



Following a survey 90% of 461 principals surveyed believe the charity's support has helped to remove barriers for students, and improved attendance and participation.

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Our Mission

We strive to be the conduit for *individuals, community, businesses and government* to co-operate in providing *food, clothing and basic health care in schools* to enable disadvantaged *New Zealand children to reach their potential*

Our Vision

Our distinctive ability to *fund, source and distribute food, clothing and meet basic health care needs* will improve educational opportunities *for disadvantaged New Zealand children*



Our Values | Whanonga pono



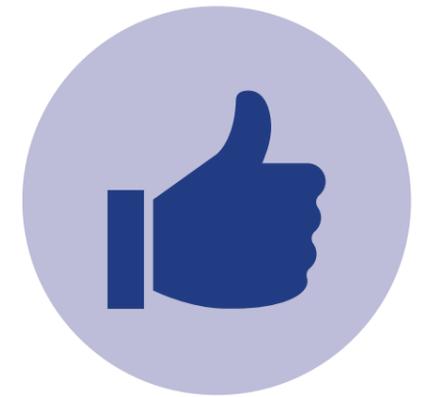
Light and laughter
Te marama me te hari koa

Creating a positive and enjoyable work environment for everyone.



One team
Kotahitanga

Working together as one team to make a difference for Kiwi kids.



Valuing people
Ūaratanga

Respect and value all people within and outside of KidsCan.



Commitment
Manawaroa

Passion and dedication to our cause by being as effective as we can be.



Wellbeing
Hauora

Taking care of ourselves and others in everything that we do.

From our Founder and CEO



2018 has seen one of the most significant developments since KidsCan began 13 years ago. We've watched our programmes become a fundamental part of life in 742 schools nationwide – but we've been very conscious of the fact that, until now, our preschoolers haven't had the same support. There has been no food programme, no nationwide help with essentials.

The early years in a child's life are crucial to their development and that's why I'm so proud to see us moving into early childhood education.

I have been visiting many of the 25 centres who are the first to receive our support and the impact is already clear. Lunch boxes that were empty, or full of packaged food, have been replaced with healthy cooked meals. The teachers say the kids have more energy and more focus. One Northland teacher wrote about how appreciative their whanau were to receive jackets: "Several of our parents were close to tears with gratitude, that they actually get to keep these. Thank you so much, it is such a privilege to be at the giving end of this, and to see their faces, it is



very humbling (and just quietly a little emotional too)."

We have continued to expand our schools programme, taking on another 42 schools this year who put their hands up for help, as their communities struggle with rising rents, food and petrol prices. This year we have distributed a record number of items to schools:

- 5.4 million food items – up 20% on 2017
- 47,605 warm jackets
- 28,271 new pairs of shoes
- 22,000 boxes of tampons, pads and liners

We have also been working to expose the extent of period poverty Kiwis are facing. More than 5,000 women responded to a KidsCan survey on the issue, thought to be the first of its kind here. One in three had to prioritise buying basics like food over sanitary items, and using toilet paper or rags instead. 29% of teenagers had missed school or work as they couldn't afford pads or tampons. We will not let this be a barrier to their learning.

We couldn't take on more schools if it wasn't for our network of caring Kiwis who will not sit back knowing that one in five children in our own backyard don't have access to enough food, or enough healthy food. To our monthly

donors, volunteers and fundraisers, thank you for standing up and being part of the solution. And thank you to our ever-expanding list of wonderful corporate and sponsorship partners, who recognise that business can be a force for great social change, especially our Principal Partner Meridian Energy and Trillian Trust.

I'm so proud of every person who makes KidsCan tick. We are privileged to have a fantastic board steering the ship: Bill Birnie CNZM, Glenda Hughes, Nigel Hampton CNZM, OBE, QC, Mark Dunwoodie and Guy Waipara, thank you for your contribution. And to the KidsCan crew who come to work every day determined to make the world a better place for Kiwi kids, your work is so valued.

It has been a big year of great steps forward at KidsCan, and we look forward to giving more Kiwi kids a hand up in 2019, they deserve nothing less.

Thanks for being part of the KidsCan journey, we're grateful to have you with us.

JULIE CHAPMAN
CEO & Founder

From the Chairman



Education is a child's ticket out of poverty. It is how we will break the cycle of hardship, and it is at the core of everything KidsCan does. Nutritious food, a warm jacket, solid shoes, health essentials – these are things we want every child to take for granted. We are levelling the playing field, giving children whose families are struggling the same opportunity to learn as anyone else.

The need does not start when a child turns 5. So this year, KidsCan has taken an important step, moving into early childhood education. In October, we launched a research programme in 25 Early Childhood Centres in Northland, Auckland and Hawke's Bay, supporting around 950 children. Thanks to Countdown and Subway, fresh, nutritious meals – endorsed by the Heart Foundation are being delivered to centres every day. The children are the proud owners of new raincoats and shoes. Teachers are already noticing a marked improvement in their behaviour. It is an exciting development, and we look forward to expanding the programme next year.

In primary, intermediate and secondary schools, there has been no letup in the need for help. We are now supporting 742 schools throughout New Zealand,



continuing to fuel an average of 30,000 children a week. We're operating in 68% of all decile 1-4 schools (up from 65% in 2017) including 86% of decile 1 schools (up from 83% in 2017).

Our partner schools are seeing a big difference in their students thanks to KidsCan. One teacher wrote that she'd been concerned about the number of boys in her maths class who were tired, couldn't concentrate, and had poor attitudes to learning. She suspected they were all hungry. "Wow is all I can say. From the first day of giving them food everything changed! They work consistently now, concentrate for at least 30 minutes without talking, are focused on learning tasks, their behaviour has changed, they are settled and look forward to coming."

The KidsCan team has been working hard to ensure we are serving schools in the best way possible. Processes and programmes are being constantly re-evaluated and streamlined, as we implement the five-year strategic plan.

We continue to grow thanks to the generous support of New Zealanders, whose monthly donations change lives. I would also like to acknowledge the huge difference our suppliers and partners are making, especially our Principal Partner Meridian Energy, and key funder Trillian Trust. I would also like to acknowledge the Ministry of Social Development for their contribution.

Thank you to my fellow board members for their generous pro-bono contributions to the KidsCan Board: Glenda Hughes, Nigel Hampton QC, Mark Dunwoodie, and a very warm welcome to our newest board member Guy Waipara. Guy is General Manager of Generation and Natural Resources for Meridian Energy and has seen the difference KidsCan has made firsthand.

KidsCan's Founder Julie Chapman continues to lead her team with the same passion to make a difference that she started the charity with 13 years ago. Thank you Julie for your remarkable commitment, and for always speaking up for children who don't have a voice, so they are not forgotten about. Thank you too to the hard-working management team and dedicated staff that make KidsCan the organisation it is and the crucial volunteers who support us in our mission.

We will continue to work tirelessly to ensure every child in New Zealand has the essentials they need and deserve.

BILL BIRNIE CNZM
Chairman

Our Story

KidsCan was founded in 2005 on the belief that all children should have an equal opportunity at a good education, no matter what their circumstances.

In our own backyard, thousands of Kiwi kids live in hardship, turning up to school cold, wet and hungry because their parents are struggling to make ends meet. Schools report that this has a major impact on their learning ability, self-esteem and health.

Over the past 13 years we have created

tangible programmes that provide the basics to support New Zealand children living in hardship. Education is how we will break the cycle of hardship, and it is at the heart of everything KidsCan does. We are levelling the playing field giving children whose families are struggling the same opportunity to learn as anyone

else. Our programmes, delivered through our partner decile 1-4 schools, provide Kiwi kids in need with food, clothing and health items at school so they can get into the classroom in a position to learn.

Independent research by Massey

University in 2007 and 2010 found our partnerships with low decile schools have a significant impact on reducing social issues, increasing participation in class and in raising the self-esteem of children who feel they have no hope. In 2018 we conducted research with our partner schools which provided us with overwhelming support, 92% of principals surveyed believe KidsCan items contribute to increased attendance and participation for students.

With rising living costs and increased

financial strain on many Kiwi families, we continue to feel the need for our support within our many communities. In 2018 more than 5,000 women responded to a KidsCan survey on the issue of Period Poverty. Learning just what some woman and young girls were experiencing led to us developing our new Feminine Hygiene Programme.

Also in 2018 KidsCan launched the new Early Childhood Programme, to provide support and essentials to under 5's, to increase participation so all Kiwi kids get

a chance to an equal start at school.

We are incredibly grateful for the wide array of caring Kiwis who donate to KidsCan as well as to the supportive businesses and partners who allow us to deliver our programmes within our partner schools.

We continue to provide the support needed to get our most vulnerable Kiwi kids the best chance at a great education, to enable them to break that cycle of hardship and to create their brightest future.



I am totally blown away by all that you do at KidsCan. I really don't know how we would cope without you. The lives these children have just breaks my heart and what you do makes a huge difference for them.

***Belinda,
Teacher, Auckland***

Schools Programme

In 2018 we had 42 new schools become KidsCan Partner Schools. We have three programmes available to all partner schools; our Food Programme provides a variety of snacks and meals, our Clothing and Health Programmes ensure students are warm, dry and healthy.

I love KidsCan, your organisation is flipping amazing. When I was training to become a social worker I completed one of my placements with SWIS (Social workers in schools), and got to see first hand the difference having a new pair of dry shoes can make a child feel. It touched my heart immensely.
Instagram follower

Key changes made this year to our Food Programme, in consultation with the Heart Foundation, include changing some products to improve the nutritional quality of the food we offer students.

have been identified to help increase attendance at school and allows the students to focus on their learning.

In 2018 we conducted a substantial piece of research with our Partner Schools to help us understand the effectiveness of our programmes and to identify opportunities

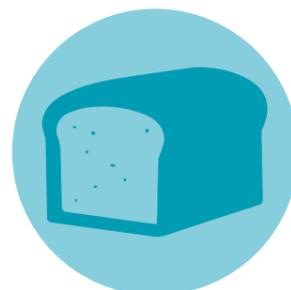
to improve. We had an overwhelming response rate with 90% of 461 principals surveyed believing the charity's support helped to remove barriers for students, and improved attendance and participation. 98% of KidsCan school principals and coordinators surveyed would recommend KidsCan to another school/kura.

The aim of all our programmes is to provide the material items that



KidsCan is helping to feed an average of 20% of the roll in our partner schools*

*Schools participating in our Food Programme



More than 30,000 children a week are fuelled with food from KidsCan



5.4 million items of food to fuel learning

Source: KidsCan Annual Overview Stats, 2005-2018



47,605 raincoats to get kids to school dry and warm

Source: KidsCan Annual Overview Stats, 2005-2018



28,271 new pairs of shoes 56,542 pairs of socks so kids can participate

Source: KidsCan Annual Overview Stats, 2005-2018

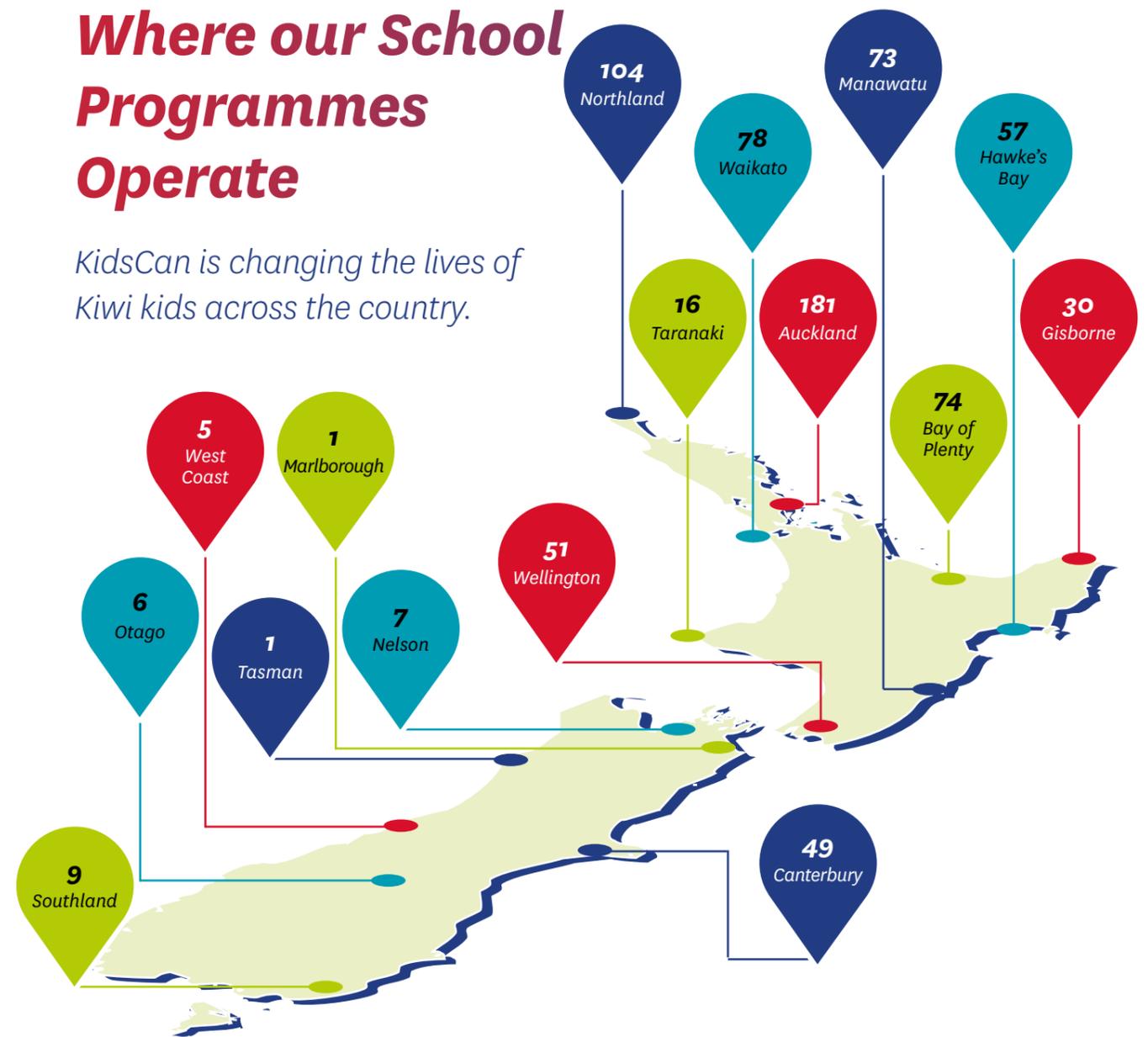


182,022 health and hygiene items to remove barriers to learning

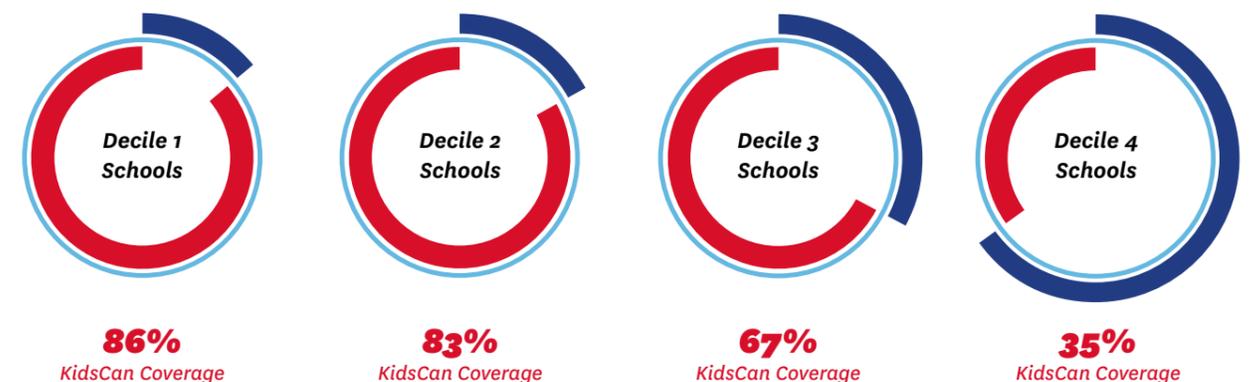
Source: KidsCan Annual Overview Stats, 2005-2018

Where our School Programmes Operate

KidsCan is changing the lives of Kiwi kids across the country.



The percentage of schools that receive the KidsCan programmes per decile within New Zealand:



Early Childhood Programme

In 2018 KidsCan created and launched the first national programme supporting children under 5, with the aim of helping the country's most vulnerable kids attend early childhood education.

KidsCan developed this new programme based on the increasing requests for help coming from the early childhood sector. "Children don't suddenly find themselves in poverty when they turn 5 and a lack of investment in them means they're on the back foot before they even start school" Julie Chapman, Founder and CEO of KidsCan.

Our new programme operates in 25 early childhood centres in Northland, Auckland and Hawke's Bay, supporting around 950 children. Children are provided with fresh meals, raincoats,

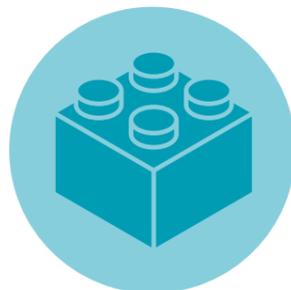
shoes and head lice treatment.

KidsCan is providing five fresh meals a week, with a menu designed by internationally renowned chef Anthony Hoy Fong and endorsed by the Heart Foundation. It includes Subway® sandwiches, EasiYo yogurt, fresh fruit, and nutritious ingredients for three hot lunch meals delivered by Countdown.

Head teacher Kathy Belz, from Manaia View Kindergarten in Whangarei says her centre's children are much more settled and better able to focus on their learning.

"For some families, come Monday there is no food in the house, and previously they have kept their children home as they were too embarrassed. Several of our parents were close to tears with gratitude when we started giving out jackets."

The change in the children has been significant and we are now focused on developing the programme further to offer it to other equity 1-4 early childhood centres nationwide, a roll out that will happen late in 2019, dependent on funding.



Early Childhood Programme operates in 25 early childhood centres in Northland, Auckland and Hawkes Bay



Early Childhood Programme supports around 950 children providing them with meals, raincoats, shoes and head lice treatment

Thank you to the KidsCan charity. Yesterday we received the goody pack, raincoat, shoes and socks as part of my son's kindergarten. The kindy starts receiving meals from Monday and I know for many of the families there it will make a huge difference to their family budgets. Thank you for providing such an invaluable service and for all the volunteers that help out too. It is very much appreciated.

Mother

Caring Kiwi's Support our Regular Giving Programme

There are thousands of caring Kiwis creating the change they want to see in their communities by regularly giving each month to KidsCan and we owe them a very special thank you.

Regular monthly donations support our students by helping connect a child with our Food, Clothing and Health Programmes and removing the barriers keeping them from participating in class, it also assures their school that they can count on KidsCan's help for as long as their students need it. Regular givers support a child with a donation each month, which when partnered with our generous Corporate Partners, Fundraising, Grants and other revenue contributions, provide everything our students need to get them to the classroom in a position to learn.

We work hard to ensure that these generous donations are maximised to

benefit the KidsCan students we support with a minimum of 80 cents of every dollar donated going directly into KidsCan Programmes, with the other 20 cents being used to help fund KidsCan operational costs.

In 2018 we were humbled to welcome 2,987 more Kiwis to our KidsCan family of regular givers. Their generous commitment helped us to take all schools off the wait list last year and deliver increased support to our existing schools. We now have over 11,500 generous New Zealanders supporting us in helping Kiwi Kids in Our Own Backyard™.

I know the struggle first hand so now that I am in a position to help that's just what I want to do.

Monthly sponsor

Child poverty is real for many Kiwi kids... there are children in need – right here in New Zealand



290,000
Kiwi kids
live in low income
households

Source: Child Poverty Monitor: 2017 Technical Report



Students from the most disadvantaged communities are **6 times more likely to leave school without NCEA level 1** than those from the most advantaged communities

Source: Child Poverty Monitor: 2018 Technical Report



Our Regular Giving Programme now has over 11,500 generous New Zealanders, providing us with much needed funds to drive our programmes with our partner schools.

Community Help

A huge shout out to the volunteers who work tirelessly to ensure the parcels are packed and ready for the trucks to ship off to the schools in need. We have 4 distributions each year and each one runs over a 2 week period.

Below is a list of all the amazing companies that have sent in volunteers to help us with distribution.

- American Express
- Auckland Council
- Bauer Media
- Coffee Club
- EasiYo
- Findex Crowe Horwath
- Frog Recruitment
- George Weston Foods
- GSK
- Heartland Bank
- Kennards
- Kiwibank
- Lion
- NIB
- QBE
- QMS
- Tasti
- Tax Management NZ
- True
- USANA

We all thoroughly enjoyed our day with you and the rest of the team – thank you for making us feel so welcome.

A Regulatory Services team at Auckland Council

Thank you for having the team. They thoroughly enjoyed the experience of helping such a wonderful cause.

Heartland Bank



Fundraising/Events

KidsCan hugely appreciates all our fundraisers who helped raise an amazing total of over **\$670,000 in 2018!** We are so thankful to everyone who chooses to fundraise for KidsCan and shine the light on the issue of Kiwi kids living in hardship in our own backyard.

Some of the highlights from the Year.

The Christmas Cracker appeal with over 7,500 prizes up for grabs was sold at retailers around the country. This wouldn't be possible without the support of our retail partners, prize partners and the public who bought crackers.

KidsCan were privileged to be the recipient of Real Journey's Cruise-for-a-Cause on Milford Sound. A great bunch of supporters joined us for this

memorable experience along with four students and their principal from Tikipunga High School, KidsCan partner school in the far North.

North Harbour Master Builders held a fantastic charity dinner and auction for KidsCan. With MC Hon Paula Bennett, special guest Greg Murphy, a huge \$60,000 was raised on the night.

Thank you to Robbie Rakete who danced his heart out with partner Nicole Harrington, on Dancing with the Stars

for KidsCan. Thank you to all who voted for Robbie!

Thank you to all businesses, schools, centres, community groups and supporters for making the annual #CrazyForKidsCan day in August a huge success. KidsCan was excited to appear on What Now to promote the day alongside partner Bakers Delight who donated hundreds of finger buns to lucky schools taking part in the day. How will you get #CrazyForKidsCan next year?





*Thank you
for my new shoes,
I like them because they are
mine and they fit me and they
don't have holes in them so
my feet stay dry.*

Student 6 years old

Major Partners



meridian

Meridian Energy

Meridian Energy has been KidsCan's Principal Partner since 2013, with a partnership based on a genuine passion for helping New Zealand children living in hardship. In its fifth year, the partnership continued to grow from strength to strength. Meridian's support had a significant impact on KidsCan partner schools, both by directly supporting its programmes and working to raise awareness around the issue of child hardship in New Zealand. This important partnership has enabled KidsCan to achieve more for Kiwi kids living in hardship and is crucial to the practical support received by schools and children nationwide.



Trillian Trust

Trillian Trust is proud to continue its support of KidsCan in 2018. Trillian Trust has provided valuable support to KidsCan since 2007 which has enabled KidsCan and its programmes to grow.

Trillian Trust is a Charitable Trust formed to provide support to New Zealand based charitable and not-for-profit organisations through grants for specific purposes that benefit the community. Trillian has invested more than \$115 million back into our communities since its inception.

Many organisations benefited from a Trillian Trust grant in 2018. KidsCan looks forward to continuing this long association.



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

Ministry of Social Development

KidsCan is grateful to the Ministry of Social Development for their support since 2008.

Their funds contribute towards providing access to raincoats, footwear, basic healthcare and hygiene items for children in hardship. The aim is to improve participation at school, learning ability, health and well-being and to enable children to participate at an equal level to their peers.

In-Kind Programme Partners

Sincere thanks to KidsCan's In-Kind Programme Partners for a significant contribution of goods and services in 2018. Without this support, KidsCan would not be able to achieve the scale and reach of its tangible programmes.



In-Kind Media Partners

Huge thanks to KidsCan's In-Kind Media Partners who gifted valuable services to support advertising and marketing activities in 2018. This support achieves significant business results that enable KidsCan to continue its practical support in schools.



Partner Acknowledgements

Sponsors & Supporters

ASB	Industrial Athletic	Sanitarium
Auckland Business Chamber	Insight Online	SC Johnson
Bauer Media	iSentia	Scratchpad
Bell Gully	Jessie Rose Foote	Shorecare
Blair Edwards	Johnson & Johnson (Medical) LTD	Shoe Clinic
Blue Star Group	Jumpflex	Silver Concrete Pumps
Botanica	KCT Board	Slingshot
BYO-ONE	Kennards Hire	Smith & Caughey's
Carter Holt Harvey	Keola	Smiths Auctions
Cash Converters	KPMG	Smith City Group
Chemistry	Lester Gray	Snell Packaging
Chiwi Properties	Liquid Laundromats	South Island Wine and Food Festival
Conferenz	Mainstream	Soft Solutions Ltd
Countdown	Master Builders Association	Sparks Interactive
C3 Limited	MBM	Sudburys
Darren Brown	MediaWorks New Zealand	Tasti Products
Digital White Space	Meridian Energy – Principal Partner	Trademonster
Dolphin Pacific	Ministry of Social Development	The Church of Jesus Christ of Latter-Day Saints
EasiYo	Mobil Oil	The Coffee Club
Eclipse Insurance	Multimail	The Property Group
Eurofins	Now Courier	Thievery Studios
EziBuy	NZ Cherry Corp	Toyworld
Findex Community Fund	Oceania Healthcare	Tristram Clayton
Frog Recruitment	Omnigraphics	True
Fuso	Oranga Tamariki	Trust Management
George Weston Foods	Planet Fun	USL Medical
Gold Real Estate Group	Pork Pie Charity Run	Vodafone Warriors
Google Inc	Progressive Enterprises	Vortex Spas
GSK	QBE Insurance	Waikato-Tainui
Hallertau	QMS Media	Wellington Girls' College
Harvey Norman	Quest	What Now
Height Project Management	RDT Pacific	Whitcoulls
Heinz Watties	Real Journeys	Wholesale Distributors Ltd
Hughes Development	Resene	Xigo
Image Centre Group	Robert Rakete & Nicole Harrington	
In Our Own Backyard™ Supporters	RSM Hayes Audit	

Trusts and Foundations

American Express Philanthropy
 Auckland City Council Maungakiekie-Tamaki
 Auckland City Council Otara-Papatoetoe
 Auckland City Council Henderson-Massey
 Auckland City Council Kaipatiki
 Auckland City Council Mangere-Otahuhu
 Auckland City Council Whau
 Community Organisation Grants Scheme
 Community Trust of Southland
 Eastern & Central Community Trust
 Geyser Community Foundation
 Greenlea Foundation
 Harcourts Foundation – South Island
 Hutt Mana Charitable Trust
 Jack Jeffs Charitable Trust
 L K Cooney Family Trust
 Lion Foundation
 Lottery National Community Grant
 Maurice Paykel Charitable Trust
 New Plymouth District Council
 Newman's Own Foundation
 Otago Community Trust
 Rotorua Energy Charitable Trust
 Rotorua Lakes District Council
 SkyCity Hamilton Community Trust
 The Deans Family Trust
 Transpower Community Care Fund
 Trillian Trust
 Trust House Community Enterprise
 Trust Waikato
 USANA True Health Foundation
 Wellington City Council – Joe Aspell Trust
 Wellington Community Trust
 Whanganui Community Foundation



Board Profiles



Bill Birnie, CNZM
Chairman of the Board

Bill has over 30 years of investment banking experience and holds a Bachelor of Laws. He is Chairman of Far North Holdings, a Director of the New Zealand Racing Board, a Member of the New Zealand Screen Production Grants Verification Panel and an appointed Member of the Ministerial Advisory Committee for Racing. Bill has held a number of Government appointments including Deputy Chairman of Sport New Zealand, Chairman of Sport New Zealand's Audit, Finance and Risk Committee and Deputy Chairman of High Performance Sport New Zealand.

Bill is a former Deputy Chairman of the New Zealand Film Commission and past Chairman and Director of ENZA. He has held the positions of Director of the NZ Warriors Rugby League Franchise, the Screen Council of New Zealand, Commissioner of the Hillary Commission, Trustee of the James Wallace Arts Trust and Director of Equestrian Sports New Zealand from which he received an Honorary Life Membership. Bill was also a Founding Trustee of the Wellington Stadium Trust and was Deputy Chairman of the then Government owned Post Office Bank, prior to its sale to the ANZ Banking Group. Bill received a Companion of the New Zealand Order of Merit for his services to Governance, The Arts and Sport in the 2018 New Year Honours.



Julie Chapman

Julie is the dedicated CEO and founder behind KidsCan. Her passion, tenacity and dedication has transformed the charity from a project she founded in her garage in 2005 into a respected New Zealand charity renowned for alleviating

child poverty across the country by tackling the issue of Kiwi kids going without the basics. Julie and the KidsCan team work tirelessly to not only create a brighter future for the 180,000 KidsCan kids who attend 742 KidsCan partner schools, but to be a voice for all Kiwi kids in need. Julie is driven by a belief that education equals opportunity and every Kiwi kids deserves to realise their dreams.

Julie is responsible for the direction and coordination of all the trust's day-to-day activities plus programme development, key partnerships, government and public relations for the trust. Her ability to lead, to inspire and unite business, communities and government, along with her compassion has seen Julie recognised as a Blake Leader by the Sir Peter Blake Trust in 2008 and named Next Magazine's 2013 Woman of the Year. Julie was also named as a finalist for the Kiwibank New Zealander of the Year in 2015.



Glenda Hughes

A former New Zealand representative Sportswoman and Police Officer, Glenda has held several directorships on New Zealand's sporting and not-for-profit organisations. She remains involved in sport in her role as an advisor to many of New Zealand's top

athletes in the areas of media relations and other management support programmes. Glenda spent 18 years in the New Zealand Police, in a variety of roles, and has a Bachelor of Arts with a double major in criminology and sociology and papers in dispute resolution and mediation.

Glenda is currently running her own facilitation and communications business as well as sitting on the New Zealand Parole Board and Chairing the New Zealand Racing Board.



Nigel Hampton, CNZM, OBE, QC

Nigel graduated LLB in 1964 from Canterbury University and was awarded the Gold Medal for top graduate of the year. He was admitted to the bar in 1965. In 1989 he was appointed Queen's Counsel and served

as President of the Canterbury Law Society and Vice-President of the NZ Law Society.

Nigel was the Chair of the NZ Lawyers' Disciplinary Tribunal, the first Disciplinary Commissioner for International Criminal Court based in The Hague, Netherlands, presently serves on the ICC's Disciplinary Board, and was the Chief Justice of Tonga, 1995-97. He serves as a Judicial Officer for NZ Rugby Union, SANZAAR and World Rugby. Nigel was awarded the CNZM (2018), OBE (1988) and CM (1990).



Mark Dunwoodie

Mark is a Chartered Accountant with over 20 years of corporate, commercial and professional services experience. He holds a Bachelor of Commerce.

Mark has delivered in senior executive positions both in NZ and the UK. He is a member of the Institute of Chartered Accountants of Australia & New Zealand and the New Zealand Institute of Directors.



Guy Waipara (Rongowhakaata)

Guy is General Manager of Generation and Natural Resources for Meridian Energy, responsible for renewable asset management and operations in New Zealand and Australia. Guy has over

25 years' experience in the electricity sector, and has held a number of important roles at Meridian, from offshore business development to setting company strategy and external relations.

Guy really got behind KidsCan when Meridian Energy became Principal Partner in 2013. During that time Guy has seen the difference KidsCan's work has made to children all over New Zealand. He has led a number of Meridian projects to enhance the KidsCan partnership, from fundraising drives to a surf camp for KidsCan children.

Behind the Numbers

In 2018 KidsCan was proud to have the required level of sustainability to continue supporting 700 existing schools and accept a further 42 schools into the KidsCan Programme.

In 2018 total revenue was \$12m with a similar level of expenditure, resulting in a surplus of \$49k. KidsCan aims to hold six months in reserve which equates to approximately \$4m with the projected level of spending in 2019. This is in line with good practice and ensures the longevity of support for those who are most in need. Schools rely on KidsCan's support and it would not be acceptable to have the charity's support stop overnight.

With funding usually being short-term in nature, KidsCan believes in the importance of holding sufficient reserves to cover any shortfall in funding should it occur. The aim of the

charity is not to build up unnecessary reserves, but to reinvest any surplus back into programmes the following year and continue to reach more children.

KidsCan endeavours to leverage as much in-kind support during the year. By doing so KidsCan is able to maximise its reach to the children most in need.

KidsCan takes pride in being transparent, so please see below where the 2018 funds came from and how they were spent.



24% Operational Costs Comprise:

- 4% Operating Expenses incl. Lease Interest
- 3% Donations In-Kind used for Administration
- 6% Fundraising/Marketing
- 11% Administration Salaries

76% Programme Costs Comprise:

- 6% General Programme Salaries
- 35% Donations In-Kind used for Programmes
- 35% Programme Costs

Financial Statements

KidsCan Charitable Trust Group

Statement of Group Comprehensive Revenue and Expenses
For the Year Ended 31 December 2018

	Notes	Actual Year 31.12.2018 \$	Actual Last Year 31.12.2017 \$
REVENUE FROM NON-EXCHANGE TRANSACTIONS:			
General Donations	2(d)	1,043,318	715,558
Donations In Our Own Backyard™ Campaign	2(d)	3,238,367	2,835,537
Donations In-Kind	2(d)	4,894,808	4,203,938
Legacies and Bequests	2(d)	145,028	148,178
Philanthropic Trusts and Gaming	2(d)	717,274	896,492
Income from Government Contracts	2(d)	440,325	976,832
KidsCan Fundraising Campaigns	2(d)	274,192	194,470
KidsCan Community Fundraisers	2(d)	401,554	604,639
Sponsorship Income	2(d)	1,024,393	602,024
Other Income		8,415	7,837
REVENUE FROM EXCHANGE TRANSACTIONS:			
Finance Income – Interest	2(d)	89,955	115,088
Total Revenue		12,277,629	11,300,593
LESS EXPENSES:			
Finance Salaries		439,552	515,530
Marketing and Fundraising Salaries		867,987	635,643
General Programme Salaries		688,976	638,636
Nit Buster Programme Salaries		-	898,340
Lease Interest		846	2,286
Marketing and Fundraising Costs		689,349	559,526
Programmes Costs		4,277,364	3,517,578
Donations In-Kind used	2	4,824,347	4,146,056
Other Operating Expenses		439,469	480,752
Total Expenses		12,227,890	11,394,347
Operating Surplus/(Deficit)		49,739	(93,754)
Net Surplus/(Deficit) for the year		49,739	(93,754)
Other Non Comprehensive Income		-	-
Total Comprehensive Revenue and Expense for the year		49,739	(93,754)

The accompanying notes form part of these financial statements.



KidsCan Charitable Trust Group

Statement of Group Financial Position
As at 31 December 2018

	Notes	Actual Year 31.12.2018 \$	Actual Last Year 31.12.2017 \$
CURRENT ASSETS			
Cash	3	1,428,798	1,192,179
Short Term Investments	4	2,370,224	2,629,556
Trade and Other Receivables	5	414,295	345,172
Prepayments		570,696	653,038
Inventory	6	985,100	816,163
Total Current Assets		5,769,113	5,636,108
NON CURRENT ASSETS			
Plant and Equipment	7	91,555	71,878
Total Non Current Assets		91,555	71,878
Total Assets		5,860,668	5,707,986
CURRENT LIABILITIES			
Trade and Other Payables	8	219,178	110,634
Finance Leases	9	-	11,667
Employee Benefits Obligation	11	59,022	64,761
Income in Advance	12	65,377	53,572
Total Current Liabilities		343,577	240,634
Net Assets		5,517,091	5,467,352
EQUITY			
Trust Capital and Reserves		5,517,091	5,467,352
Total Equity		5,517,091	5,467,352

For and on behalf of the Board who authorised these financial statements for issue

Chairman of the Board

15 May 2019

Date

The accompanying notes form part of these financial statements.



KidsCan Charitable Trust Group
Statement of Group Changes in Net Assets
For the Year Ended 31 December 2018

Notes	Retained Earnings 2018 \$	Total Equity 2018 \$	Retained Earnings 2017 \$	Total Equity 2017 \$
EQUITY AT 1 JANUARY	5,467,352	5,467,352	5,561,106	5,561,106
Net Surplus/(Deficit) for the year	49,739	49,739	(93,754)	(93,754)
Other Comprehensive Income	-	-	-	-
Equity at 31 December	5,517,091	5,517,091	5,467,352	5,467,352

KidsCan Charitable Trust Group
Group Statement of Cash Flows
For the Year Ended 31 December 2018

	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash was provided from:		
Receipts from non-exchange revenue	7,236,818	6,841,520
	7,236,818	6,841,520
Cash was disbursed to:		
Payments to staff	(2,002,253)	(1,863,188)
Payments to suppliers and activities	(5,277,246)	(5,860,194)
	(7,279,499)	(7,723,382)
Net Cash Flows from Operating Activities	(42,681)	(881,862)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash was provided from:		
Interest received	89,955	115,087
Investments in short term deposits	259,332	597,571
Sale of Fixed Asset	-	1,606
	349,287	714,264
Cash was applied to:		
Purchase of plant and equipment	(58,320)	(33,359)
	(58,320)	(33,359)
Net Cash used in Investing Activities	290,967	680,905
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash was applied to:		
Payment to finance lease liabilities	(11,667)	696
Net Cash used in Financing Activities	(11,667)	696
Net Increase / (Decrease) in cash held	236,619	(200,261)
Add cash at the beginning of the financial year	1,192,179	1,392,440
Cash at the end of the financial year	1,428,798	1,192,179
REPRESENTED BY		
Cash at Bank	1,428,798	1,192,179

The accompanying notes form part of these financial statements.



KidsCan Charitable Trust Group
Notes to the Group Financial Statements
For the Year Ended 31 December 2018

1. OVERVIEW

a) Reporting Entity

The reporting entity is the KidsCan Charitable Trust (the "Trust"). The financial statements comprising of KidsCan Charitable Trust and its controlled entity Invitation Only Events Ltd, together the "Group" are presented for the year ended 31 December 2018. KidsCan Charitable Trust controls Invitation Only Events on the basis that the Trust can derive benefits from the Company and appoint its board members.

The Group financial statements and the accompanying notes summarise the financial results of activities carried out by the KidsCan Charitable Trust.

The Trust works to provide food, clothing and basic healthcare in schools to enable all New Zealand children to reach their potential.

All entities within the Group are charitable organisations registered under the Charitable Trusts Act 1957 and the Charities Act 2005.

The KidsCan Charitable Trust Group consists of the KidsCan Charitable Trust (CC10386) and Invitation Only Events Limited (a wholly owned company) (CC21930). Invitation Only Events Limited was removed from the Company Register on 18 July 2018. Its results are only consolidated until that date.

The Group is a registered charitable group with DIA Charities Services (CC21929).

These consolidated financial statements have been approved and authorised for issue by the Board on 11 April 2019.

b) Statement of Compliance

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-for-Profit entities. The Group is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large. The Group qualifies as a Tier 2 reporting entity as for the current and prior periods it has had operating expenditure between \$2 million and \$30 million. The Board has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

c) Estimates and Assumptions

Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires the Board and management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances are assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and process
- The nature of the processes in which the asset is deployed
- Changes in the market in relation to the asset

The significant estimates and judgements made in applying accounting policies and that affect amounts recognised in the consolidated financial statements are as follows:

- The estimation of useful lives and depreciation profiles for plant and equipment.
- The estimation of the fair value of donations in-kind.

2. ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements as set out below have been applied in these financial statements.

a) Basis of measurement

These consolidated financial statements have been prepared on the basis of historical cost, as modified by the fair value measurement of non-derivative financial instruments.

b) Functional and presentational currency

The consolidated financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar. There has been no change in the functional currency of the Group during the year.



KidsCan Charitable Trust Group

Notes to the Group Financial Statements

For the Year Ended 31 December 2018

2. ACCOUNTING POLICIES (CONTINUED)

c) Basis of consolidation – controlled entities

Consolidated financial statements are required where one entity controls another. The “controlling” entity is responsible for preparing consolidated financial statements which combine its financial statements with the financial statements of the “controlled” entities in accordance with the relevant standard PBE IPSAS 6 (NFP) Consolidated and Separate Financial Statements (Not-For-Profit).

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are fully consolidated from the date on which control is transferred to the controlling entity. They are de-consolidated from the date that control ceases. Inter-group transactions, balances and unrealised gains and losses on transactions between members of the group are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the controlling entity and have a 31 December reporting date. Invitation Only Events Limited is controlled by the Trust due to all the directors of the company being trustees of the Trust. Invitation Only Events Limited was removed from the Company Register on 18 July 2018. Its results are only consolidated until that date.

d) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The following specific recognition criteria must be met before revenue is recognised.

Revenue from Non-Exchange Transactions

Non-exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

General Donations

Donations are recognised as revenue upon receipt and include donations from the general public.

Donations In Our Own Backyard™ Campaign

Through the “In Our Own Backyard™” campaign, donations (usually monthly) are made by companies and individuals to help disadvantaged New Zealand children get an equal start in life. These donations are recognised as revenue upon receipt.

Donations In-Kind

Donations in-kind include discounted product, free media exposure, donation of services and volunteer time. Donations in-kind have been recognised where the Group has been able to evidence the difference between the price paid, if any, and the lower of retail or wholesale price where available of the goods. As donated goods are received the amount is recognised in inventory and either as income or income in advance depending on whether there are conditions attached. Where there are conditions attached the donation is recognised as income in advance until such time as the conditions are met. The income in advance is then recognised as income with an offsetting expense.

A significant portion of donations in-kind relates to media services. These are recognised when the Group has been able to evidence the difference between the price paid, if any, and the wholesale price of the goods/services as prescribed per the service providers’ rate card. Both the income and the expense are recognised in the same period.

A significant portion of donations in-kind also relates to inventory (refer Note 6).

Volunteer hours have been recognised based on hours tracked and recorded by using a log book and valued at minimum wage per hour.

Philanthropic Trusts and Gaming

Income from trusts and gaming includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

Government Contracts

Income from government contracts relates to income received from the Ministry of Social Development and Oranga Tamariki to assist with KidsCan programmes. Revenue is recognised upon receipt of the funding.

KidsCan Fundraising Campaigns

Income from fundraising campaigns mainly includes the Christmas Cracker Appeal and Crazy Day. Revenue is recognised upon receipt of the funds except for revenue from the Christmas Cracker Appeal which is recognised when the crackers are sold to the customer.

KidsCan Community Fundraisers

Income from community fundraisers is recognised upon receipt.

Sponsorship Income

Revenue from sponsorship is recognised when the invoice is raised, provided there is no use or return clause within the contract.

Legacies and Bequests

Income from legacies and bequests that satisfies the definition of an asset is recognised as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

Revenue from Exchange Transactions

Interest revenue is recognised as it accrues. Dividend income is recognised when the dividend is received.

e) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments.

Group Statement of Cash Flows

The Group Statement of Cash Flows is prepared exclusive of GST, which is consistent with the method used in the Statement of Financial Performance.

KidsCan Charitable Trust Group

Notes to the Group Financial Statements

For the Year Ended 31 December 2018

Definitions of the terms used in the Statement of Cash Flows: “Cash” includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash used by the Trust as part of their day-to-day cash management.

“Investing activities” are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.

“Financing activities” are those activities relating to changes in the equity and debt capital structure of the Trust and those activities relating to the cost of servicing the Trust’s equity capital.

“Operating activities” include all transactions and other events that are not investing or financing activities.

The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets where the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party and either:

- (i) The Group has transferred substantially all the risk and rewards of the asset; or
- (ii) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Assets

Financial assets within the scope of PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Group and Parent determine the classification of its financial assets at initial recognition.

The Group’s financial assets include: cash and cash equivalents, short term deposits, receivables from non-exchange transactions and receivables from exchange transactions.

Impairment of Financial Assets

The Group assess at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred ‘loss event’) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, the Group first assesses whether objective evidence or impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence or impairment exists for an individually assessed financial asset, whether significant or not, it

includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised, are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between that assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset’s original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

Financial Liabilities

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in surplus or deficit. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or transferred to the Group. If, in a subsequent reporting period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in surplus or deficit.

Financial liabilities within the scope of PBE IPSAS 29 Financial Instruments: Recognition and Measurement are recognised initially at fair value plus directly attributable transaction costs or at fair value if the liability is to be classified as at fair value through surplus or deficit. The Group determine the classification or its financial liabilities at initial recognition.

The Group financial liabilities include trade and other payables which are recognised at fair value plus directly attributable costs. After initial recognition, trade and other payables are subsequently measured at amortised cost using the effective interest method. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

f) Goods and Services Tax

All items in the Statement of Financial Position are stated exclusive of GST, with the exception of receivables and payables, which include GST. All items in the Statement of Comprehensive Revenue and Expenses are stated exclusive of GST.

g) Taxation

The Trust is exempt from income tax on the basis of its charitable purpose.



KidsCan Charitable Trust Group

Notes to the Group Financial Statements

For the Year Ended 31 December 2018

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2018 \$	2017 \$
CASH AND CASH EQUIVALENTS INCLUDE THE FOLLOWING COMPONENTS:		
Committed for programmes	401,168	723,601
General	1,027,630	468,578
Total	1,428,798	1,192,179

4. INVESTMENTS

Investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

	2018 \$	2017 \$
Maturing within 12 months of balance date committed for programmes	1,970,224	2,629,556
Maturing within 12 months of balance date committed for general	400,000	-
Total	2,370,224	2,629,556

5. TRADE AND OTHER RECEIVABLES

Accounts receivable are carried at estimated realisable value after providing against debts where collection is doubtful.

	2018 \$	2017 \$
NON-EXCHANGE TRANSACTIONS:		
Accounts receivable	382,543	218,698
Provision for Doubtful Debts	(32,500)	-
GST receivable	53,611	111,312
EXCHANGE TRANSACTIONS:		
Interest accrual	10,641	15,162
Total	414,295	345,172

6. INVENTORIES

Inventories are measured at cost upon initial recognition.

For inventory that was acquired through In-Kind donations, the cost of the inventory is stated at its fair value at the date of acquisition, being the lower of retail or wholesale price (where available) for the goods.

Inventories held for sale on a commercial basis are measured at the lower of cost and net realisable value, determined on a weighted average basis.

Inventories held for distribution or consumption in the provision of services to be distributed at no charge that are not sold on a commercial basis are measured at the lower of cost and net realisable value, determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Inventories are recognised as an expense when distributed to partner schools or consumed in the ordinary course of operations of the Group. Inventory expensed during the year totalled \$3,635,487 (2017 \$2,906,851)

During the reporting period no items of the Group's inventory were written down. There are no items of inventory pledged as security against any of the Group's liabilities.



KidsCan Charitable Trust Group

Notes to the Group Financial Statements

For the Year Ended 31 December 2018

7. PLANT AND EQUIPMENT

Plant and equipment is stated at cost, less accumulated depreciation and impairment losses.

When plant and equipment are disposed of the difference between net disposal proceeds and the carrying amount is recognised as a gain, or loss, in the Statement of Financial Performance.

At each balance date the carrying amounts of plant and equipment are assessed to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable service amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable service amount. Impairment losses directly reduce the carrying amount of the assets and are recognised in surplus or deficit.

Depreciation is provided for on a straight line basis. Plant and equipment is depreciated at rates calculated to allocate the asset's cost or valuation less estimated residual value, over their estimated useful lives.

Major depreciation periods are: · Computer Equipment – 3-6 years · Office Equipment – 6-10 years · Vehicles – 2-5 years

2018	Computer Equipment \$	Office Equipment \$	Vehicles \$	Leasehold \$	Total \$
COST					
Opening 1.1.18	74,381	95,166	38,568	9,100	217,215
Additions	19,372	747	38,200	-	58,319
Disposals	-	-	-	-	-
Closing 31.12.18	93,753	95,913	76,768	9,100	275,534
DEPRECIATION					
Opening 1.1.18	64,487	46,265	33,323	1,262	145,337
Charge for the year	7,917	14,111	9,550	1,820	33,398
Disposals	-	-	5,244	-	5,244
Closing 31.12.18	72,404	60,376	48,117	3,082	183,979
NET					
Opening 1.1.18	9,894	48,901	5,245	7,838	71,878
Closing 31.12.18	21,349	35,537	28,651	6,018	91,555
2017					
COST					
Opening 1.1.17	78,854	117,881	51,254	-	247,989
Additions	7,776	16,484	-	9,100	33,360
Disposals	(12,249)	(39,199)	(12,686)	-	(64,134)
Closing 31.12.17	74,381	95,166	38,568	9,100	217,215
DEPRECIATION					
Opening 1.1.17	62,352	62,285	24,565	-	149,202
Charge for the year	13,391	15,534	18,059	1,262	48,246
Disposals	(11,256)	(31,554)	(9,301)	-	(52,111)
Closing 31.12.17	64,487	46,265	33,323	1,262	145,337
NET					
Opening 1.1.17	16,502	55,596	26,689	-	98,787
Closing 31.12.17	9,894	48,901	5,245	7,838	71,878



KidsCan Charitable Trust Group

Notes to the Group Financial Statements

For the Year Ended 31 December 2018

8. TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Group and which have not been paid at the end of the financial year. These accounts are non interest bearing and are usually settled within 30 days.

	2018 \$	2017 \$
Trade Payables	66,605	45,502
Accrued Expenses	152,573	65,132
Total	219,178	110,634

9. FINANCE LEASES

Leases of vehicles that transfer to the Trust substantially all of the risks and rewards of ownership are classified as a finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset. Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset or the lease term, whichever is shorter.

	2018 \$	2017 \$
FINANCE LEASE LIABILITIES		
Within one year	-	11,667
One to five years	-	-
Total	-	11,667

10. OPERATING LEASES

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

	2018 \$	2017 \$
OPERATING LEASES – OBLIGATIONS UNDER NON-CANCELLABLE		
Within one year	212,547	204,462
One to five years	275,196	449,983
Total	487,743	654,445

11. EMPLOYEE BENEFIT LIABILITIES

Liabilities for annual leave are accrued and recognised in the Statement of Financial Position. Annual leave is based on accrued entitlements at current rates of pay.

	2018 \$	2017 \$
Holiday Pay Accrual	59,022	64,761
Total Employee Benefit Costs	59,022	64,761

12. INCOME IN ADVANCE

Income in Advance arises when an amount is received by the Trust with specific repayment conditions attached to the grant.

	2018 \$	2017 \$
Philanthropic Trusts and Gaming	65,377	53,572
Total	65,377	53,572

KidsCan Charitable Trust Group

Notes to the Group Financial Statements

For the Year Ended 31 December 2018

13. RELATED PARTY TRANSACTIONS

Related party transactions with controlled entities

The parent has a related party relationship with Invitation Only Events Limited (IOE), which was removed from the Company Register on 18 July 2018. KidsCan Charitable Trust, as a Parent, consolidates the company because it is the sole beneficiary of its activities. IOE did not trade during the period 1 January 2018 to 18 July 2018. Four trustees are also directors of IOE.

Related Party	Description of transactions	2018 \$ Value of transactions	2018 \$ Amount outstanding	2017 \$ Value of transactions	2017 \$ Amount outstanding
Trustee	Commercial Services	19,243	1,600	16,150	2,250
Trustee	Corporate Sponsorship	308,997	-	312,024	-

Key Management Personnel

The Group classifies its key management personnel into one of two classes:

Board Members – there are 6 board members of the KidsCan Charitable Trust including the CEO. Of these, 3 were directors of Invitation Only Events Ltd including the CEO. Board members excluding the CEO were given a gift of appreciation at the end of the financial year. This was in recognition of their significant contribution to the Group throughout the year, these totalled \$1650. (2017 \$1,200)

Senior Management Team (SMT) the aggregate remuneration of the SMT and the number of individuals, determined on a full time equivalent basis, receiving remuneration is as follows:

	2018 \$	2017 \$
Total remuneration	589,960	633,442
Number of person (FTE)	4.2	4.6

The amount disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Key management personnel did not receive any remuneration or compensation other than in their capacity as key management personnel.

The Group did not provide any loan to key management personnel or their close family members. Donations have been made to the Trust by various members of the board and their families throughout the year. Contributions were also made towards fundraising. Members of the senior management team have also made donations to the Trust. These totalled \$2,750 (2017 \$3,820).

Remuneration and compensation provided to a close family member of Key Management Personnel

During the reporting period, no remuneration was provided by the Group to employees who are close family members of key management personnel (2017 Nil)

14. TOTAL EXPENSES

Expenses have been allocated to a category if the cost incurred contributes to the intended outcome. A number of the costs have been split across all departments as these are required by all categories to achieve their outcome. Costs that are split include electricity, repairs and maintenance, cleaning, phones, insurance, travel and health & safety.

Programme expenses include the cost of purchasing raincoats, shoes and socks, food, and health items to support children in KidsCan partner schools and Early Childhood Centres.

15. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities at 31 December 2018. (2017 Nil)

16. CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2018. (2017 Nil)

17. SUBSEQUENT EVENTS

The Board of Trustees and management are not aware of any matters or circumstances subsequent to balance date, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of KidsCan Charitable Trust.



Independent Auditor's Report

To the Trustees of KidsCan Charitable Trust Group

OPINION

We have audited the consolidated financial statements of KidsCan Charitable Trust Group and its subsidiary, which comprise:

- the consolidated statement of financial position as at 31 December 2018;
- the consolidated statement of comprehensive revenue and expenses for the year then ended;
- consolidated statement of changes in net assets;
- consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies.

In our opinion, the accompanying consolidated financial statements on pages 24 to 33 present fairly, in all material respects, the financial position of the group as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of KidsCan Charitable Trust Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, the KidsCan Charitable Trust Group or its subsidiary.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the report pages from 2 to 23 and 35 (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF TRUSTEES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The trustees are responsible, on behalf of KidsCan Charitable Trust Group, for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible, on behalf of KidsCan Charitable Trust Group, for assessing KidsCan Charitable Trust Group'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 those charged with governance either intend to liquidate the entity and group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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 decisions of users taken on the basis of these consolidated financial statements. A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the XRB's website at: https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page7.aspx

WHO WE REPORT TO

This report is made solely to the trustees, as a body. Our audit has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our work, for this report, or for the opinions we have formed.

RSM

RSM Hayes Audit
Auckland

15 May 2019



Student Letters





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