business;
- presentations to students from the chief executive of Zoos SA, a golf teaching professional, scientists and a presentation skills coach; and
- preparing for and running a mock trial in the District Court of South Australia presided over by a Master of the Supreme Court of South Australia.



CORPORATE PARTNER KAIN LAWYERS HOSTING A MOCK TRIAL WITH WORK INSPIRATIONS WORKSHOP STUDENTS FROM ROMA MITCHELL SECONDARY SCHOOL. SEPTEMBER 2019.



STUDENTS FROM THE KABOYO SCHOOL WAVING GOODBYE
TO THE KAIN FOUNDATION TEAM, AUGUST 2018.

OUR PROJECTS: UGANDA

JUNIOR LANDCARE PROJECT

The Foundation and Junior Landcare began their partnership in 2016. The Junior Landcare Project is focused on:

- engaging teachers, students and parents to build nurseries, install rainwater tanks, and incorporate agriculture in the school curriculum;
- teaching about sustainable land and water management; and
- teacher and parent training.



SEEDLINGS IN THE KYASSONKO SCHOOL NURSERY. AUGUST 2018.



THE PIGS AT THE KYASSONKO SCHOOL AS PART OF THE LANDCARE PROGRAM. THE PIGS WILL BE SOLD AT A MARKET AND THE SCHOOL WILL USE THE FUNDS TO EXPAND THE LANDCARE PROJECT IN THE SCHOOL. AUGUST 2018.

'IN THIS PAST WEEK I HAVE HAD THE OPPORTUNITY TO MEET WITH LEADERS FROM LANDCARE, HOPELINE, MASAKA SCHOOLS AND MAYINDO WOMEN'S GROUP. EACH HAS SHOWN LEADERSHIP IN DIFFERENT WAYS BUT ALL OF THEM ARE FOCUSED WITH EQUIPPING THE YOUTH OF UGANDA WITH SKILLS THAT ENABLE THEM TO TAKE CONTROL OF THEIR FUTURE – EVEN IF THEY ARE NOT ABLE TO FINISH THEIR SCHOOLING.'

Sara Uchi, Kain Lawyers

One of the key people with whom the Foundation has worked closely on this project is Mathias Wakulira. The Junior Landcare Project was rolled out in four schools from 2016 to the end of 2018, Kaboyo, Kyassonko, Lubanda, and Happy Hours Jr. School, each with about 400 students.

In just three years, the key impacts of the Junior Landcare Project on Kaboyo include:

- every child and teacher being fed every day (which may be their only meal of the day);
- an increase in school attendance rates;
- every child being given seedlings to take home to grow in their home gardens;
- parents and the wider community becoming engaged in, and learning from, the project; and
- Kaboyo creating a commercial nursery run by parents and the community.

Sustainable features of the program include:

- planting trees for cooking or to provide shade to other plants;
- water tanks for drinking water and to water the plants;
- a piggery breeding program where piglets eat all food scraps and are then sold in the local markets;
- a vegetable garden used to feed the children and teachers; and
- teaching students how to set up a small-scale greenhouse, and to grow and care for their home gardens.

The Junior Landcare Project has been renewed for the next two years and will be facilitated in eight new schools.



COFFEE PODS FROM THE JUNIOR LANDCARE PROJECT AT KABOYO SCHOOL IN MASAKA. AUGUST 2018.

'WHILE EDUCATION IS IMPORTANT, IN THE DAILY GRIND OF UGANDA IT IS NOT ENOUGH. PEOPLE NEED TO BE SUCCESSFUL IN BUSINESS TO GET AHEAD IN A SOCIETY WHERE WELL-PAID JOBS ARE FEW AND FAR BETWEEN. TO THIS END I THINK THE KAIN FOUNDATION IS ON THE RIGHT PATH WITH THE JUNIOR LANDCARE PROJECT, AND IT'S BRILLIANT TO SEE AN AUSTRALIAN-DEVELOPED PROGRAM BEING EXPORTED AROUND THE WORLD.'

Ryan Ramsey, Stepstone Global

'TO NOW SEE THESE PROJECTS IN PLACE AND SUCCESSFUL WAS SUCH AN INCREDIBLY PROUD MOMENT FOR ME. SEEING THE IMPACT THE PROJECTS HAVE HAD DIRECTLY ON THE KIDS, AND INDIRECTLY ON THE COMMUNITY IS JUST WONDERFUL. THE TRIP ENABLED US TO BOTH SEE THE PROJECT OUTCOMES, BUT ALSO FORM FRIENDSHIPS.'

Danyelle Robson, Two Hands Wines

KKOBA COMMUNITY PROJECT

Jointly led by The Real Uganda and the Hopeline Organisation, the Kkoba Community Project aims to improve the economic, education and social conditions of children, youth and their families in the community of 2,100 people where Hopeline Organisation founder Tony Wanyoike was born.

From 2016 to 2018 the Foundation provided funding for family and youth development workshops and seed capital to start a maize business coordinated by The Real Uganda and Hopeline Organisation.

The profits from the maize business have been used to build a school close to children in the Kkoba community so that it is safer for them to travel to and from school.

The new Kkoba school now serves more than 11 villages and has created opportunities for many more children to gain an education.

Alcohol dependency and family violence has historically been a social issue in the Kkoba village. Together, the Foundation has funded and the Hopeline Organisation has facilitated meetings in the Kkoba village for six months in FY19. The purpose of the meetings was to address communication between adults, and between adults and children, within the home. Outcomes from those meetings in Kkoba village have been:

- bars in the village being closed, and a huge decrease in alcohol consumption in public;
- adults assisting with building the new Kkoba school; and
- a reduction in reports of family violence.

The Foundation and the Hopeline Organisation have also partnered to hold youth workshops focused on staying healthy, making decisions for future development, and career planning with the most involved youth being granted apprenticeships. The youth workshops have resulted in 90 apprenticeships in careers such as hairdressing, tailoring, farming, carpentry and boda boda (motorbike) mechanics.



STUDENTS FROM KABOYO SCHOOL WELCOMING THE KAIN FOUNDATION TEAM. AUGUST 2018.

'LEARNING TO READ AND WRITE IS IMPORTANT BUT LEARNING HOW TO GROW A LONG TERM BUSINESS BASED ON ACQUIRING PRACTICAL SKILLS, SOUND SUSTAINABLE METHODS THAT CAN BE APPLIED IN HOMES AND VILLAGES WHICH LEAD TO COMMERCIAL RETURN IS VITAL TO THESE WONDERFUL UGANDANS.'

Andrew Killey, KWP!

UGANDA IMMERSION TRIP

The Foundation conducts an annual cultural experience trip to Uganda for volunteers from our Corporate Partner network. The objective of the trip is to inspire generosity and empathy from the trip participants who are immersed in the Foundation's work by connecting with Ugandan community members. This is a deeply personal journey, with most participants returning to work transformed and eager to share their insights with others.

In August 2018, Andrew Killey, the then Chair of the Kain Foundation, Ryan Ramsey from Step Stone, Grace Lyng and Sara Ucci from Kain Lawyers and Danyelle Robson from the Women's and Children's Hospital Foundation visited the Junior Landcare Project and Kkoba project.

The group visited the Kaboyo and Kyassonko and saw the Junior Landcare Project in action. They were shown around the schools to see the nursery, farmland and classrooms. The students sang songs about agriculture and got everyone dancing.

At the Kkoba Community Project, the group visited the school the Kkoba community built which was funded by the maize business. In August 2018, the school was still under construction but as completed before the end of 2018.

The group also visited the Mayindo women's group which is run by the Kkoba Community Project. The women's group comprises women who may be single mothers, abandoned by their husbands or widowed, struggling to make ends meet. The women offer each other emotional support and learn valuable skills and training through their participation in the group. They have learnt about gardening, animal rearing, and making reusable sanitary pads and diapers. Today, a core group of about 10 women runs a creative learning centre and teaches over 80 women sewing and handicraft skills. They also make liquid soap. All their products are available in local markets.

The travellers were given a warm welcome by the Mayindo women's group and were encouraged to 'shake it' all day. The group were also given the opportunity to collect water from the local well (about 500 metres from the homes) and make lunch together.



GRACE LYNG (KAIN LAWYERS) PLANTING A TREE AT KABOYO SCHOOL. AUGUST 2018.

'IT WAS WONDERFUL TO SEE THE UGANDANS SO ENTHUSIASTIC ABOUT HELPING THEMSELVES AND THEIR COUNTRY, NOT JUST THE FUTURE GENERATION BUT TEACHING THE CHILDREN SKILLS TO TAKE HOME TO THEIR FAMILIES. THE SQUEALS OF ABSOLUTE DELIGHT FROM THE CHILDREN AS WE BLEW BUBBLES AND PEALS OF LAUGHTER AS WE TRIED (AND FAILED) TO MIMIC THEIR DANCE MOVES TAUGHT ME THAT YOU DON'T NEED MUCH TO BE HAPPY.'

Grace Lyng, Kain Lawyers



ROMA MITCHELL SCHOOL WORK INSPIRATIONS STUDENTS AT CORPORATE PARTNER KAIN LAWYERS' OFFICE, FEBRUARY 2018.

CORPORATE PARTNERS

WE SPEAK ABOUT OUR NETWORK OF CORPORATE PARTNERS BEING LIKE-MINDED, GENEROUS BUSINESSES. OUR LASTING IMPRESSION FROM WORKING SIDE-BY-SIDE WITH YOU, OUR CORPORATE PARTNERS, IS OF INDIVIDUALS WHO CARE DEEPLY FOR THEIR COMMUNITIES AND ABOUT CREATING OPPORTUNITIES FOR CHILDREN. MOST OF YOU INVEST YOUR OWN MONEY AND TIME, AND WHEN THIS INVESTMENT IS MATCHED BY YOUR BUSINESS, IT HAS THE COMPOUNDING EFFECT TO CREATE LONG-LASTING CHANGES IN BOTH THE LIVES OF CHILDREN AND OURSELVES.

The Foundation had three Corporate Partners in FY19 who collectively contributed over \$64k in cash contributions along with in-kind donations.

During FY19 our Corporate Partners provided:

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

OUR CORPORATE PARTNERS IN FY19 WERE:

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.

Halpin Financial Services

One of South Australia's longest established Financial Planning practices providing quality financial advice since 1972.

Adelaide Fringe Artist Fund

The Adelaide Fringe Artist Fund provides financial assistance to Australian artists registering their work in Adelaide Fringe, and to help disadvantaged groups experience Fringe shows.

KAIN
LAWYERS

Opportunity. Opportunity. Opportunity.

HALPIN
FINANCIAL SERVICES

ADELAIDE
FRINGE ARTIST FUND



If your company is interested in learning more about joining our corporate partner network, please contact us at info@kainfoundation.com. We're also happy to share tips with any company interested in setting up their own workplace giving and volunteering programs, so please reach out.

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.

OUR COMMUNITY PARTNERS IN FY19 WERE:



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 the 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 the Kkoba Community project.



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 the Junior Landcare project in Lwengo, Uganda.



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.



Youth Opportunities

Empowers young people to overcome challenges now and in their future by training them on how to be happy, communicate more effectively, build their confidence and improve wellbeing, set goals and increase motivation.

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. In FY19 we farewelled Andrew Killey as outgoing Chair and welcomed John Kain as Chair.

MEET OUR BOARD



JOHN KAIN, CHAIR

3 MEETINGS HELD WHILE CHAIR, 3 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 tenth year.



MARK BOOTH, DIRECTOR

3 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.



JAN TURBILL, DIRECTOR

3 MEETINGS HELD WHILE DIRECTOR, 2 ATTENDED

Jan joined the Board in October 2016. Jan is the founder and Managing Director of Intuito, a market research business. Jan is a marketing practitioner with 30 years' experience in marketing and market research in the Adelaide market. Jan is a full member of the Australian Market and Social Research Society (AMSRS), and also serves on the board of the Adelaide Fringe Festival.



EVAN POLYMENEAS, DIRECTOR

3 MEETINGS HELD WHILE DIRECTOR, 2 ATTENDED

Evan joined the Board in November 2017. Evan has been a teacher in South Australia for 24 years, the last 14 years he's specialized in Humanities at Salisbury High School. We first met Evan when he participated in one of our Work Inspiration workshops with his students in late 2016. He then joined us for our August 2017 Uganda trip. In addition to his work as a teacher, Evan volunteers for The Barefoot Initiative – a grassroots community development project working with the Afar people in Ethiopia.



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.

We first share the shift in the Foundation's policy towards tracking and reporting administrative expenses in FY16. 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. After a review of best practice for other NGO's operating locally and internationally, along with a strategic realignment of the Foundation, the Board agreed to an expense target of no more than 20%.

In FY19, the Foundation's expenses were 23.96% of funds raised and 28% of funds distributed. These percentages are slightly higher than those recorded in FY18 primarily attributed to the reduced collections from corporate partner donations.

Funds collected in FY19 decreased from FY18 by 26% however, funds distributed only reduced by 7% as the Foundation continued its commitment with local and Uganda projects. Overall in FY19 the Foundation distributed 80% of funds raised to local and Uganda projects.

During FY19, the Foundation invested \$24K in our Uganda projects, and \$32K on local projects. The local program contributions were:

- \$15k to the Smith Family's Work Inspirations Program
- \$17k to Youth Opportunities for the Northern Opportunities Program

INCOME BY SOURCE

The Foundation's principle source of funding is donations from Corporate Partners (both cash and in-kind support).

The chart below shows admin expenses as a total % of funds raised since inception:

EXPENSES AS A PERCENTAGE OF TOTAL CONTRIBUTIONS (FY07-FY19)

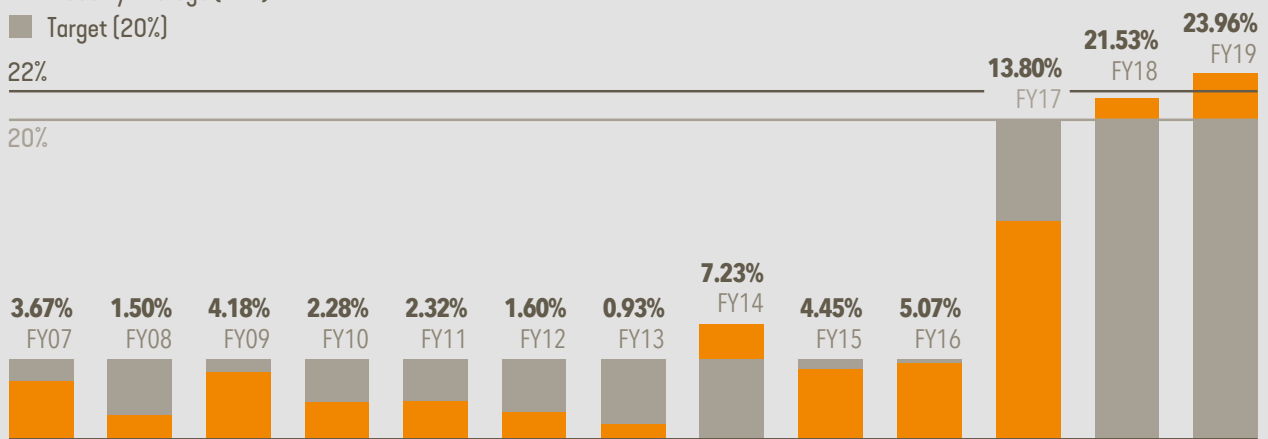
Expenses as a Percentage of Total Contributions

Industry Average (22%)

Target (20%)

22%

20%



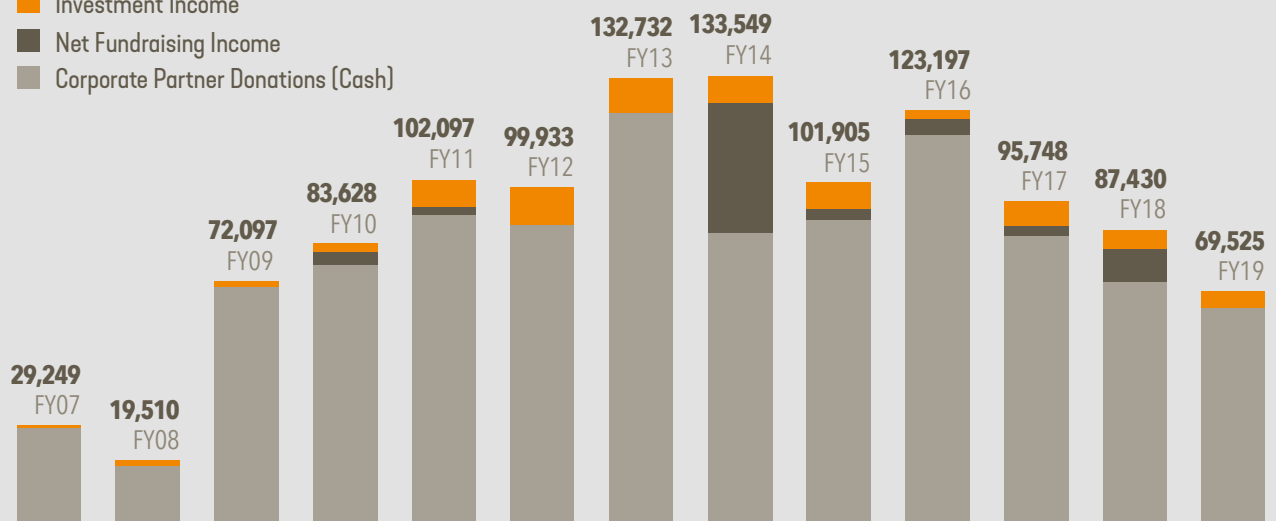
The chart below shows income by source since inception:

INCOME BY SOURCE (FY07-FY19)

Investment Income

Net Fundraising Income

Corporate Partner Donations (Cash)

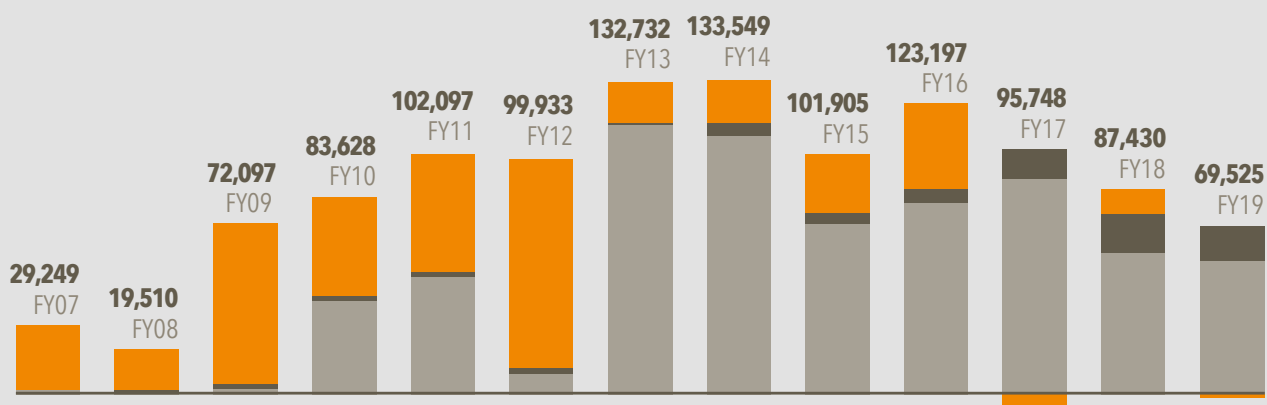


WHERE DOES THE MONEY GO?

The chart below shows Projects, Expenses and retained income since inception:

WHERE OUR CASH DONATIONS GO (FY07-FY19)

- Retained for Capital Base
- Foundation Expenses
- Invested in Projects

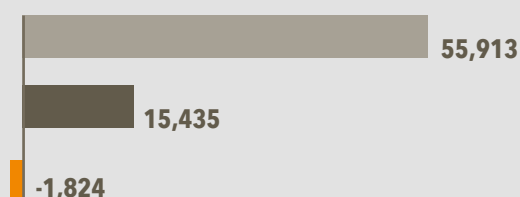


Funds raised are either invested in projects, used to pay expenses, or retained by the Foundation. The Foundation categorises its use of funds in four ways:

- As an 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 an 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 CONTRIBUTION (FY19)

- Invested in Projects
- Foundation Expenses
- Retained for Capital Base



SUMMARISED FINANCIALS

INCOME STATEMENT

FOR THE YEAR ENDING 30 JUNE 2019

	2019 \$	2018 \$
Revenue	65,420	82,190
Other income	5,105	5,240
Donations	(53,990)	(59,741)
Other expenses	9,688	(17,834)
(DEFICIT) / SURPLUS BEFORE INCOME TAX	6,847	9,855
Income tax expense	-	-
(DEFICIT) / SURPLUS AFTER INCOME TAX	6,847	9,855

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDING 30 JUNE 2019

	2019 \$	2018 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	393,341	382,179
Other assets	-	4,315
TOTAL CURRENT ASSETS	393,341	386,494
TOTAL ASSETS	393,341	386,494
NET ASSETS	393,341	386,494
EQUITY		
Settled sum	10	10
Retained Earnings	393,331	386,484
TOTAL EQUITY	393,341	386,494

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 2019 on our website.

CASH AND CASH EQUIVALENTS

FOR THE YEAR ENDING 30 JUNE 2019

	2019 \$	2018 \$
Cash on hand	10	10
Cash at bank	76,367	169,585
Short-term bank deposits	316,964	212,584
TOTAL CASH AND CASH EQUIVALENTS	393,341	382,179

RETAINED EARNINGS

FOR THE YEAR ENDING 30 JUNE 2019

	2019 \$	2018 \$
Retained earnings at the beginning of the financial year	386,484	376,629
(Deficit) / surplus for the year	6,947	9,855
RETAINED EARNINGS AT END OF THE FINANCIAL YEAR	393,331	386,484

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 2019 on our website.

Kain Foundation

ABN 63 425 376 446

Financial Statements

For the Year Ended 30 June 2019

Kain Foundation

ABN 63 425 376 446

For the Year Ended 30 June 2019

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Kain Foundation

ABN 63 425 376 446

Income Statement

For the Year Ended 30 June 2019

	2019	2018
	\$	\$
Revenue	65,420	82,190
Other income	5,105	5,240
Donations	(53,990)	(59,741)
Other expenses	(9,688)	(17,834)
Surplus before income tax	6,847	9,855
Income tax expense	-	-
Surplus after income tax	6,847	9,855

The accompanying notes form part of these financial statements.

Kain Foundation

ABN 63 425 376 446

Statement of Financial Position

As at 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	393,341	382,179
Other assets		-	4,315
TOTAL CURRENT ASSETS		393,341	386,494
TOTAL ASSETS		393,341	386,494
NET ASSETS		393,341	386,494
EQUITY			
Settled sum		10	10
Retained Earnings	3	393,331	386,484
TOTAL EQUITY		393,341	386,494

The accompanying notes form part of these financial statements.

Kain Foundation

ABN 63 425 376 446

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the foundations's constitution and the *Public Ancillary Fund Guidelines 2011*. The trustee has determined that the foundation is not a reporting entity.

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.

2 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash on hand	10	10
Cash at bank	76,367	169,585
Short-term bank deposits	316,964	212,584
Total cash and cash equivalents	393,341	382,179

Kain Foundation

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Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Retained Earnings

	2019	2018
	\$	\$
Retained earnings at the beginning of the financial year	386,484	376,629
Surplus for the year	6,847	9,855
Retained earnings at end of the financial year	393,331	386,484

4 Trust Details

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

Kain Foundation

ABN 63 425 376 446

Trustee Declaration

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 2019 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.
3. In the trustee's opinion the foundation has complied with the *Public Ancillary Fund Guidelines 2011*.

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

Trustee



Dated this

~~day of December 2019~~

13 January 2020

Kain Foundation

ABN 63 425 376 446

Independent Auditor's Report to the trustee of Kain Foundation

Part A: Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Kain Foundation (the foundation), which comprises the statement of financial position as at 30 June 2019 and the income statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and Trustee Declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of Kain Foundation as at 30 June 2019 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the *Public Ancillary Fund Guidelines 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the foundation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the foundation to meet the requirements of its Trust Deed and the *Public Ancillary Fund Guidelines 2011*. As a result, the financial report may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of the Trustee for the Financial Report

The Trustee is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Trust Deed and the *Public Ancillary Fund Guidelines 2011*. The Trustee's responsibility also includes such internal control as the Trustee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustee is responsible for assessing the the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

Kain Foundation

ABN 63 425 376 446

Independent Auditor's Report to the trustee of Kain Foundation

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Kain Foundation

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Independent Auditor's Report to the trustee of Kain Foundation

Part B: Compliance

Opinion

In our opinion, the Trustee of the foundation has complied, in all material respects, with the *Public Ancillary Fund Guidelines 2011* for the year ended 30 June 2019.

Trustee's Responsibility for Compliance

The Trustee is responsible for complying with the requirements of the *Public Ancillary Fund Guidelines 2011*.

Auditor's Responsibility

Our responsibility is to express an opinion on the Trustee's compliance based on the compliance engagement. Our audit has been conducted in accordance with applicable Standards on Assurance Engagements to provide reasonable assurance that the Trustee of the foundation complied, in all material respects, with the *Public Ancillary Fund Guidelines 2011*.

Our procedures included examinations, on a test basis, of evidence of supporting compliance with the *Public Ancillary Fund Guidelines 2011*. These tests have not been performed continuously throughout the year and were not designed to detect all instances of non compliance.



PERKS AUDIT PTY LTD
180 Greenhill Road
Parkside
South Australia 5063



PETER J HILL
Director
Registered Company Auditor
Dated this 14th day of January 2020

Kain Foundation

ABN 63 425 376 446

Disclaimer

For the Year Ended 30 June 2019

The additional financial data presented on page 10 is in accordance with the books and records of the foundation which have been subjected to the auditing procedures applied in our audit for the year ended 30 June 2019. It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Kain Foundation) in respect of such data, including any errors of omissions therein however caused.



PERKS AUDIT PTY LTD

180 Greenhill Road

Parkside

South Australia 5063



PETER J HILL

Director

Registered Company Auditor

Dated this 14th day of January 2020

Kain Foundation

ABN 63 425 376 446

For the Year Ended 30 June 2019

Profit and Loss Account

	2019 \$	2018 \$
Income		
Corporate partner contributions	65,420	82,190
Investment income	5,105	5,240
Total income	70,525	87,430
Less: Expenses		
Donations	53,990	59,741
Insurance	4,315	4,190
Travel	3,638	1,875
Accounting fees	1,100	880
Website and software expenses	384	403
Sundry expenses	131	618
Bank charges	120	298
Marketing and communications	-	5,897
Events	-	3,673
Total Expenses	63,678	77,575
Operating surplus	6,847	9,855



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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