



CELEBRATING 15 YEARS

ANNUAL REPORT 2020



OUR VISION

Our vision is for a world where businesses are generous and children and young people 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.

WHAT WE BELIEVE

At Kain Foundation we believe in opportunity. We know it's possible for children and young people 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.

MEGAN SANDERS, TRISH WEYLAND (KAIN LAWYERS) AND
 MICHAEL HART (HALPIN FINANCIAL SERVICES) AT KKOBA
 VILLAGE, UGANDA, AUGUST 2019.



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MEGAN SANDERS, FREYA SINICKAS AND GRACE LYNG
(KAIN LAWYERS) WITH A YOUTH OPPORTUNITIES
SCHOLARSHIP RECIPIENT, OCTOBER 2019.



OUR FUNDING PRINCIPLES

THE FOUNDATION'S WORK IS GOVERNED BY ITS OVERARCHING FUNDING PRINCIPLES AND VALUES.



OPPORTUNITY

Create educational and economic opportunities for children, young people, 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.

CHAIRMAN'S REPORT



In FY2020 the Foundation celebrated 15 years of operation.

We launched the year with our 10th immersion trip to Uganda, with partners Kain Lawyers and Halpins Finance, visiting the supported Uganda Landcare Opportunities communities and the projects in Kkoba community.

In last year's Annual Report we announced work was underway to explore opportunities to further extend the impact of our Uganda Landcare Opportunities projects. During FY20 we have continued to progress this work, conducting a feasibility study and meeting with local savings and credit co-operative's during our immersion trip in August. These plans have since stalled due to the effects of COVID-19, however with much of the groundwork done we hope to recommence this work in FY21.

Whilst the COVID-19 pandemic has had limited impact on our projects in South Australia we cannot say the same for our work in Uganda.

At the start of 2020, an invitation was extended to 4 new schools for them to participate in Uganda Landcare Opportunities, but work has stalled on embedding the program at these sites due to lockdowns and restrictions across the country. Due to the closure of schools nationwide we have focused our efforts on supporting the existing eight schools toward sustainability.

Our thoughts and well wishes are with our friends at the Uganda Landcare Network during these uncertain times.

Following several years of preparation, the Foundation celebrated the first cohort of Salisbury High School students commencing our Northern Opportunities program in FY20. In CY2020 the first cohort of 15 students commenced the Year 9 mentoring module with Kain Lawyers and Raise Foundation, where they will learn a range of help-seeking skills as well as acquire tools to support their wellbeing. Over the next 4-years students will undertake a range of integrated modules designed to support their educational and economic development.

I congratulate the Board and our community partners for their work on this initiative and acknowledge the work of Sarah Chia, Director, Kain Lawyers in implementing the program.

During FY20 a 54% increase in contributions to the Foundation (principally from Kain Lawyers), together with a proportionately lower (31%) increase in expenses saw funds expended on administration reduce from 15.04% to 14.43% of contributions. As a result of the impact of COVID-19 on businesses, together with an expected material increase in contributions from Kain Lawyers (expected to exceed \$200,000 in FY2021) the Foundation committed to not seeking additional funds from corporate donations, and instead focused work on implementation of our Northern Opportunities project.

As a consequence of not seeking additional funds from corporate donations the Foundation has drawn on cash reserves to meet our project commitments in 2020. This is expected to be covered from increased in contributions from Kain Lawyers in FY2021. Alongside this projected increase our project commitments should begin to stabilise, pending COVID-19 impacts, providing suitable resources in future years to meet our growing commitments.

As I reflect on the last 15 years of the Foundation I think about the many lives our work has touched. I also acknowledge the many corporate partners that have helped us to further the Foundation's mission, many of whom have gone on to develop their own community initiatives.

Once again I thank the Board for their ongoing support and commitment during a challenging and unpredictable year, so too our corporate and community partners that have worked tirelessly to create educational and economic opportunities for young people to fulfil their potential.

JOHN KAIN

THE YEAR IN REVIEW (JULY 2019 – JUNE 2020)

THE FOCUSES OF FY20 WERE EXPANDING OUR PROGRAMS LOCALLY AND OVERSEAS TO INCLUDE WRAP-AROUND SUPPORTS FOR CHILDREN, YOUNG PEOPLE AND THEIR COMMUNITIES, AND HELPING OUR COMMUNITY PARTNERS RESPOND TO THE CHALLENGES RELATING TO THE IMPACTS OF THE COVID-19 PANDEMIC.

Through the year we concentrated on:

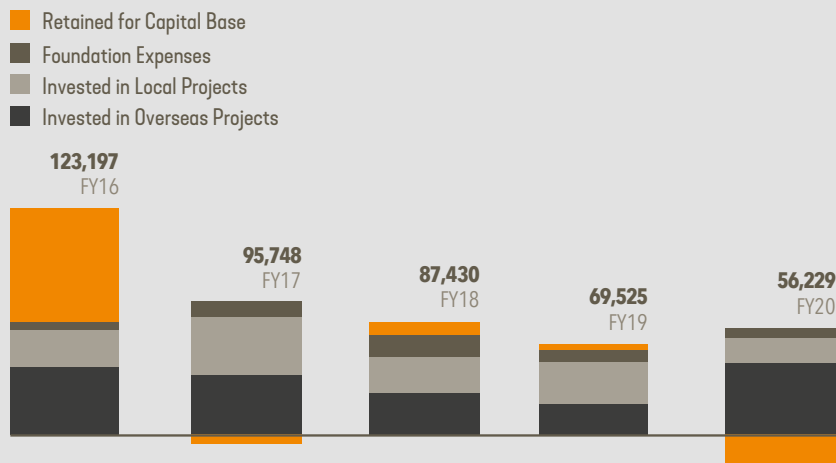
- ensuring our projects would deliver positive long-term outcomes for children and young people;
- working with fewer Corporate and Community Partners, but forming longer term relationships with those partners; and
- supporting existing partners and projects to navigate the changes of supporting children and young people during a worldwide pandemic.

Our Uganda Landcare Opportunities Project has grown to 12 schools participating in the Junior Landcare Program, resulting in an increase in grant funds to support these new sites towards sustainability.

Locally we launched the revised Northern Opportunities Project, a 4-year program supporting students at Salisbury High School to become economically and socially independent.

Whilst we have drawn on some cash reserves in FY20 to meet these commitments, projected income from Corporate Partners is expected to exceed our grant commitments in FY21 and FY22, providing adequate resourcing for these projects into the future.

INTERNATIONAL V. LOCAL PROJECT INVESTMENTS (FY16-FY20)



FY20 OUTCOMES SNAPSHOT



1

CORPORATE PARTNER



5

COMMUNITY PARTNERS



22

EMPLOYEES ENGAGED

UGANDA PROJECTS



\$55K

IN FUNDING FOR UGANDA PROJECTS

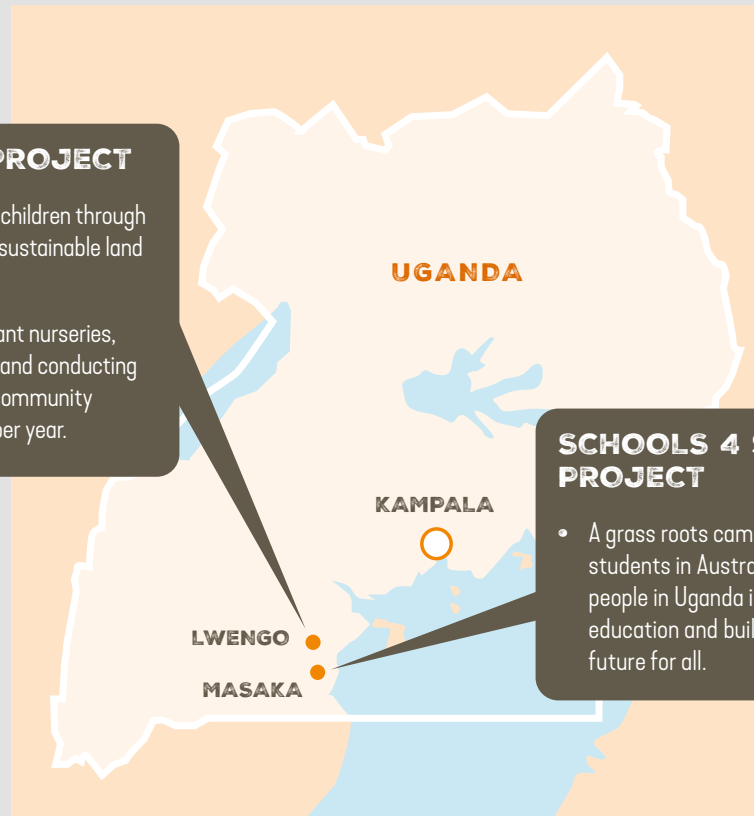


REACHING

**12 SCHOOLS,
1,918 CHILDREN
AND YOUNG PEOPLE**

JR. LANDCARE PROJECT

- Creating opportunities for children through education and practice of sustainable land and water management.
- Funding covers building plant nurseries, installing rainwater tanks, and conducting training for teachers and community leaders at 4 new schools per year.



SCHOOLS 4 SCHOOLS PROJECT

- A grass roots campaign connecting students in Australia with rural young people in Uganda in order to promote education and build a more sustainable future for all.



540

HOURS OF SUPPORT



2,421

COMMUNITY MEMBERS BENEFITED



ADELAIDE PROJECTS



\$20K

IN FUNDING FOR LOCAL PROJECTS



REACHING

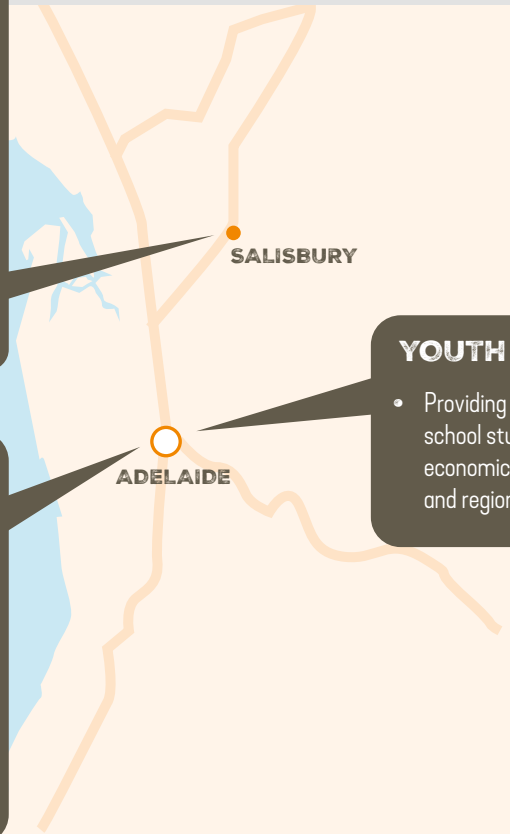
**8 SCHOOLS,
85 CHILDREN
AND YOUNG PEOPLE**

NORTHERN OPPORTUNITIES PROJECT

- An integrated 4-year program in the form of mentoring, leadership and life skills training, scholarships and work experience to high school students from Salisbury High School.
- Community partners and corporate volunteers support participating students by serving as mentors, providing leadership training and running career workshops and traineeships.

WORK INSPIRATION PROJECT

- A business-led initiative that provides young people with opportunities to experience the world of work first hand in a meaningful and inspiring way
- Provides a way for employers to play a valuable role in shaping their future workforce – and the next generation of Australian workers



YOUTH OPPORTUNITIES

- Providing scholarships to support high school students from low socio-economical areas in northern Adelaide and regional South Australia.

NICOLAS CARDONE (KAIN LAWYERS) PARTICIPATING IN THE YEAR 9 NORTHERN OPPORTUNITIES GROUP MENTORING ACTIVITY WITH RAISE FOUNDATION.



OUR PROJECTS

WE WORK CLOSELY WITH A TRUSTED GROUP OF NOT-FOR-PROFIT AND COMMUNITY-BASED ORGANISATIONS TO IMPLEMENT AND DELIVER PROJECTS AND OPPORTUNITIES TO ENRICH THE LIVES OF CHILDREN, YOUNG PEOPLE AND THEIR COMMUNITIES BOTH LOCALLY AND OVERSEAS IN UGANDA.

WE DRAW ON THE KNOWLEDGE AND EXPERIENCE OF OUR COMMUNITY PARTNERS TO GUIDE PROJECT WORK AND IN RETURN PROVIDE ACCESS TO CORPORATE VOLUNTEER AND FINANCIAL SUPPORT.



LOCAL: NORTHERN SUBURBS

WORK INSPIRATION

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

Together with volunteers from our Corporate Partner, Kain Lawyers, the Foundation was able to support the delivery of three Work Inspiration programs in FY20 to 64 students from Roma Mitchell Secondary College, Salisbury High School and Ocean View College.

Following involvement in the Work Inspiration program:

- 97% students agreed they feel more confident about their future job/career/study options;
- 92% students agreed that they knew more about what behaviours are expected at work;
- 89% students agreed that they were more committed to finishing school; and
- 90% students agreed that the program helped them think about what sort of job/career they might want to do.



STUDENT WORKING WITH A RAISE COMMUNITY MENTOR AS PART OF THE NORTHERN OPPORTUNITIES MENTORING MODULE, 2020.

NORTHERN OPPORTUNITIES

In the first half of FY20 the Foundation partnered with Youth Opportunities to fund scholarships for 6 graduates of their Personal Leadership Program (PLP). These scholarships supported students in the northern suburbs and regional SA toward their career paths with career guidance, driving lessons, laptops and course fees.

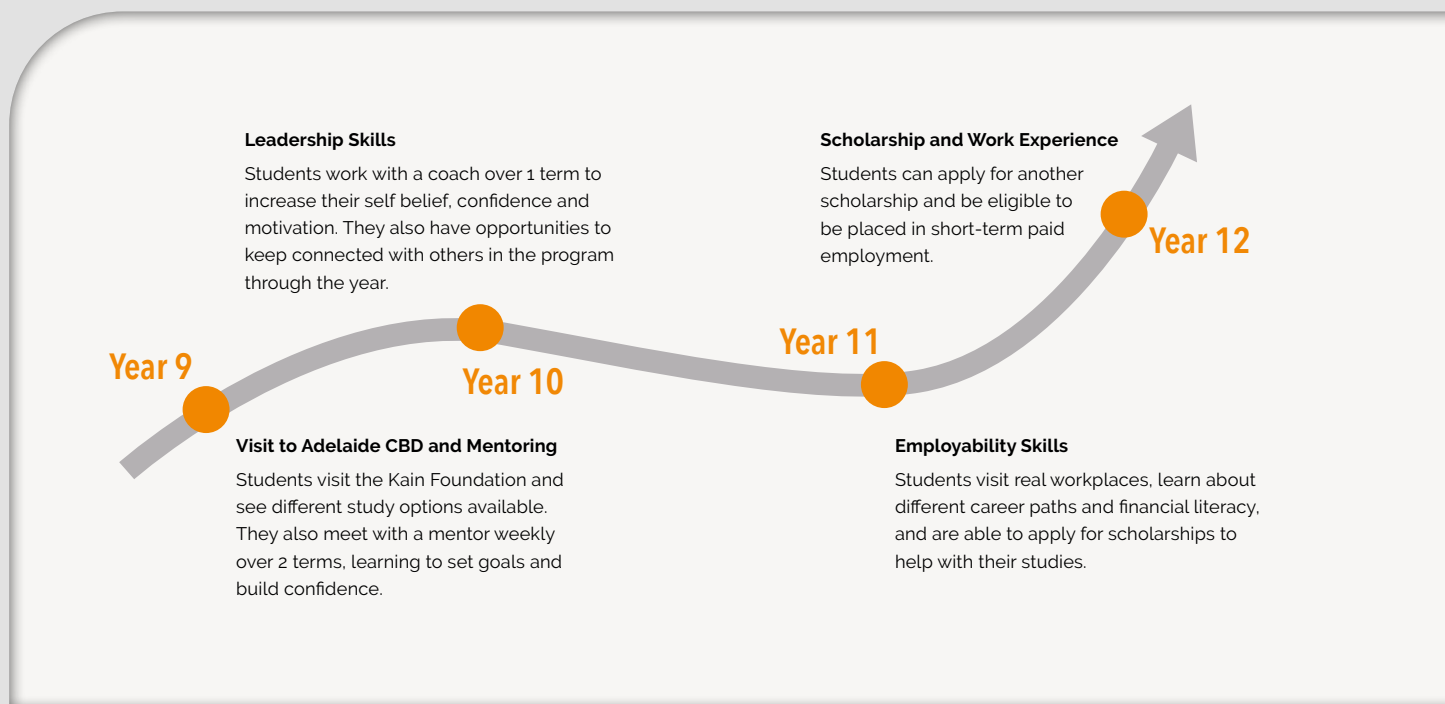
After much planning and using the knowledge gained from 15 years of working with various community partners, the Foundation, together with our supporting partners Raise Foundation, Youth Opportunities and Salisbury High School, launched a new-look Northern Opportunities project at Salisbury High School in January 2020.

The Northern Opportunities project is a 4-year program, starting in year 9, that provides students the opportunity to participate in mentoring, leadership training, life skills, scholarships and work experience. Through the program students will be challenged and supported to create their own goals, build resilience, test their limits, feel independent and get the skills and confidence needed to live their best life.



FREYA SINICKAS (KAIN LAWYERS) PRESENTING YOUTH OPPORTUNITIES SCHOLARSHIP, OCTOBER 2019.

Over the course of the next 4 years students will take part in the following modules designed to support their economic and educational development:



Northern Opportunities is designed for two-way enrichment; students are supported to, and recognised for, achieving goals and are provided with resources to help them identify and pursue further study or a career; whilst businesses deepen their connection to local communities and individual employees develop leadership skills through volunteering and mentoring.

In FY20, 15 students commenced the program, working with Raise Foundation and volunteer mentors from our Corporate Partner, Kain Lawyers and the community.

Over the next three years our corporate partner(s) will progressively extend their involvement so that they are involved on a rolling basis each year of the program.



JOHN KAIN TALKING TO STUDENTS AT ST MARIA GORETH MPUGWE PRIMARY SCHOOL ABOUT THE UGANDA LANDCARE OPPORTUNITIES PROJECT.

OVERSEAS: UGANDA

In FY2020 the Foundation celebrated 11 years of creating educational and economic opportunities for disadvantaged children in Uganda to build bright, healthy and self-reliant futures.

Commencing in 2009, the Foundation's work concentrated on supporting children and young people principally through building houses and infrastructure for orphans.

In 2016 we shifted focus and commenced work with our delivery partner, Uganda Landcare Network, to develop the Uganda Landcare Opportunities (ULO) Initiative. We also supported initiatives in Kkoba, a community in rural Eastern Uganda, alongside project partners Hopeline Organisation and The Real Uganda.



STUDENTS AT KAGGANDA PRIMARY SCHOOL WITH PLANTS AND SEEDLINGS FROM THEIR NURSERY, AUGUST 2019.

UGANDA LANDCARE OPPORTUNITIES PROJECT

The Uganda Landcare Opportunities (ULO) partnership began in 2016. Together, with our delivery partner, Uganda Landcare Network, the Junior Landcare project was introduced to 4 primary schools in the Masaka district by 2018. At the end of FY20 the project is now active in 8 schools across the district, with a further 4 schools commencing the program in 2020.

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 economically and environmentally sustainable land and water management; and
- teacher and parent training.

Key impacts of the Junior Landcare Project at the various schools include:

- every child and teacher being fed every day (which may be their only meal of the day);
- increase in school attendance rates;
- each child being equipped with practical skills, resources and knowledge that they can take home and apply in their own home and community, passing skills on to parents and the wider community; and
- Kaboyo creating a commercial nursery run by parents and the community.

In FY2020 the Foundation commenced work on the next stage of the ULO initiative, exploring how to increase the scope of support for participating schools and assessing the feasibility of introducing microfinance products for families, schools and the community.

With support from Uganda Landcare Network, the Foundation met with three possible financial institutions in Uganda as part of the Immersion trip in August 2020.

Unfortunately due to the affects of the COVID-19 pandemic in Uganda, work on the existing Junior Landcare projects paused at the start of 2020.



JOHN KAIN, KAIN FOUNDATION CHAIRPERSON AND MICHAEL HART (HALPIN FINANCIAL SERVICES) MEETING WITH LWENGO SACCO LTD, AUGUST 2019.

'THIS VISIT SHOWED ME HOW POWERFUL AND LOVING A MOTHER CAN BE WHEN THEY TAKE THEIR LIFE INTO THEIR OWN HANDS AND FROM TODAY I HAVE GAINED SUCH RESPECT FOR NOT ONLY WOMEN WITH CHILDREN, BUT WOMEN IN GENERAL.'

Barnaby Pyne after visit to Kkoba village

UGANDA IMMERSION TRIP

Each year Kain Foundation conducts a cultural experience trip to Uganda for volunteers from our corporate partner network. The purpose of this 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.

At the end of July 2019, seven people including staff from Kain Lawyers, Halpins Financial and three students took part in the Foundation's 10th annual Uganda experience trip. In our 10th year we celebrate having offered 67 visitors the opportunity to participate in our immersion experience.

The group visited several of the supported Junior Landcare sites including Happy Hours, Kyassonko, Kagganda and Kaboyo Primary Schools, receiving tours of each school to see the nurseries, piggeries and classrooms. At each site the group were welcomed with songs and had their dance and soccer skills challenged.

Later in the trip the group visited the Kkoba Community Project, meeting the Mayindo women's group, touring the village and sharing in cooking banana pancakes before working with The Real Uganda and Hopeline Organisation to run family workshops.

The workshops focused on reducing domestic violence, alcohol abuse and other anti-social practices as well as promoting economic development and the building of a new school from proceeds of their economic activities. These have had great success in opening a dialogue about anti-social behaviours and are starting to see some real change for women and children in the community.

An integral part of this trip was the opportunity for the group to meet with representatives from our project partner, Uganda Landcare Network and local SACCO (Savings and Credit Cooperative Organisation) to discuss suitable microfinance products for our Uganda Landcare Opportunities Initiative. Due to the COVID-19 pandemic work on this has stalled, but we look forward to recommencing these discussions when things are more stable.



STUDENTS AT ST MARIA GORRETH
MPUGWE PRIMARY SCHOOL.

SCHOOLS 4 SCHOOLS

Schools 4 Schools is a grass roots campaign to connect students in Australia with rural youth in Uganda in order to promote education and build a more sustainable future for all. The campaign presents a unique opportunity for Australian students to make a real difference and feel a part of a global community.

Presenting Australian schools with unique opportunities, the program provides a chance for applied learning in practice. Students and their parents can learn more about Uganda and its history, whilst upskilling in the same landcare principles that will be passed on to students in Uganda.

One of the Foundation's key values is connection, so connection between students in Australia and Uganda is a key objective, through channels such as social media or via more traditional forms such as posted letters and photos in a pen-pal type arrangement

Through this campaign Australian schools are paired with a school participating in the Junior Landcare project in Uganda. In FY20 the Foundation partnered with Pedare Christian College who fundraised to support the expansion of the project to future schools, whilst connecting with and learning from the students at Mpugwe Primary School.

Interested in getting your school involved, please contact us at info@kainfoundation.com.

'READING AND HEARING ABOUT THE PROJECTS IN UGANDA CAN'T COMPARE TO HOW IT FELT GETTING TO SEE THEM FIRST HAND. IT WAS INSPIRING TO MEET THE PEOPLE IN UGANDA THAT ARE MAKING A DIFFERENCE, NOT JUST FOR THEMSELVES, BUT FOR THE WHOLE COMMUNITY. I'LL NEVER FORGET THE HAPPY SMILES FROM THE KIDS AND THE GENEROSITY OF EVERYONE WE MET. I LOOK FORWARD TO SEEING THE ONGOING PROGRESS OF THE PROJECTS IN UGANDA.'

Megan Sanders, Kain Lawyers



MEGAN SANDERS (KAIN LAWYERS) AND BARNABY PYNE WITH STUDENTS FROM PEDARE CHRISTIAN COLLEGE, AUGUST 2019.



WORK INSPIRATION STUDENTS AT CORPORATE PARTNER KAIN LAWYERS OFFICE, TERM 4, 2019.

CORPORATE PARTNERS CONTRIBUTIONS

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 LONGLASTING CHANGES IN BOTH THE LIVES OF CHILDREN AND OURSELVES.

In FY20 the Foundation had 2 Corporate Partners who collectively contributed \$51.1K in cash and in-kind contributions valued around \$51K

During FY20 our corporate partners provided:

- 320 hours of mentoring support;
- 64 hours of work inspirations workshops; and
- funding through their own donations or fundraising activities.

OUR CORPORATE PARTNERS IN FY20 WERE:

Kain Lawyers

Kain Lawyers are Transaction Specialists and ranked as one of Australia's top mid-market transaction firms. 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.

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.

Pedare Christian College

An independent school based in Golden Grove, Pedare Christian College is committed to developing young people to make a difference in our global community, doing so by supporting our Schools 4 Schools project in Uganda.

Halpins Financial

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

KAIN
LAWYERS
TRANSACTION SPECIALISTS

ADELAIDE
FRINGE ARTIST
FUND

 **PEDARE**
We are one. We are Pedare.

HALPIN
FINANCIAL SERVICES



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 PARTNER CONTRIBUTIONS

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 expertise 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 FY20 WERE:

Raise Foundation

Ensuring young people feel heard, valued and supported, running programs that provide a community of support around young people and impacts youth wellbeing and engagement through early intervention mentoring programs in schools and communities.

Salisbury High School

Empower students to create successful futures, with all programs underpinned by the school motto of Pathways to Success.

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.

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

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 Layers and other Corporate Partners to support the operations of the Foundation

MEET OUR BOARD



JOHN KAIN, CHAIR

2 MEETINGS HELD WHILE CHAIR, 2 ATTENDED

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 eleventh year.



ANDREW KILLEY, DIRECTOR

2 MEETINGS HELD WHILE DIRECTOR, 2 ATTENDED

Andrew Killey joined the Board in December 2015, serving as Chair of the Foundation from 2015 to 2019. 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

2 MEETINGS HELD WHILE DIRECTOR, 2 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

2 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

2 MEETINGS HELD WHILE DIRECTOR, 1 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 YOUNG PEOPLE 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. 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 FY20, the Foundation's expenses were 14.43% of funds raised and 9.83% of funds distributed. These percentages are lower than those recorded in FY19, primarily attributed to not having a person on staff in FY20.

As a consequence of not seeking additional funds from corporate donations in FY20, funds collected decreased by 11.2%, resulting on the Foundation drawing on cash reserves to meet our grant commitments.

Cash donations from Corporate Partner Kain Lawyers are expected to increase in FY2021 providing suitable resources to meet our growing commitments into the future.

During FY20, the Foundation invested \$55K in our Uganda projects and \$20K on local projects. The local program contributions were:

- \$14k to Youth Opportunities Scholarships Program
- \$6k to The Smith Family's Work Inspirations Program

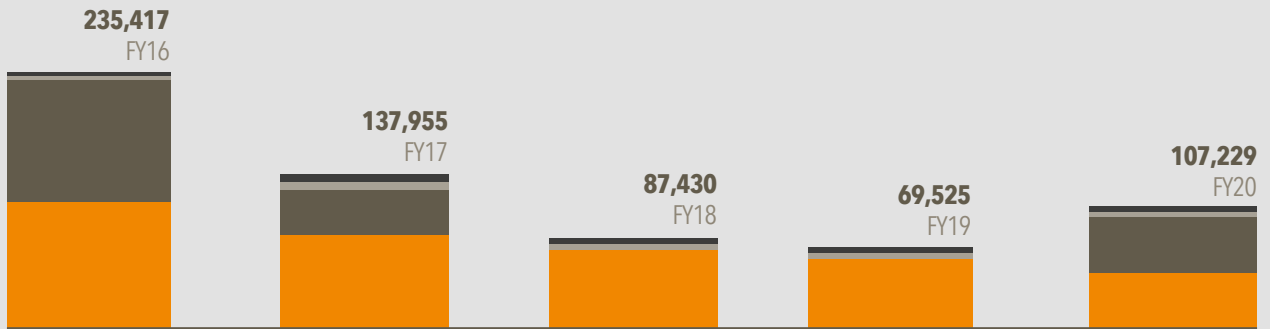
INCOME BY SOURCE

The Foundation's principle source of funding is donations from Corporate Partners (both cash and in-kind support). After a period of consolidation, the projected Corporate Partner income from Kain Lawyers for FY21 and FY22 is expected to exceed previous years, providing a stable base to meet commitments for our Northern Opportunities and Uganda Landcare Opportunities projects into the future.

In FY20, Corporate Partner Kain Lawyers provided significant in-kind support to the Foundation in the form of administrative and project management support.

CONTRIBUTIONS TO THE FOUNDATION (FY16-FY20)

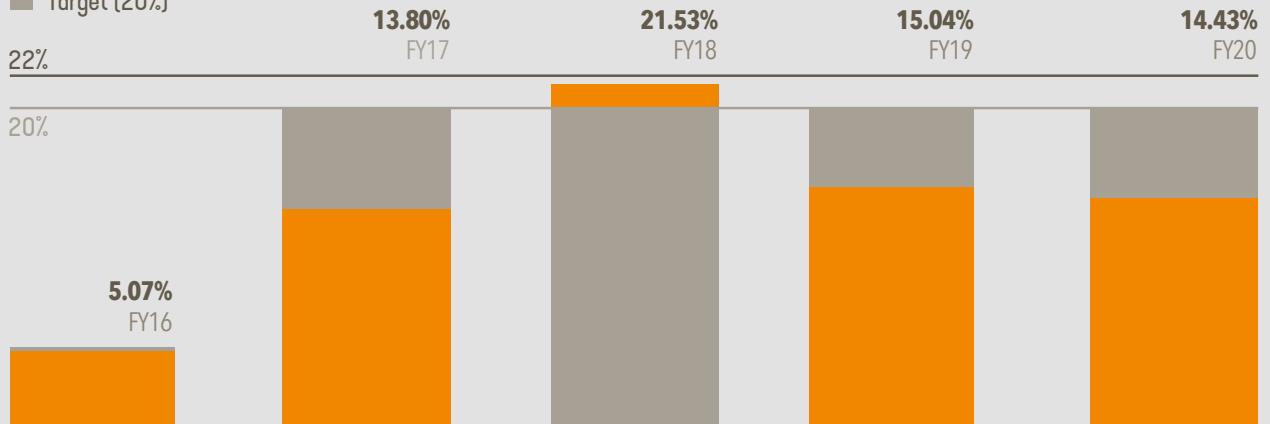
- Cash Donations
- In-kind Contributions
- Investment Income
- Net Fundraising Income



The chart below shows admin expenses as a total % of funds raised for the last five years:

EXPENSES AS A PERCENTAGE OF TOTAL CONTRIBUTIONS (FY16-FY20)

- Expenses as a Percentage of Total Contributions
- Industry Average (22%)
- Target (20%)

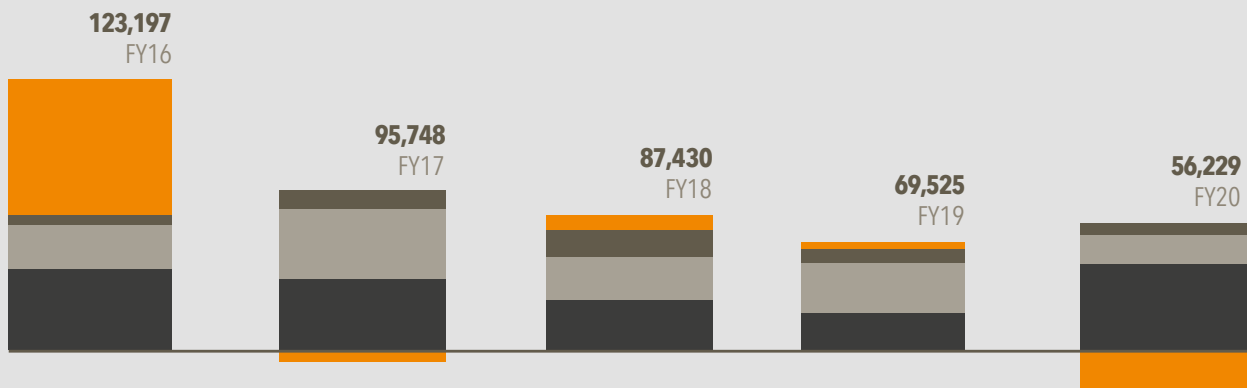


WHERE DOES THE MONEY GO?

The chart below shows Projects, expenses and retained income for the last five years:

WHERE OUR CASH DONATIONS GO (FY16-FY20)

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



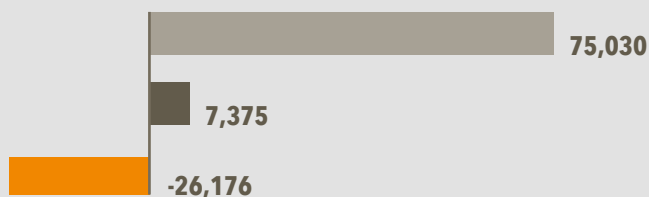
Funds raised are either invested in projects, used to pay expenses, or retained by the Foundation. The Foundation categorises its use of funds in four ways:

- 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.

In FY20 the Foundation made a conscious shift to focus support on long-term, multi-year projects locally. Projected income is expected to exceed these commitments in future years as our Corporate Partner, Kain Lawyers, increases staff contributing to their workplace giving program.

CASH CONTRIBUTION (FY20)

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



SUMMARISED FINANCIALS

INCOME STATEMENT

FOR THE YEAR ENDING 30 JUNE 2020

	2020 \$	2019 \$
Revenue	51,114	65,420
Other income	5,115	5,105
Donations	(75,030)	(53,990)
Other expenses	(7,375)	(9,688)
(DEFICIT) / SURPLUS BEFORE INCOME TAX	(26,176)	6,847
Income tax expense	-	-
(DEFICIT) / SURPLUS AFTER INCOME TAX	(26,176)	6,847

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDING 30 JUNE 2020

	2020 \$	2019 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	367,165	393,341
TOTAL CURRENT ASSETS	367,165	393,341
TOTAL ASSETS	367,165	393,341
NET ASSETS	367,165	393,341
EQUITY		
Settled sum	10	10
Retained Earnings	367,155	393,331
TOTAL EQUITY	367,165	393,341

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 2020 on our website.

CASH AND CASH EQUIVALENTS

FOR THE YEAR ENDING 30 JUNE 2020

	2020 \$	2019 \$
Cash on hand	10	10
Cash at bank	45,137	76,367
Short-term bank deposits	322,018	316,964
TOTAL CASH AND CASH EQUIVALENTS	367,165	393,341

RETAINED EARNINGS

FOR THE YEAR ENDING 30 JUNE 2020

	2020 \$	2019 \$
Retained earnings at the beginning of the financial year	393,331	386,484
(Deficit) / surplus for the year	(26,176)	6,847
RETAINED EARNINGS AT END OF THE FINANCIAL YEAR	367,155	393,331

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 2020 on our website.

Kain Foundation

ABN 63 425 376 446

Financial Statements

For the Year Ended 30 June 2020

Kain Foundation

ABN 63 425 376 446

For the Year Ended 30 June 2020

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Kain Foundation

ABN 63 425 376 446

Income Statement

For the Year Ended 30 June 2020

	2020	2019
	\$	\$
Revenue	51,114	65,420
Other income	5,115	5,105
Donations	(75,030)	(53,990)
Other expenses	(7,375)	(9,688)
(Deficit)/surplus before income tax	(26,176)	6,847
Income tax expense	-	-
(Deficit)/surplus after income tax	(26,176)	6,847

The accompanying notes form part of these financial statements.

Kain Foundation

ABN 63 425 376 446

Statement of Financial Position

As at 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	<u>367,165</u>	393,341
TOTAL CURRENT ASSETS		<u>367,165</u>	393,341
TOTAL ASSETS		<u>367,165</u>	393,341
NET ASSETS		<u>367,165</u>	393,341
EQUITY			
Settled sum		10	10
Retained Earnings	3	<u>367,155</u>	393,331
TOTAL EQUITY		<u>367,165</u>	393,341

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 2020

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

	2020	2019
	\$	\$
Cash on hand	10	10
Cash at bank	45,137	76,367
Short-term bank deposits	322,018	316,964
Total cash and cash equivalents	367,165	393,341

Kain Foundation

ABN 63 425 376 446

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Retained Earnings

	2020	2019
	\$	\$
Retained earnings at the beginning of the financial year	393,331	386,484
Surplus for the year	(26,176)	6,847
Retained earnings at end of the financial year	367,155	393,331

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 2020 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 7th day of December 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 2020 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 2020 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

ABN 63 425 376 446

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 2020.

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 day of December 2020

Kain Foundation

ABN 63 425 376 446

Disclaimer

For the Year Ended 30 June 2020

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 2020. 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 day of December 2020

Kain Foundation

ABN 63 425 376 446

For the Year Ended 30 June 2020

Profit and Loss Account

	2020	2019
	\$	\$
Income		
Corporate partner contributions	51,114	65,420
Investment income	5,115	5,105
Total income	<u>56,229</u>	<u>70,525</u>
Less: Expenses		
Donations	75,030	53,990
Insurance	4,986	4,315
Accounting fees	1,210	1,100
Travel	653	3,638
Website and software expenses	403	384
Bank charges	123	120
Sundry expenses	-	131
Total Expenses	<u>82,405</u>	<u>63,678</u>
Operating (deficit)/surplus	<u>(26,176)</u>	<u>6,847</u>






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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Kain Foundation
315 Wakefield Street
Adelaide
South Australia 5000

ABN 63 425 376 446

T 08 7220 0914
E info@kainfoundation.com
W kainfoundation.com

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