



Our children, our future

KidsCan Annual Report 2021

PRINCIPAL
PARTNER



“Thank you so much on behalf of our family for the beautiful kai you delivered to our home. It’s small things like this that make me very thankful for the nation we live in and the people that are so giving and kind. This kai is now feeding my brother, my mum who is elderly, my 4 school aged children and myself a single mama. You don’t know how much this has lifted our spirits at this time but especially how grateful we are for full bellies. Our love and many thanks to you all.”

KIDSCAN 19FOR19
FOOD PARCEL RECIPIENT



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Contact

KidsCan Charitable Trust
Charities Registration Number: CC10386
7 Beatrice Tinsley Crescent,
Albany, Auckland 0632
PO Box 31646, Milford, Auckland 0741
info@kidscan.org.nz
09 478 1525
www.kidscan.org.nz

About KidsCan

What we do

We help children experiencing hardship by providing food, clothing and health products to schools/kura and early childhood centres/kōhanga across New Zealand.

Our mission

KidsCan provides the essentials to Kiwi kids affected by poverty so they can participate in learning and have an opportunity for a better future.

Our vision

A better New Zealand for all Kiwi kids.

Our values

- Māramatanga** - Light and Laughter
- Kotahitanga** - One Team
- Uaratanga** - Valuing People
- Manawaroa** - Commitment
- Tuakiritanga** - Wellbeing



KidsCan

Programme strategy

Our programme objective is

To increase children's health, wellbeing and participation in learning.

KidsCan programmes will make a difference in children's lives by

- Increasing education attendance and participation
- Providing access to the essentials
- Improving physical health and wellbeing
- Reducing childhood obesity

How we'll make it happen

Engage with our communities

Reducing barriers for children to access our programmes by educating and engaging schools/kura, early childhood education centres (ECEs)/kōhanga, children and whānau

Evolve our programmes

Continuing to refine and reshape our programmes in response to feedback and the needs of the children we support

Reach more children

Expanding our support into more schools and ECE centres to reach children who would benefit from KidsCan

Be sustainable

Ensuring KidsCan is financially sustainable and able to provide consistent, ongoing support to schools and ECEs

Our impact: A teacher's take

I have cried a lot since KidsCan came on board - tears of relief and joy for what we have been able to do for our students. Shoes to keep their feet dry, jackets to keep them warm, beautiful healthy food that means not only are they well fed but also more settled. Fantastic outcomes which, to some degree, we expected. But something we didn't expect... you have developed in our students the ability to not be ashamed about asking for help, to be vulnerable. The ability to be vulnerable enables a person to show their best self; it's an accurate measure of courage and opens the door to innovation and creativity. That vulnerability is a very powerful byproduct of this work with KidsCan.

I've been in teaching a long time, and previously worked at a decile 2 school. But coming here I was shellshocked by what I discovered - dysregulation in behaviour and attendance, transience, lack of support and physical resources for students, massive housing issues and poverty - much of it inter-generational. When I first came on board, a cleaner came to me one night and said "The past couple of days I have found used rags in the senior girls' toilets." After a quick cry, I thought, 'There is something we can do about this'. That is when I reached out to KidsCan - and the first thing we received was period products. The attendance of our senior students rose exponentially. It meant they could come to school and not be fearful of embarrassment.

A lot of kids come to our breakfast club, some having had no dinner the night before. We were joined

this year by a senior student with multiple neurodiversities. He arrived at breakfast with his hoodie up, listening to music on his headphones, and sat in the corner eating. But he's slowly begun joining in with the other kids. It's been wonderful to watch and we'd never have been able to make that progress without the KidsCan breakfast.

Another young boy turned up for a school trip to the maunga. It was wet and cold and he had no sweatshirt. We offered him one of the beautiful KidsCan jackets - the joy on this boy's face, knowing he was going to be warm for the day, that he belonged and was going to fit in with everyone else. He went off with food in hand because he had come with no lunch either. For us to be able to do that for our students is something so deep in our hearts it's sometimes even hard to talk about.

We had another student from a hugely traumatic background who never allowed us to help him. I remember the DP gave him a coffee card - a reward we give students for doing something that aligns with our values - but he ripped it up and left a trail of paper down the corridor. That was him saying "I don't need your rewards". But recently that same boy came to me and asked for a jacket. When he had gone, I cried again. Because for him to feel open enough to come and ask for support was a watershed moment.

Thank you from the bottom of our hearts for the equity, the dignity, the ability to be vulnerable that you afford our tamariki and their whānau. The difference you make is incalculable."



"Another young boy turned up for a school trip to the maunga. It was wet and cold and he had no sweatshirt. We offered him one of the beautiful KidsCan jackets - the joy on this boy's face, knowing he was going to be warm for the day, that he belonged and was going to fit in with everyone else."

TEACHER AT KIDSCAN
PARTNER SCHOOL

From our CEO

A stark reality

It's 16 years since KidsCan was born, and what began as a pile of boxes in my garage is now a warehouse stacked to the ceiling with food and clothing for children in need. For most businesses, growth is a positive; for us it's testament to a stark reality - that far from diminishing, hardship and deprivation among our most vulnerable families has been steadily on the rise.

Particularly off the back of Covid, we are seeing families coming under immense pressure. The 6 million food items, clothing and hygiene products that we delivered over the past 12 months have helped to alleviate some of the stress on our whānau, but we are aware that gaps remain.

To properly address food insecurity in the communities we work with, we wanted to fully understand the scope of it, so in 2020 we commissioned Colmar Brunton to conduct research across our schools and early childhood centres (ECEs). We found that, even with the introduction of the government's school food initiative, Ka Ora Ka Ako, there was still a significant need at other times

of the day and among those schools that didn't receive government help. Our programme and the government's complement each other, but it's sad that many tamariki are still missing out on the essentials that enable them to focus and learn.

That's why in 2022 KidsCan is undertaking one of our biggest pieces of work of the past 10 years - redesigning our food programme. We want to ensure we respond to the increase in hardship, in particular looking deeply at the different needs within different schools and how we can ensure all children are equipped with what they require to thrive. It's about continuing to strengthen our support in schools and ECEs through our core programmes, but also being nimble enough to respond to any Covid-related issues where food becomes a struggle for families.

We also have big plans for our pre-schools. We currently have 100 ECEs on our waiting list - that is 100 more than we'd like, so onboarding them is another key focus for the year ahead.

There remains a lot of work to do, but

I also want to acknowledge what we have delivered over the past year and the people who've made it possible.

Shifting 6 million items of food and clothing and distributing them around the country mid-pandemic is no small task, so a big thank you to the KidsCan team for pulling together in difficult circumstances to make sure the children we support - and, during the lockdowns, their families - were kept warm and fed.

I also want to acknowledge the government for committing to support us for a further three years; the Ministry of Social Development's annual funding of raincoats for the kids' programme is really helping us to make a difference.

A heartfelt thank you to our Board for their invaluable guidance and expertise, and of course to all our supporters - especially our Principal Partner Meridian Energy, and long term supporter, Trillian Trust for their ongoing commitment and generosity.

Last but not least, I'd like to acknowledge the 11 years Bill Birnie has dedicated to chairing the KidsCan Board. Bill's knowledge, wisdom and experience have helped us to build the organisation to where it is today and he's been a tremendous asset to the charity. We are sorry to see him go. However, Bill leaves the role in excellent hands. A warm welcome to our new chair - Guy Waipara, KidsCan Board member and one of the senior leadership team at Meridian Energy. We look forward to working with you in the months ahead.



Julie Chapman
KidsCan CEO and Founder



From our Board Chair

Extending our reach

Covid has been a major disruption in the lives of all Kiwis - but it's been especially tough on children and families already living in poverty.

According to the Child Poverty Monitor 2021, 18.4% of Kiwi children - ie one in five - live in households experiencing material hardship, and for many, lockdown only made matters worse. In 2021, as in the previous year, KidsCan needed to act swiftly to ensure children we usually support at school didn't go hungry. We relaunched our 19for19 campaign to fund food parcels for those hardest hit by Covid and were, once again, overwhelmed by the response. Thanks to the generosity of our donors and partners, the campaign generated close to \$1 million, enabling us to send emergency food parcels to 6,200 families in Auckland and Waikato, the areas worst affected during Level 4.

The commitment of KidsCan's sponsors and supporters has meant we were not only able to meet emergency demand, but to expand and strengthen our existing programmes. We extended our reach in early childhood centres (ECEs) to over 4,800 preschoolers - up from 2,100 in 2020; increased deliveries of food and clothing items from our warehouse (to more than 6 million food items); and launched a Back to School campaign to take the pressure off families forced to choose between buying school essentials

and putting food on the table. With the introduction of the government's Healthy School Lunches programme, we looked at ways we could best help those children not covered by the scheme.

While we're constantly growing and adapting to changing circumstances, the KidsCan vision remains the same: to provide the essentials to Kiwi kids experiencing hardship so they have an opportunity for a better future.

This is my last year as Board Chair, and in the 11 years since taking up the role I've seen both the steady increase in need and the continued evolution and growth of KidsCan's programmes to better meet this demand. The coming year is no exception. Major initiatives will include:

The redesign of our food programme shifts us from a "one-size-fits-all" approach to one that more adequately takes into account the diverse needs of different schools and their children. It will also better support schools to order the right quantities and appropriate types of food and ensure no child misses out.

I'd like to take the opportunity to thank our community of business partners and individuals, without whose generosity none of our work would be possible. I'd also like to acknowledge the dedication of the KidsCan team, CEO and founder Julie Chapman and my fellow Board members - Mark Dunwoodie, Glenda Hughes, Waimarama Taumau



and Guy Waipara, who has been appointed to replace me as Board Chair.

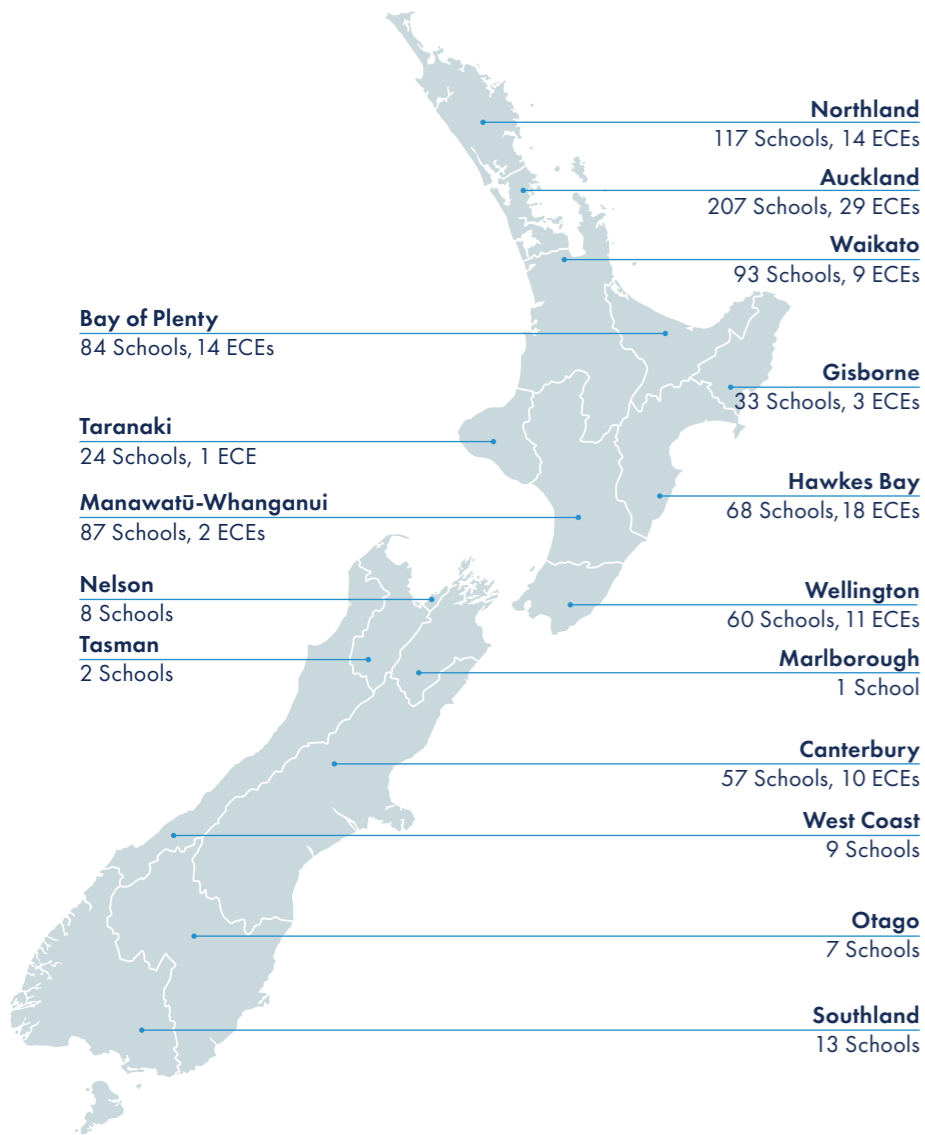
It's been an honour to occupy the role for the past 11 years, and I'm proud of what we've achieved together to give Kiwi children the chance of a better future. I'm delighted to see Guy as my successor and I wish him and everyone at KidsCan all the best for the year ahead.



Bill Birnie CNZM
Board Chair

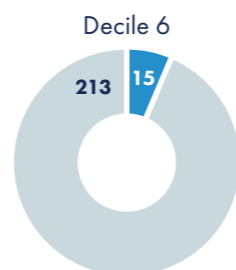
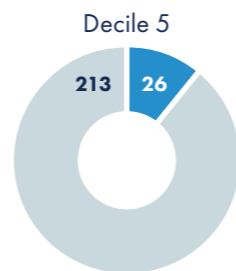
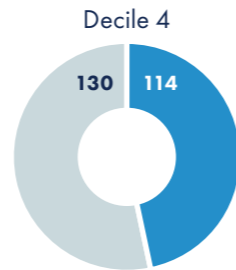
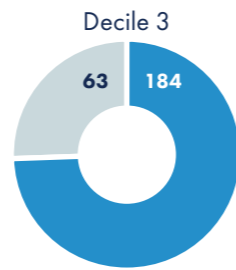
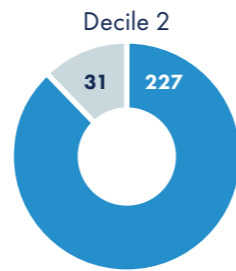
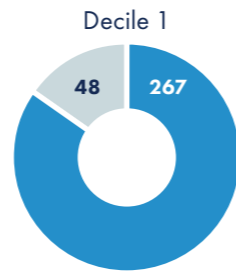
2021 in review

KidsCan supports children across New Zealand



*Please note some of our partner schools and alternative education operate from more than one region and are represented on this map in each region they support.

KidsCan support in decile 1-6 schools



■ Schools receiving KidsCan support
 ■ Schools not receiving KidsCan support

*Please note that not all KidsCan supported schools are reflected in these pie charts, as some of our alternative education centres don't have decile ratings.

Our support in numbers

SCHOOLS

Partner schools:
854

Children who access school food programme regularly:
40,000

Packs of period products given to students:
94,000+

Food items distributed:
6.4 million

Jackets and shoes:
87,000+

ECES

Partner ECEs:
111

Children accessing daily meals:
4,800

Jackets and shoes:
8,500+

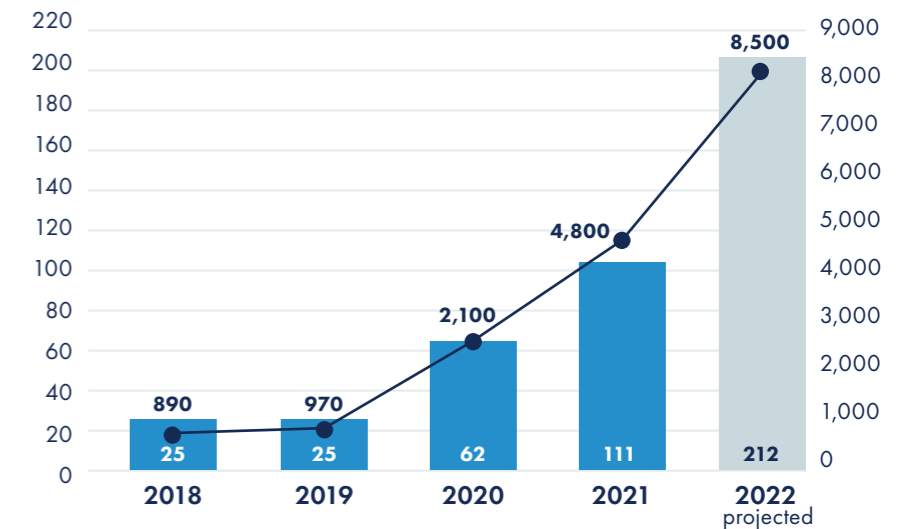
Health and hygiene products:
19,000+

COVID

Emergency food parcels during lockdown:
6,200

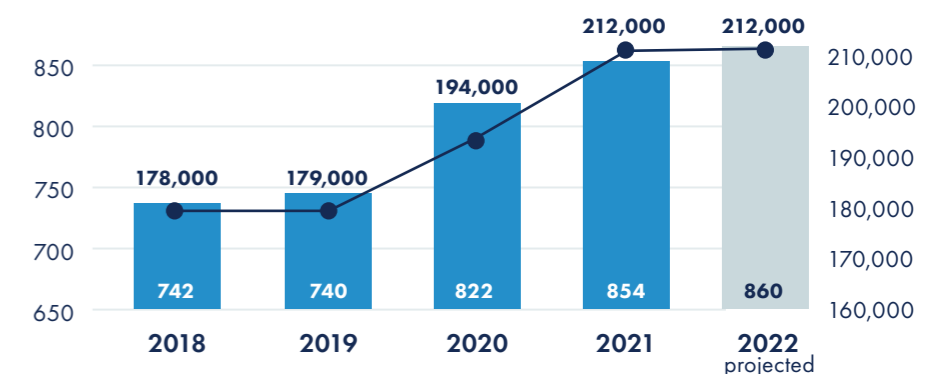


Number of KidsCan partner ECE centres and preschoolers supported at year end



■ Number of partnership ECEs at end of year
 ● Number of preschoolers receiving KidsCan programmes

Number of KidsCan partner schools and students supported at year end



■ Number of partnership schools at end of school year
 ● Number of students with access to KidsCan programmes



“With high unemployment, the cost of living and of course Covid lockdowns, our children are starting to bear the brunt of this. Once families have paid rent, power etc there is little left over for food. Without KidsCan and breakfasts in schools, many of our children would miss out. The basic costs of returning to school each term is a challenge for many.”

TEACHER AT KIDSCAN
PARTNER SCHOOL

Schools / kura

Dignity, equity and pride

Food programmes

In 2021 we again provided year-round hot meals to children at our partner schools. The number of kids accessing our food programmes regularly remained at around 40,000 - but only because many were now accessing the government Ka Ora Ka Ako school lunches programme. So, we turned our focus to addressing the gaps.

“We are still supplying food products to service the meal moments that were not covered, as Ka Ora Ka Ako is a ‘lunch programme.’ Kids still need breakfast and snacks to provide them brain food to help them sustain their day of learning,” said KidsCan Programme Development Manager Valerie Tiatia-Seath.

We also relaunched our 19for19 programme for families struggling in lockdown, delivering 6,200 food parcels directly to those most in need.

In 2020 we also commissioned Colmar Brunton to carry out research into food insecurity in schools and ECEs across NZ so we could better address the need. The findings were published in 2021; see below for a summary:

So much more than food and clothing

The past year saw us deliver tens of thousands of shoes and jackets to our KidsCan partner schools nationwide, and over 6 million food items (see full statistics, page 11). But these numbers tell only part of the story. We also heard from schools how our impact went far beyond keeping kids warm, dry and fed. As well as the all-important ability to focus, learn and participate in school activities, children felt a sense of belonging, of being cared for, of dignity and pride. We can’t plot a graph for these things, but they are life changing by-products nonetheless.

Sports: levelling the playing field

Being active is a crucial part of children’s wellbeing, but some 1 in 8 kids miss out on sports because they don’t have the gear. Thanks to a \$150,000 grant from our friends at Cadbury, we helped 2,443 kids at 57 schools participate in sports in 2021. Cadbury’s Donate Your Kit programme also provided 13,951 items of sports gear.

Period products

KidsCan launched its period care programme in 2015, providing free products and education to students. In 2020 the government announced its free period products programme, and we took part in the phase 1 Waikato trial across four schools and kura. In 2021 we distributed over 94,000 packs of free period products. Thanks to the nationwide rollout of the government scheme, we won’t be running our programme in 2022. We are delighted this will allow free access for all students, giving them the respect and dignity they deserve.

What’s in store for 2022

KidsCan will roll out the redesigned food programme, our biggest undertaking of the past 10 years. We’ll be surveying schools and ECEs and drawing on the findings of our Colmar Brunton research and our DNA design experts for a more in-depth understanding so we can best cater to their diverse needs. It’s an exciting development for us.

We will begin seeking applications from rangatahi to join our first KidsCan Youth Council. The year-long scholarship programme for Year 12 and 13 students at KidsCan schools will support individual youth success and provide community engagement and professional development.

We’re introducing a Converse-style school shoe to give kids something they’ll really enjoy wearing as well as ticking the comfort/practicality boxes. After hearing the positive feedback from our pilot programme in 2021, we now plan to make the shoes part of our standard product offering for intermediate and high school students.

Key findings of Colmar Brunton’s study of food insecurity in schools and ECEs (2021):

- Food insecurity is a problem in nearly all schools and ECEs spoken to.
- Mental health issues and hunger are the biggest barriers to children fully participating at school. While these problems also affect ECEs, health issues are the top barrier for pre-schoolers. Other barriers to full participation by school children include behavioural and financial issues, eg, not having money for transport.
- Running out of food at home is seen as a key driver of non-attendance at school, as are health issues.
- Parents and kids feeling a stigma around asking for help is seen as a key barrier to tamariki getting the food support they need. Offering food support in a discreet way that still reaches families most in need is critical.

ECEs / kōhanga

Helping little ones thrive

Our ECE / kōhanga programme continues to flourish. It was only four years ago that our pilot scheme was launched in preschools, with the aim of giving more children a fair start, earlier. From 25 ECEs in 2018 we've quadrupled our reach. 2021 saw us reaching 111 centres, up from 62 the previous year.

Every child in our partner ECEs has access to our Heart Foundation-endorsed lunches and snacks - that's almost 5,000 preschoolers across the nation who are well fuelled to play, grow and learn. We still have 100 ECEs on our waiting list, and we aim to bring all of those into the KidsCan fold by the end of 2022.

We provided 4,500 jackets, over 4,000 pairs of shoes, and some 19,000 health and hygiene products (including much-needed nit treatment).

What we have planned for 2022

Thousands of children will be happily splashing in puddles this autumn thanks to our new gumboots for preschools initiative. We aim to get some 5,000 pairs into ECEs/kōhanga this year.

We asked ECEs, what does having a KidsCan raincoat, shoes and food mean to your tamariki? This is one of the comments:

"It means their whānau are able to spend that money on other essentials - especially at a time where income can be so uncertain. It also means all our tamariki are receiving healthy kai and the same kai. While some may not see this as a big deal, I have seen first-hand tamariki being whakamā about what is in their lunchbox compared to others."

ECE TEACHER



"They wear [their jackets] with pride. It allows them to feel special and part of the group with their friends, as they have the same jacket as well. It takes so much pressure and stress off families."

ECE TEACHER



"I saw you gave kids jackets and shoes at my mum's school years ago - something I thought all kids had. I have donated ever since."

"As a child I grew up in poverty. I don't want that to happen to any other child. No child should ever feel hungry, cold or unsafe."

"I work in the school sector and have seen with my own eyes the way the tamariki are feeling when they are hungry and cold. This is the main reason why I support KidsCan. Knowing I'm helping someone in need."

MONTHLY DONORS



Our monthly donors

It takes a Village

At KidsCan, we often refer to the saying "it takes a village to raise a child". To us our monthly donors are that Village – a village of like-minded individuals and businesses who believe no kid should go without. We believe there is something empowering for donors in being reminded they are part of a wider community, all working towards the same goal.

Our KidsCan Village is made up of over 15,000 monthly donors, each with their own reasons for supporting us. What unites them is their kindness, empathy and their desire to drive positive change. In 2021, we welcomed 2,400 new monthly donors into the Village, and over 15,000 people donated to KidsCan.

In March 2022 we will be looking to gain a further 500 monthly donors by educating more caring Kiwis on the difficult choices children are forced to make.

Growing our community of regular givers is a fundamental strategic goal; the more donors whose contribution we can count on every month, the better we are able to plan and deepen our support for kids in need. It means we can not only keep helping the 854 schools and 111 ECEs who already rely on us, but we can also partner with those on our waitlist who are desperate for help.

A regular and continued commitment from as many donors as possible means we can be there for our tamariki for as long as they need us. We're often supporting our children right from preschool to when they graduate high school - we're in it for the long haul and can't let them down.

Our Principal Partner

The power to make a difference

KidsCan owes so much to its partners. Without their generosity and commitment, many more Kiwi kids would miss out on the essentials that enable them to grow, learn and thrive. A heartfelt thank you to all our wonderful business partners. Our Principal Partner Meridian Energy deserves special mention.

Meridian Energy has walked alongside KidsCan since 2013 - and not just with much-needed financial support. During that time Meridian has committed more than \$3 million to help support the work KidsCan does

“Meridian is a passionate partner of KidsCan. If we’re thinking more about fairness as a country, giving all young Kiwis a fair shot at their education is something we should all get behind”

NEAL BARCLAY,
MERIDIAN ENERGY CEO

in communities throughout Aotearoa, including donating \$1 million to support KidsCan’s work in 2020 during Covid-19. Meridian gets behind our fundraising activities and their staff have clocked up valuable hours packing food orders in our warehouse, and helping out at local schools, as volunteers.

“Meridian is a passionate partner of KidsCan. If we’re thinking more about fairness as a country, giving all young Kiwis a fair shot at their education is something we should all get behind,” said Neal Barclay, Meridian Energy CEO.

When 2021 saw KidsCan once again forced to respond urgently to Covid related need, Meridian had our back. Their \$20,000 donation kickstarted the relaunch of our 19for19 appeal to support families most affected by the pandemic. Every dollar we raised went directly into 6,200 food parcels for struggling families.

Meridian also kicked off our Back To School appeal, helping to give Kiwi kids the essentials they need to learn, such as food, shoes, socks and raincoats.

Crucially, in 2021 Meridian renewed its commitment to KidsCan for three years - increasing its contribution to \$1 million a year.

“The most exciting part of that is we have taken an innovative view of how we approach that funding for the next three years,” said Meridian Chief Marketing Officer, Michael Healy.

As well as contributing to the core programmes, a sum is set aside to support KidsCan through incremental fundraising.

“That is a reflection of the amazing result the team achieved through 19for19 in Covid last year, raising over \$1 million,” said Michael. “We think if we support KidsCan with money to spend on fundraising campaigns, there is an opportunity to raise a whole lot more than any cash contribution we could make. So although we are committing \$1 million, we are very hopeful we can raise well in excess of that with Julie and the team.”

Thank you, Meridian, for everything you do to help us give Kiwi kids the chance of a better future.



Our business partners

Stronger together

We couldn't do what we do without our incredible business partners. Our principal, major and associate partners, major donors and business supporters work with us to help children in need through financial and in-kind donations, as well as volunteering their time and resources. Here is a snapshot of the difference they have made over the past year. (For a full list of our partners and business supporters, see pages 22 and 23).

Meridian Energy

"Our team take real pride in working alongside KidsCan in the community and being able to see the incredible difference that KidsCan makes to the lives of the children they support." Neal Barclay, CEO Meridian Energy, KidsCan Principal Partner.

Meridian Energy has been the proud Principal Partner of KidsCan since 2013, and has supported us in a myriad of ways. Not just with the more than \$3 million committed over the past 9 years to bolster our programmes nationwide, but also fundraising, volunteering, and being an unrelenting champion of our work - spreading the word about our campaigns and initiatives among its communities. In the words of Meridian's Chief Marketing Officer Michael Healy, "At Meridian our purpose is clean energy for a fairer and healthier world and KidsCan in our view is a critical part of the 'fairer' component of that purpose."

ASB

"At ASB, our people are passionate about supporting our communities. It is part of our DNA to help Kiwis today and for tomorrow, supporting them with their financial resilience and overall wellbeing. We are proud to partner with KidsCan as all Kiwi kids deserve to go to school warm, dry and well-fed so they can make the most of the learning opportunities available, and in turn, shape the future of Aotearoa." Vittoria Shortt, CEO ASB, KidsCan Major Partner.

Together, ASB and KidsCan continued to make a difference in the lives of Kiwi children by gifting 3,500 summer tote bags at Christmas. The tote bags were distributed to 15 low decile schools across the country, with summer items such as beach towels and sunscreen as well as some fun items including toys and stationery.

Cadbury

For a second year, Cadbury partnered with KidsCan to address the problem of 1 in 8 Kiwi kids feeling excluded from sport. Together we provided sports items to KidsCan partner schools and distributed financial grants to individuals, teams and schools to help children participate in sport.

Countdown

"We want to provide meaningful and long-lasting support to our communities and give all Kiwis the opportunity to thrive. We're so proud of our partnership with

KidsCan, who do incredible things to support the next generation of Kiwis to do the things that many of us take for granted, like going to school every day with full tummies and dry feet." Kiri Hannifin, Director of Corporate Affairs, Safety & Sustainability, Countdown, KidsCan Major Partner.

In 2021 Countdown continued to support us through their Food for Good appeal. They have also been a staunch supporter of our ECE programmes; in 2021 they donated a portion of proceeds from hot-cross bun sales to help fund our work in ECEs, and every week they make food deliveries direct to ECEs' doors.

GWF

"GWF Baking is proud to have been providing loaves of bread to KidsCan for over 10 years. We love partnering with KidsCan so much that moving forward we are increasing our donation - from 100,000 loaves to 120,000 each year. We know how important a full belly is to help Kiwi kids thrive at school." Mark Bosomworth, GM GWF Baking New Zealand, KidsCan Major Partner.

Tip Top has been providing bread to our partner schools since 2008, delivering loaves right to their door. Being able to make delicious toast for breakfast gives our tamariki a fantastic start to the day, and having fresh bread for lunchtime sandwiches means children are sustained throughout the day.



Mobil Oil New Zealand

"We are really proud to work alongside KidsCan. We firmly believe that even small actions can have a big impact, that even the simple act of buying a cup of coffee can make a difference. Our customers get a kick out of the fact that their daily treat is also an act of kindness that helps to give Kiwi kids a better start to their education." Andrew McNaught, Lead Country Manager, Mobil Oil New Zealand Limited, KidsCan Major Partner.

A KidsCan partner since 2018, last year Mobil launched a new coffee cup to raise even more funds for our tamariki

in need. The co-branded coffee cups are sold at participating Mobil service stations across the country, and for every coffee sold, Mobil makes a donation to KidsCan. Funds raised go directly into our schools and ECE programmes.

NZ Safety Blackwoods

"At NZ Safety Blackwoods we believe in taking care. Taking care of our team, our customers and our community. We believe in a better tomorrow and we take care when it comes to who we partner with. That's why we chose to partner with KidsCan. Their work is centred on

ensuring kids have the opportunity for a better future. Our partnership is built on common values and our team members relish the opportunity to get involved." Lisa Tonner, Head of People and Safety, NZ Safety Blackwoods, KidsCan Major Partner.

NZ Safety Blackwoods has been a major partner of KidsCan since 2019, enabling us to provide over 4,000 rain jackets to kids in need. Their employees also spend a lot of time volunteering, driving their own fundraising initiatives and supporting us through their stores; for every pair of Tredlite boots sold, \$5 is donated to KidsCan.



A special shoutout to our Associate Partners and Creative Partners...

Who have all generously contributed financially, as well as gone over and above to support KidsCan's work.

Additional thanks

We'd like to thank our two agency partners, DDB Group and OMD, for their massive support. In 2021 they helped us welcome 2,400 new donors and over \$2 million in one-off donations by reaching everyday Kiwis with stories of hardship. An enormous thanks also goes to the following in-kind partners: Bell Gully and This is Mango.

Ministry of Social Development

A huge thank you to the Ministry of Social Development, who in 2021 donated 17,500 jackets for children at our partner schools.

Bakers Delight

They have been a proud supporter of KidsCan since 2018. Thanks to funds raised from their annual Fun Bun and Hot Cross Bun campaigns, they have helped us to provide food, jackets, shoes and health items to kids nationwide.

The Coffee Club

Their annual Christmas Cup competition invites children nationwide to design a coffee cup to raise awareness for KidsCan. They also donated 50c from every fluffy sold, to KidsCan, and ran a successful dollar match for our Winter Appeal.

Cookie Time Charitable Trust

The Cookie Time Charitable Trust supports KidsCan in many ways beyond their financial contribution, including our Pork Pie fundraiser and food programme.

Freightways

As well as financial support at a corporate level, Freightways brands such as SUB60, Now, Post Haste and New Zealand Couriers have delivered in-kind support for our 19for19 food parcel delivery; provided storage and leveraged customer relationships to get more Kiwi businesses to support KidsCan.

Johnson & Johnson Family of Companies

A long term supporter of KidsCan's feminine hygiene programme and staff volunteering.

Kennards Hire

Their Buddy School programme sees each Kennards Hire branch being matched to one or more KidsCan schools and offering free equipment hire, volunteering and expert advice.

Naumi Hotels

Came onboard as a partner in 2021, supporting KidsCan through their hotels and encouraging staff to get behind KidsCan's work.

The Property Group

Their staff volunteered in our Auckland warehouse during term distribution. They also fundraised for KidsCan throughout the year.

QBE Foundation

Supported our work through regular payroll giving, as well as choosing to donate the value of their Christmas gifts to KidsCan.

Recycle Boutique

A partner since 2021, supporting KidsCan through their online channels and instore.

Zespri

Provided volunteers, raincoats and kiwifruit for schools; gifted kiwifruit to ECEs and ran a successful dollar match for our Back to School campaign.

Zuru Edge

Zuru Edge's brand ME partnered with KidsCan to provide period care products to KidsCan schools, as well as running buy one give one in store promotions in national Foodstuffs stores.

Supporters, Trusts and Grants

Thank you to our KidsCan Major Donors, Fundraising and In-kind partners and the trusts and foundations who all play a huge part in supporting the work of KidsCan and making a difference in their communities.

Major donors

ADM Australia PTY	LK Cooney Family Trust
Aegis	Mr Ralph Lighting
Alexandra Thompson	Nigel Wood
BCD Group	NZ Cherry Corp.
Bridgeman Concrete	NZ Interior Labours
Buck & Baa	Office Products Depot
Cameron Priest	Park Supplies & Playgrounds
Crossfire	Pat Galloway
Cuttriss Consultants	Penny Deans
Darren Brown	Perfect Education
Dines Family Charitable Trust	Pharmacy Retailing
Eclipse Insurance	Pure IP
Education Perfect	RDT Pacific
Findex Community Fund	Red Dell
Floorco Flooring	Sarah Chrisp
FxMed	Scratchpad
Gemelli Consulting	Snell Packaging
Harbour City Plumbing	Soft Solutions
Harcourts Gold	Stella Thorp
Hyatt Hospitality	Stew Darling
Index Engineering	Sudburys
Jarden	Technology One
Keola	Tru Rating
KiwiSchools	Uno Furniture
Kris Pedersen Mortgages	Verge
Lester and Christine Gray	Xigo
Liquid Laundromats	Withiel Fund

In-kind partners

Are Media
Bell Gully
Discovery NZ
GoMedia NZ
JCDecaux NZ
KidsCan Board of Trustees
LUMO Digital Outdoor
NZME
oOh!media NZ
QMS
Stuff Ltd
The Warehouse NZ
Thievery. The Execution Agency
TVNZ

Fundraising partners and supporters

Acorn Group
BIG1
Bill Richardson Transport World
BurgerFuel
DFS New Zealand Ltd
Entertainment Book
Ernst & Young
Fujifilm
The Good Registry
GWA Group
Harvey Norman
How to DAD
Humanitix
Independent Traffic Control
Jumpflex Trampolines
LEGO NZ
Look Sharp
Master Builders Association
MediaWorks NZ
Multimail
Planet Fun
Pork Pie Charity Run
Resene
School Fun-Run
Seed Gallery
Share My Super
Smith & Caughey's
Shoe Clinic
Tarryn Kelly
Toyworld
Trade Me
USANA Foundation
Vista
Vortex Spas
Waikato Sunrise Rotary
ZURU Toys

Trusts and foundations

Acorn Foundation
American Express
Auckland Council
- multi-board fund
BlueSky Community Trust
Community Trust South
Constellation Brands
Dragon Community Trust
Eastern & Central Community Trust
Greenlea Foundation Trust
Hawke's Bay Foundation
Hutt Mana Charitable Trust
Jack Jeffs Charitable Trust
Lion Foundation
National Lottery Community Fund
Maurice Paykel Charitable Trust
Nelson Council - community investment fund
Newman's Own Foundation
Northland Regional Council
Pub Charity
Rotorua Energy Charitable Trust
Trillian Trust
Trust House Foundation
Trust Waikato
Whanganui Community Trust
William Harvey Trust



Our fundraisers Going the extra mile

Whether they're leaping out of planes, zooming the length of the land in a MINI, sewing hand towels or baking cakes, our fundraisers are an imaginative and enthusiastic crowd. From businesses to individuals, it's not just the money these kind-hearted Kiwis raise; it's the sheer joy and feelgood factor they generate as the wider community gets behind their efforts to drive positive change.

Below are just a few of 2021's fundraising highlights:

Pork Pie Charity Run

The year started off with a bang with the Pork Pie Charity Run, a bi-annual fundraising road trip for MINI enthusiasts, based loosely on the route taken by the Blondini Gang in the original Goodbye Pork Pie movie. Fifty teams travelled across the country over six days, from Paihia through to Invercargill. KidsCan was the proud charity partner of the event for the third year running, cementing what has become KidsCan's most successful community event partnership. Even

with Covid restrictions in place, participants went above and beyond - setting a record of raising \$328,000.

"Like KidsCan says, education is the way out of poverty. I had an impoverished childhood in Ōtara but I managed to get to university with the support of my family. I've been able to build an amazing career and now I work for Google. Pork Pie is my chance to give back to our communities and help our kids in need. That's what I love about it - the ability to make a change in New Zealand." Rob Hawthorne, Pork Pie Charity Run participant.

Kilometres for KidsCan

Our Kilometres for KidsCan fundraising programme certainly had its challenges in 2021! In May, Year 7 and 8 students at Baradene College in Auckland turned their annual cross-country race into a Kilometres for KidsCan fundraiser - and raised over \$16,000. But their kindness went further still. Every child who raised over \$10 received a prize - and these amazing students donated hundreds of their

prizes including laptops and sports equipment to a local KidsCan partner school.

Jump for KidsCan

In December, 20 intrepid individuals took part in our skydiving event, Jump for KidsCan. They leapt out of a plane at 13,000 feet - and their daring helped us to raise over \$34,000 for children living in hardship.

"KidsCan helped me out so much, with those little things of hope. When it's the only meal you're having a day, or your first new shoes, you can't even imagine the impact that has on kids. It's someone showing you they care about you. It was the first time in my life that I felt kind of rich."

KIDSCAN AMBASSADOR
VERITY BROGDEN, JUMP FOR
KIDSCAN PARTICIPANT

Share my Super

Share my Super unites Kiwis over 65 to help solve child poverty by easily sharing surplus superannuation with trusted charities, each chosen for their real impact. KidsCan is now entering its third year as a Share my Super partner, and together have raised over \$150,000 in donations from generous superannuitants.

Trade Me

Trade Me teamed up with KidsCan, not just once, but twice in 2021, filling their Trade Me Kindness Store with raincoats, shoes, gumboots and warm food.

The Kindness Store is all about making it easy for Trade Me members to show a little kindness to Kiwis in need. They simply pay for an item needed by the selected charity, and Trade Me pays the money forward for the goods. With a dollar match from Trade Me and the support of their big-hearted customers, KidsCan received over \$150,000.

Christmas Cracker Appeal

Thanks to the generous backing of Trillian Trust, in 2021 KidsCan was able once again to launch its popular Christmas Cracker appeal, raising over \$230,000. A huge thanks to our retail partners who sold crackers through their outlets and to our prize partners for supplying over 16,000 prizes to support the appeal.

Community Fundraising

Our supporters on the ground will go to any lengths to make a difference in children's lives. Quite literally in the case of Ben Sinnamon, who ran the Auckland 2021 ASB Marathon barefoot to raise funds. And 'Runaway Bride' Danielle Hermez crossed the 21.1km half-marathon finish line in her old full-length wedding dress - bouquet still in hand - along with her three beautiful 'bridesmen', carrying flowers.

Here are some other favourite community fundraiser highlights:

Have you tried Weet-Bix with hot sauce and spinach? How about blended into a smoothie, or with

Vegemite and cheese? A group of nine Dunedin students challenged each other to eat only Weet-Bix to raise money - a \$1 donation represented one Weet-Bix - in total the boys raised \$2,500.

Wellington 27-year-old Dan Hunt cycled the height of Everest - without leaving his neighbourhood. Dan cycled up Murchison Street, between Happy Valley and Island Bay, 141 times, climbing a total height of 8,848 metres - the equivalent of the world's tallest peak. He raised more than \$7,000 for KidsCan.

Personal trainer Joe Hemi epitomised the 'show must go on' attitude of our fundraisers. When Covid foiled his plans to bear-crawl Auckland's Round the Bays event to raise funds for KidsCan, he was undaunted. He bear-crawled the same 8.5km distance round West Auckland's Parris Park instead, raising over \$8,000.

Altogether in 2021, our generous community of fundraisers have raised a MASSIVE combined total of over \$400,000!

Volunteering

Many hands

The well-oiled machine that is the KidsCan quarterly food distribution operation to schools suffered a few hiccups in 2021 due to a combination of lockdowns and supply chain issues. So we were fortunate to have our much-valued corporate volunteers to help get items to where they needed to be - sometimes at the 11th hour. Lockdowns put pressure on our team to complete Term 4 food distribution in-house, without volunteers.

In Terms 2 and 3 volunteering at our partner schools ranged from helping at Breakfast Club to after-school assistance at a Homework Club, and some one-off working bees. In May, just before another lockdown, a number of our corporate partners joined us at a school in Wellington to help gift raincoats and to name them for the students. We were also delighted to be joined by Zespri, who gave a generous donation of kiwifruit.

Our corporate partners also offered their employees opportunities to give back to KidsCan through skill sharing such as virtual leadership training for our staff.

What's in the pipeline

Covid has certainly posed obstacles to volunteering - but KidsCan's response, as always, is 'How do we find a way round this?' "Prolonged lockdowns and an environment where corporate supporters are unable to let their staff volunteer has led to us investigating ways in which virtual volunteering might still assist our partner schools," said Howard Gilbert, KidsCan Volunteer Co-ordinator. "A couple of promising pilots are planned for early this year to develop this avenue."

"I'm proud to work for Meridian, who are not only the Principal Partner of KidsCan, but also give their employees paid time off to volunteer. Last year I had the privilege to put in mahi at a local KidsCan school with my team and got to see first-hand the value that KidsCan adds to the daily lives of the tamariki and their whānau. Together, we really have the power to make a difference."

RICHARD GRIFFITHS,
STRATEGIC ASSET MANAGER,
MERIDIAN ENERGY



Meet the Board



BILL BIRNIE
CNZM, Board Chair

Bill has over 35 years of investment banking experience and holds a Bachelor of Laws. Bill is responsible for managing Sir Owen Glenn's philanthropic and business activities in NZ. He has held several Government board appointments including Sport NZ, High Performance Sport NZ, Hillary Commission, NZ Racing Board, NZ Film Commission and the NZ Screen Council. He is currently Chairman of Far North Holdings, a Director of TAB NZ and a Trustee of the NZ Parliamentary Education Trust. In 2021 he was appointed to the Board of New Zealand Cricket.



JULIE CHAPMAN
CEO and Founder

As the CEO and Founder of KidsCan, Julie is responsible for providing leadership, direction and the coordination of all activities of the Trust in accordance with the goals and objectives of the organisation. Julie is also the Founder and Trustee of the Pet Refuge NZ Charitable Trust, which provides temporary shelter for pets affected by domestic violence.



MARK DUNWOODIE

Mark is a Chartered Accountant with over 20 years of corporate, commercial and professional services experience. Mark has held senior executive positions in New Zealand and the UK. He is a member of the Institute of Chartered Accountants of Australia and New Zealand, and the New Zealand Institute of Directors.



GLENDA HUGHES

A former Commonwealth Games representative and holder of four NZ powerlifting records, Glenda has worked with the New Zealand Olympic Games Committee and managed many of New Zealand's top sports representatives. She spent 18 years with the New Zealand Police Department and is currently Chair of Pet Refuge NZ Charitable Trust. Glenda is also a Director for Sky Stadium Trust and Councillor for Greater Wellington Regional Council.



WAIMARAMA TAUMAUNU
(Ngāti Porou and Ngāi Tahu)

The former Silver Fern has extensive experience in sport management and governance including National Performance Director for All England Netball, Assistant Coach for the England netball team, and Head Coach for the Silver Ferns. Waimarama's governance roles have included The Correspondence School, the Broadcasting Standards Authority, the Alcohol Advisory Council and Sport NZ. For services to sport she was awarded an MBE in 1992 and the ONZM in 2016.



GUY WAIPARA
(Rongowhakaata)

Guy is General Manager of Development for Meridian Energy, with over 25 years' experience in the electricity sector. He has led a number of Meridian Energy projects to enhance the KidsCan Partnership, from fundraising drives to a surf camp for KidsCan children.

Our Senior Leadership Team

JULIE CHAPMAN

CEO & Founder

JESSIE GILCHRIST

Marketing & Communications Manager

LEO SHEN

General Manager Programmes, Partnerships & Fundraising

LORRAINE WAIN

Chief Financial Officer

Staff Spotlight

WENSLEY BEAZLEY

Office administrator Wensley has been with KidsCan for a decade now. She began temporarily "helping out on the phones", became our full-time receptionist and now is a pivotal part of the KidsCan team. "I feel a great deal of pride belonging to the KidsCan team and its place in the lives of countless families", says Wensley.



KARLEEN EDMONDS

A passionate member of the Programmes team, Karleen has been with KidsCan since 2016. A big part of her role as Relationships Manager is visiting schools/kura and ECE/kōhanga to talk about the impact of our programmes and listening to the challenges faced in communities.



AROHA RULE
Operations Manager

Getting millions of food items and other essentials to the right schools/ECEs in the right quantities is no easy task. But for the past nine years, that's just what Aroha has been accomplishing at the KidsCan warehouse. "I have a great team," says Aroha. "We like getting stuck into our work. Everything we do is for the kids."



Behind the numbers

At the end of 2021 KidsCan was proud to be supporting 854 schools and 111 early childhood centres (ECEs). Over 212,000 children now have access to our programmes.

Following on from an unprecedented year in 2020, 2021 was also an exceptional year for KidsCan. There continued to be increased demand for our support from our schools, ECEs and their communities. We were fortunate to have the very generous support of thousands of fellow New Zealanders to help with this.

In 2021 total revenue grew to over \$22 million, with expenditure exceeding \$20 million, resulting in a surplus of \$1.7 million. This surplus will be applied to extend our reach in 2022 by supporting more schools, additional ECEs and deepening our support to those already receiving KidsCan's help.

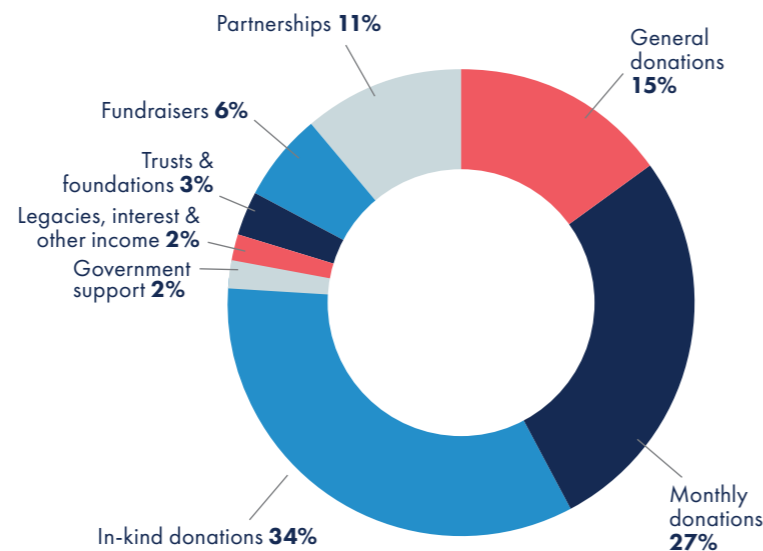
KidsCan aims to hold six months in reserve which equates to approximately \$7 million with the projected level of spending in 2022. This is in line with good practice and ensures KidsCan can continue to help the children who need it. Our partner schools and ECEs rely on KidsCan's support, therefore any growth needs to be sustainable. There has been a trend to more one off giving and this needs to be considered when extending our reach.

Funding is also often short term in nature so KidsCan believes in the importance of holding sufficient reserves to cover any shortfall in funding should it occur. With Covid-19 challenges over the past two years it has been very evident how quickly circumstances can change, and how important it is to have reserves along with diversified revenue streams.

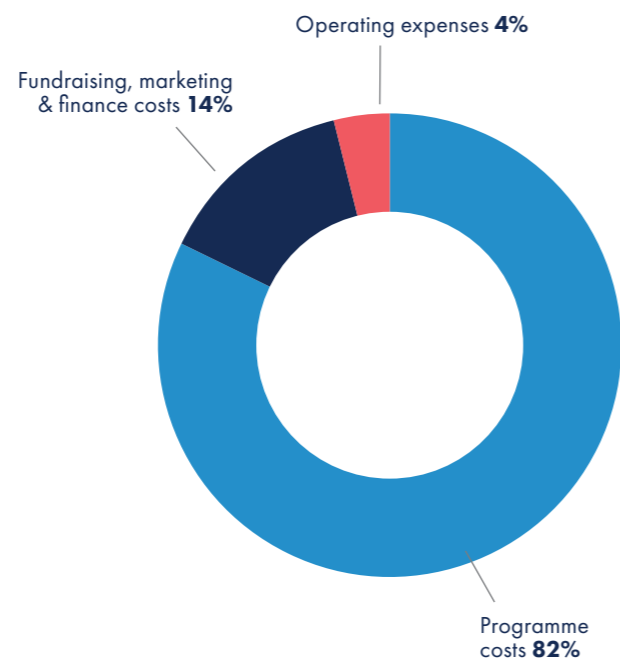
KidsCan endeavours to leverage as much in-kind support as possible during the year, so we can maximise our reach. In 2021 KidsCan received a record \$7 million of in-kind products and services most of which related to programmes so was of direct benefit to the children we support.

We take pride in being transparent, so we have outlined where the 2021 funds came from and how they were spent.

Where KidsCan's funding came from in 2021



How we applied these funds in 2021



Financial statements


KIDSCAN CHARITABLE TRUST GROUP

Statement of Group Comprehensive Revenue and Expenses For the Year Ended 31 December 2021

	Notes	31.12.21 \$	31.12.20 \$
<i>Revenue from non-exchange transactions:</i>			
General Donations		3,377,655	3,955,600
Monthly Donations - The Village		6,057,782	5,225,745
Donations In-Kind		7,754,696	5,651,588
Legacies & Bequests		40,464	200,687
Trusts and Foundations		731,016	677,604
Income from Government Contracts		564,535	542,848
KidsCan Fundraising Campaigns		241,894	184,933
KidsCan Community Fundraisers		1,212,815	627,264
Sponsorship Income		2,472,543	2,891,245
<i>Revenue from exchange transactions:</i>			
Finance Income	4	84,941	114,421
Other Income		76,116	82,701
Total Revenue		22,614,457	20,154,636
<i>Less Expenses:</i>			
Finance Salaries		632,508	532,739
Fundraising, Communications and Partnership Salaries		1,288,380	1,224,338
General Programme Salaries		837,922	881,913
Fundraising, Communications and Partnership Costs		725,928	560,056
Programmes Costs		9,024,917	7,803,847
Donations In-Kind used	2	7,514,194	5,741,284
Other Operating Expenses		859,579	637,721
Total Expenses		20,883,428	17,381,898
Operating Surplus/(Deficit)		1,731,029	2,772,738
Net Surplus/(Deficit) for the year		1,731,029	2,772,738
Other Non Comprehensive Income		-	-
Total Comprehensive Revenue and Expense for the year		1,731,029	2,772,738

The accompanying notes form part of these financial statements.

KIDSCAN CHARITABLE TRUST GROUP
Statement of Group Financial Position
As at 31 December 2021

	Notes	31.12.21 \$	31.12.20 \$
Current Assets			
Cash	3	1,801,036	2,030,674
Short Term Investments	4	2,828,328	5,483,177
Trade and Other Receivables	5	773,512	550,906
Prepayments		613,137	277,196
Inventory	6	1,034,827	646,123
Total Current Assets		7,050,840	8,988,076
Non Current Assets			
Plant and Equipment	7	141,945	143,709
Long Term Investments	4	3,527,990	0
Total Non Current Assets		3,669,935	143,709
Total Assets		10,720,775	9,131,785
Current Liabilities			
Trade and Other Payables	8	265,479	465,917
Employee Benefits Obligation	10	126,993	115,579
Income in Advance	11	69,574	22,589
Total Current Liabilities		462,046	604,085
Net Assets		10,258,729	8,527,700
Equity			
Trust Capital & Reserves		10,258,729	8,527,700
Total Equity		10,258,729	8,527,700
For and on behalf of the Board who authorised these financial statements for issue			
		16/06/22	
Chairman of the Board		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 2021

Notes	Retained Earnings 2021 \$	Total Equity 2021 \$	Retained Earnings 2020 \$	Total Equity 2020 \$
Equity at 1 January	8,527,700	8,527,700	5,754,962	5,754,962
Net Surplus/(Deficit) for the year	1,731,029	1,731,029	2,772,738	2,772,738
Other Comprehensive Income	-	-	-	-
Equity at 31 December	10,258,729	10,258,729	8,527,700	8,527,700

The accompanying notes form part of these financial statements.

KIDSCAN CHARITABLE TRUST GROUP
Group Statement of Cash Flows
For the Year Ended 31 December 2021

	2021 \$	2020 \$
Cash Flows From Operating Activities:		
<i>Cash was provided from:</i>		
Receipts from non-exchange revenue	14,678,768	14,200,243
Receipts from exchange revenue	86,130	70,001
	14,764,898	14,270,244
<i>Cash was disbursed to:</i>		
Payments to staff	(2,803,977)	(2,636,263)
Payments to suppliers and activities	(11,354,701)	(8,750,563)
	(14,158,678)	(11,386,826)
Net Cash Flows from Operating Activities	606,220	2,883,418
Cash Flows From Investing Activities:		
<i>Cash was provided from:</i>		
Interest received	56,950	114,421
Investments in short term deposits	2,654,849	(2,257,795)
	2,711,799	(2,143,374)
<i>Cash was applied to:</i>		
Purchase of plant and equipment	(50,061)	(102,959)
Increase in long term investments	(3,500,000)	0
	(3,550,061)	(102,959)
Net Cash used in Investing Activities	(838,262)	(2,246,333)
Cash Flows From Financing Activities:		
<i>Cash was applied to:</i>		
Payment to finance lease liabilities	-	-
Net Cash used in Financing Activities	0	0
Net Increase / (Decrease) in cash held	(232,042)	637,085
Effect of exchange rate changes on cash	2,404	(2,829)
Add cash at the beginning of the financial year	2,030,674	1,396,418
Cash at the end of the financial year	1,801,036	2,030,674
Represented by		
Cash at Bank	1,801,036	2,030,674

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 2021

1 Overview

a) Reporting Entity

The reporting entity is the KidsCan Charitable Trust (the "Trust"). The financial statements comprise of the KidsCan Charitable Trust and its controlled entity The KidsCan Collective Ltd, together the "Group" are presented for the year ended 31 December 2021. KidsCan Charitable Trust controlled The KidsCan Collective Ltd on the basis that the Trust could 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 help children experiencing hardship by providing food, clothing and basic health products to schools and early childhood education centres across New Zealand.

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 The KidsCan Collective Ltd (a wholly owned company) (CC58389). The KidsCan Collective Limited was incorporated on 19th May 2020, and its results are consolidated from 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 16th June 2022.

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.

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. KidsCan Charitable Trust controlled The KidsCan Collective Ltd on the basis that the Trust could derive benefits from the Company and appoint its board members.

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.

Monthly Donations - The Village

Through the "Regular Giving" 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 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.

Trusts and Foundations

Income from trusts and gaming includes grants given by other charitable organisations, philanthropic organisations and businesses. Where a clear use or return stipulation exists, 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. Where no clear use or return stipulation exists revenue is recognised upon receipt.

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

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.

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 (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

Financial assets that do not meet the criteria to be measured at amortised cost are subsequently measured at FVTSD.

The Group's financial assets include: cash and cash equivalents, investments, receivables from non-exchange transactions and receivables from exchange transactions.

Subsequent measurement of financial assets at FVTSD.

Subsequent measurement of financial assets at amortised cost. Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance.

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Expected credit loss allowance (ECL)

The Group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to the Group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

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

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities. Financial liabilities are classified as amortised cost are subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as amortised cost comprise trade and other payables. 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.

h) Changes in Accounting Policies

During the year, the Group early-adopted the following new standard for the first time:

- PBE IPSAS 41 Financial Instruments

There was no material effect on the current or prior periods from the adoption of this standard.

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.

	2021 \$	2020 \$
Cash and cash equivalents include the following components:		
Committed for programmes	865,834	887,281
General	935,202	1,143,393
Total	1,801,036	2,030,674

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.

	2021 \$	2020 \$
Maturing within 12 months of balance date committed for programmes	1,628,328	4,562,232
Maturing within 12 months of balance date committed for general	1,200,000	920,945
Total	2,828,328	5,483,177

Investments are held in a fund portfolio managed by JB Were Investments Limited. The portfolio is managed in accordance with its statement of investment policies and objectives in order to manage risk. It largely consists of cash equivalents and low risk equity investments.

	2021 \$	2020 \$
New Zealand Bonds	247,435	0
Offshore Bonds	224,276	0
Equities - New Zealand	311,315	0
Equities - Australian	312,372	0
Equities - Offshore	631,982	0
Property	72,295	0
Cash	1,728,315	0
Total	3,527,990	0

**Notes to the Group Financial Statements
For the Year Ended 31 December 2021**

<i>Investment Income</i>	2021 \$	2020 \$
Interest Income	56,950	0
Gain on Investment Revaluation	27,991	114,421
Total	84,941	114,421

5 Trade and Other Receivables

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

	2021 \$	2020 \$
Non-exchange transactions:		
Accounts receivable	456,567	363,227
GST Receivables	313,207	175,929
Exchange transactions:		
Interest accrual	3,738	11,750
Total	773,512	550,906

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 FIFO 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 FIFO 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 a programme expense when distributed to partner schools and early childhood centres or consumed in the ordinary course of operations of the Group. Programme expenses also includes product provided directly by third parties to schools and early childhood centres. In total this amounts to \$7,966,624 (2020 \$6,420,080).

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.

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 Group Comprehensive Revenue and Expenses.

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

**Notes to the Group Financial Statements
For the Year Ended 31 December 2021**

2021	Computer Equipment \$	Office Equipment \$	Vehicles \$	Leasehold \$	Total \$
Cost					
Opening 1.1.21	76,587	73,986	38,200	82,195	270,968
Additions	29,454	32,279	-	-	61,733
Disposals	(40,601)	-	-	-	(40,601)
Closing 31.12.21	65,440	106,265	38,200	82,195	292,100
Depreciation					
Opening 1.1.21	41,616	47,836	28,650	9,157	127,259
Charge for the year	27,769	9,739	9,550	16,439	63,497
Disposals	(40,601)	-	-	-	(40,601)
Closing 31.12.21	28,784	57,575	38,200	25,596	150,155
Net					
Opening 1.1.21	34,971	26,150	9,550	73,038	143,709
Closing 31.12.21	36,656	48,690	0	56,599	141,945

2020	Computer Equipment \$	Office Equipment \$	Vehicles \$	Leasehold \$	Total \$
Cost					
Opening 1.1.20	131,174	98,345	51,243	9,100	289,862
Additions	18,542	11,322	-	73,095	102,959
Disposals	(73,129)	(35,681)	(13,043)	-	(121,853)
Closing 31.12.20	76,587	73,986	38,200	82,195	270,968
Depreciation					
Opening 1.1.20	89,652	73,409	32,143	4,901	200,105
Charge for the year	25,093	10,107	9,550	4,256	49,006
Disposals	(73,129)	(35,680)	(13,043)	-	(121,852)
Closing 31.12.20	41,616	47,836	28,650	9,157	127,259
Net					
Opening 1.1.20	41,522	24,936	19,100	4,199	89,757
Closing 31.12.20	34,971	26,150	9,550	73,038	143,709

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.

	2021 \$	2020 \$
Trade Payable	215,598	344,364
Accrued Expenses	49,881	121,553
Total	265,479	465,917

9 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.

Operating Leases Obligations under non-cancellable	2021 \$	2020 \$
Within one year	229,236	79,775
One to five years	296,082	53,193
Total	525,318	132,968

10 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.

	2021 \$	2020 \$
Holiday Pay Accrual	126,993	115,579
Total Employee Benefit Costs	126,993	115,579

11 Income in Advance

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

	2021 \$	2020 \$
Philanthropic Trusts and Gaming	69,574	22,589
Total	69,574	22,589

12 Related Party Transaction

Related party transactions

Related Party	Description of the Transaction	2021 \$	2021 \$	2020 \$	2020 \$
Trustee	Commercial Services	Value of transactions	Amount outstanding	Value of transactions	Amount outstanding
Trustee	Corporate Sponsorship	23,000	2,000	19,100	-
Pet Refuge NZCT	On Charging Expenses	570,870	-	1,300,741	-
		63,927	(6,175)	36,258	-

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, 2 are directors of The KidsCan Collective Ltd including the CEO. Board members excluding the CEO were offered 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 \$3,108 (2020 \$1,400).

- **Senior Management Team (SMT) responsible for reporting to the board** - the aggregate remuneration of the SMT and the number of individuals, determined on a full time equivalent basis, receiving remuneration is as follows:

	2021 \$	2020 \$
Total remuneration	664,576	718,648
Number of person (FTE)	3.60	4.45

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 \$1,647 (2020 \$2,131).

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 (2020 Nil).

13 Programmes Costs

Expenses have been allocated to a category if the cost incurred contributes to the intended outcome.

Included in programmes costs is the cost of raincoats, shoes and socks, food, and health items distributed to children in KidsCan partner schools and early childhood education centres.

14 Contingent Assets and Liabilities

There are no contingent assets or liabilities at 31 December 2021 (2020 Nil).

15 Capital Commitments

There were no capital commitments at 31 December 2021 (2020 Nil).

16 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 has significantly or may significantly affect the operation of KidsCan Charitable Trust.



RSM Hayes Audit

PO Box 9588
Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023
T +64 (9) 367 1656
www.rsmnz.co.nz

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 (the group), which comprise:

- the statement of group financial position as at 31 December 2021;
- the statement of group comprehensive revenue and expenses for the year then ended;
- statement of group changes in net assets;
- group statement of cash flows for the year then ended; and
- the notes to the group financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements on pages 31 to 43 present fairly, in all material respects, the financial position of the group as at 31 December 2021, 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 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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, 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 1 to 30 (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.

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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 economic 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://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>

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 Hayes Audit
Auckland

28 June 2022

