



“ In 2012 KidsCan has provided food, socks, shoes and raincoats for more than 46,000 disadvantaged children. ”

- KidsCan Chairman Bill Birnie

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A Brighter Future for Kiwi Kids

“ Our Mission ”

As a reputable New Zealand charity, we strive to be the conduit for individuals, community, business and Government to co-operate in providing food, clothing and basic health care in school, to enable all disadvantaged NZ 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 outcomes for all disadvantaged NZ children.

“ Our Values ”

- Kindness and respect
- Courage and dedication
- Vision and purpose
- Support and unity



“The simple gift of a raincoat, pair of shoes and food at school has a huge impact on a child who has very little.”

From our Chairman

Bill Birnie



For the KidsCan Charitable Trust the past year has been a most pleasing period of expanding high profile support for our clothing and food programmes which improve the lives of disadvantaged New Zealand children in our lower decile schools. By meeting their physical and nutritional needs, our now well proven programmes enable these children to positively connect with their school and enhances their ability to learn.

The practical gifts of a raincoat, pair of shoes and food and basic health care items plays a huge impact on ensuring our less fortunate children are ready and able to make the most of the educational facilities in which our community invests so much. Research has shown that this tangible contribution by KidsCan is increasing attendance at school, concentration in class, self esteem and participation.

In this year's annual report I would like to express our warmest gratitude for the amazing support of our partners, suppliers, individual supporters, volunteers and especially the Ministry of Social Development and Trillian Trust as key funders in 2012. It has been the tangible and generous expression of their commitment to the health and well being of the children we assist that has enabled us to substantially expand our service in the past year.

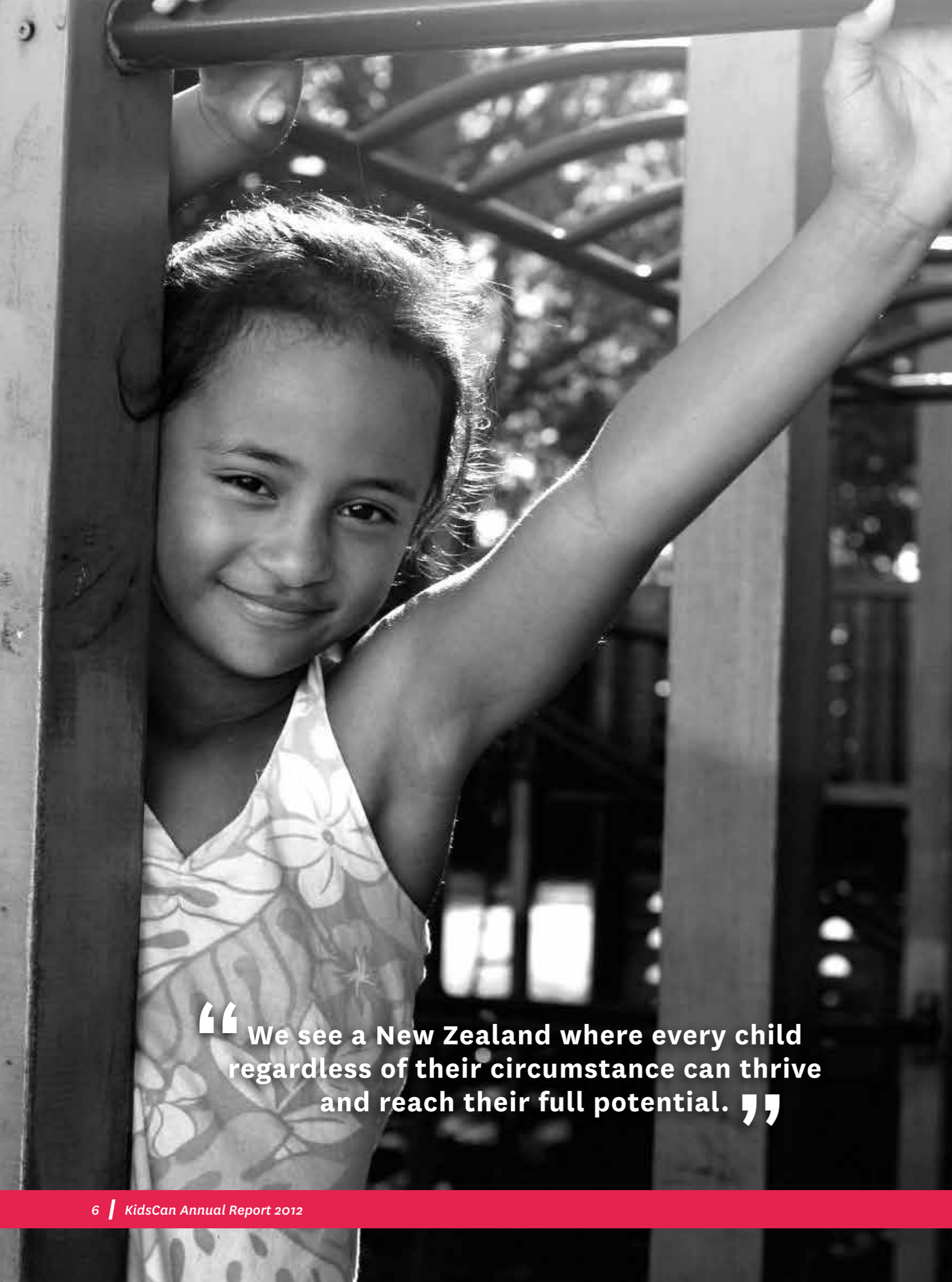
This growth has also been due to the hard work of our CEO Julie Chapman and her team in developing and reinforcing the relationships which have proved to be so essential in helping KidsCan to continue its efforts in what have been difficult economic times.

In 2012 KidsCan has provided food, socks, shoes and raincoats for more than 46,000 disadvantaged children and the number of low decile schools we partner with has increased from 208 in 2011 to 276. In the year ahead we hope the continuing growth in our sponsorship and individual funding will enable us to add at least some of the schools still waiting for our support.

I thank and commend the considerable time and constructive contributions of my fellow board members, Glenda Hughes, John Kensington, and Nigel Hampton QC to the work of KidsCan. And I also thank our KidsCan staff for their dedication and well demonstrated fulltime commitment to achieving our mission and vision.

Regards,

Bill Birnie
Chairman KidsCan Charitable Trust.



“ We see a New Zealand where every child regardless of their circumstance can thrive and reach their full potential. ”

From our CEO

Julie Chapman



The future prosperity of our nation depends on ensuring we have a well-educated and socially responsible community. As our population ages, harnessing the potential of all young New Zealanders will become increasingly essential to maintaining the economic wellbeing of us all.

No matter what may be the reasons, around the world the divide between the haves and have nots has widened and here in New Zealand 270,000 children (one in four) live in families affected by poverty. This has created a crisis that impacts on us all with more poverty-related illnesses and poorly fed children failing to make the most of the education they need to fulfil their potential to make their contribution to the future of our community.

The most effective answer to this crisis is a collaboration of government, community and business to prevent any further deterioration. At the core of our new three-year strategic plan is our goal to ensure no child in a decile 1-4 primary, intermediate or high school is left hungry and without the basics by 2016. Our ambition is to continue to grow the effectiveness of our support programmes and to increase our reach to help more children and young people.

We have made significant progress towards achieving this goal, thanks to our supporters, partner schools, regular donors and sponsors who are not only investing in a better future for our children, but also in a better New Zealand for us all. I especially want to highlight the valuable contributions of the Trillian Trust, McConnell Dowell, QBE, The Warehouse, Glaxo Smith Klein, George Weston Foods,

EasiYo and also thank the Government and the Ministry of Social Development for the funding support provided in the past year.

During the year I have been grateful for the support of the KidsCan Board of Trustees. Chairman - Bill Birnie, Glenda Hughes, John Kensington and Nigel Hampton QC. They freely provide their expertise and knowledge to the Trust and I thank them for their guidance and assistance in supporting me to achieve our objectives.

I also want to express my appreciation of the outstanding efforts of our wonderful volunteers and the KidsCan team. Thank you for being part of KidsCan.

Regards,

Julie Chapman
CEO & Founder KidsCan Charitable Trust.



Our Performance 2012



Over **8,000** pairs of shoes and
16,000 pairs of socks provided to children

81%

Of our expenditure in 2012 went into our programmes for children

276 Schools in 14 regions received KidsCan programmes

15,000 Waterproof fleece lined raincoats provided for children



10,000 Sunhats provided to protect children from the sun

2000

The Health for Kids program was launched in Kaitia supporting 2000 children

2,650,000

Items of food provided to children who experience regular food insecurity

290

Prescription medicines funded for sick children

Over **1000** Basic hygiene items provided to help prevent illness





Our Approach

Overview of our programmes

Food for Kids

The 'Food for Kids' programme is intended to support children faced with food insecurity (food poverty) through providing meals in school which are both nutritional and appealing. 'Food for Kids' is not a one-size-fits all programme that expects schools to distribute food to a set model. It is a unique 'no-mess, no-fuss' programme that offers a variety of food which is accessible to hungry children at any-time of the school day. 'Food for Kids' can provide children with a complete meal or supplement their existing provisions. Evidence shows that hungry children are gravely disadvantaged in reaching their potential. 'Food for Kids' is targeted to support the nutritional health of these children thereby helping to improve their educational outcomes. *"Learning is more fun with a full tum"*

Health for Kids

The 'Health for Kids' programme is designed to support children's good health in school and provide a resource for schools to address poverty related illnesses. 'Health for Kids' works in collaboration with schools, healthcare providers and social services to improve the health of disadvantaged children. The purpose of the programme is to reduce barriers to healthcare access by bringing health care into the school environment. 'Health for Kids' is presently providing schools with basic hygiene items such as hand sanitizer, band-aids, tissues and head-lice treatments. We have also established a prescription fund in Kaitia to cover the cost of medicines to treat scabies, skin and respiratory infections when parents are unable to afford the treatment. The 'Health for Kids' programme is in a period of growth and development as we look to new ways to support children's health and well-being.

Shoes for Kids

The 'Shoes for Kids' programme provides needy children with a pair of warm, comfortable shoes along with 2 pairs of socks. Having a new pair of shoes they own is something many NZ children living in poverty have not experienced.

'Shoes for Kids' meets one of a child's most basic needs; having an appropriate pair of footwear. This enables children to participate fully in school activities and keeps them safe from foot injury. A pair of shoes that are new and correctly fitted raises a child's self-esteem and allows them to join in and feel confident alongside their peers.

Raincoats for Kids

The 'Raincoats for Kids' programme puts jackets on children who are without suitable clothing for cold, wet days. A fleece lined, water-proof jacket allows children to get to school warm and dry and in the best position to learn. 'Raincoats for Kids' helps eliminate the effects of cold, wet weather which can be an obstacle for children getting to and from school. 'Raincoats for Kids' supports children's overall well-being and helps improve school attendance. Every new school that participates in 'Raincoats for Kids' is issued with a full-school set of coats, one for every child, which fosters a sense of school pride and uniformity and avoids any stigma being associated with the programme. Schools recycle the coats which are in good condition each year and KidsCan provides top ups as needed.

The Ongoing Need

We have achieved a great deal for Kiwi Kids in 2012. Alleviating the effects of poverty across New Zealand in 276 low decile schools. There is however much more work to be done to reach those children who are not currently benefiting from KidsCan programmes. As at 31st December 2012, 27 schools are waiting for our support and this number continues to grow on a monthly basis. At the core of our strategic plan is our goal to ensure no child that needs our assistance in a decile 1 -4 school goes hungry and without the basics. The best effective answer to the impact of poverty on the effectiveness of our education system is a continuing collaboration of the community and business.

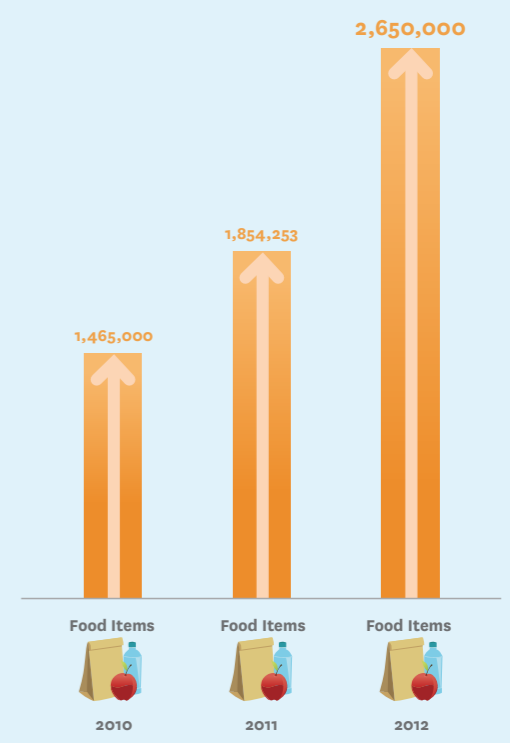


Key Programme Outputs

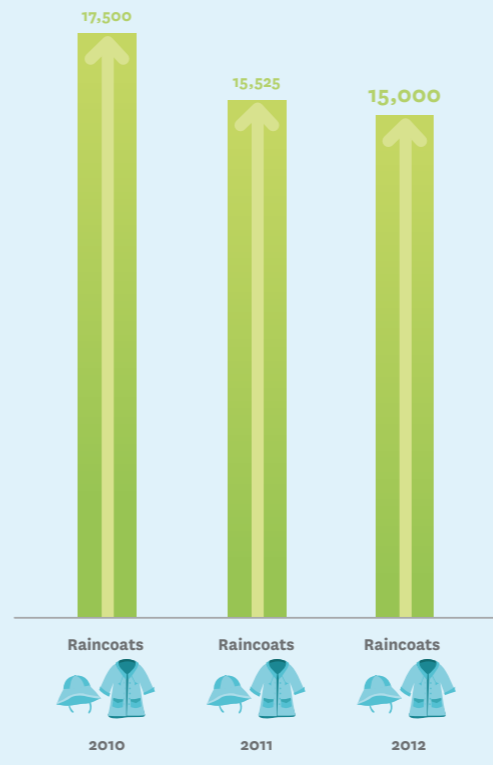
Additional schools have come off our waiting list during 2012 and this has enabled us to provide thousands of additional items of food to children in need. We have delivered an additional 1,158 pairs of shoes as a result of more schools being part of the KidsCan programme. Some of these new schools have also been part of our raincoat distributions, where thousands more children have had the opportunity to arrive at school warm and dry.

In 2013 we expect the need for our programmes to continue to grow as many more families struggle to make ends meet. Our new three year strategic plan maps our path going forward to 2016. Our intention is to be meeting the physical and nutritional needs of all children who need our assistance in decile 1-4 schools by the end of this time frame.

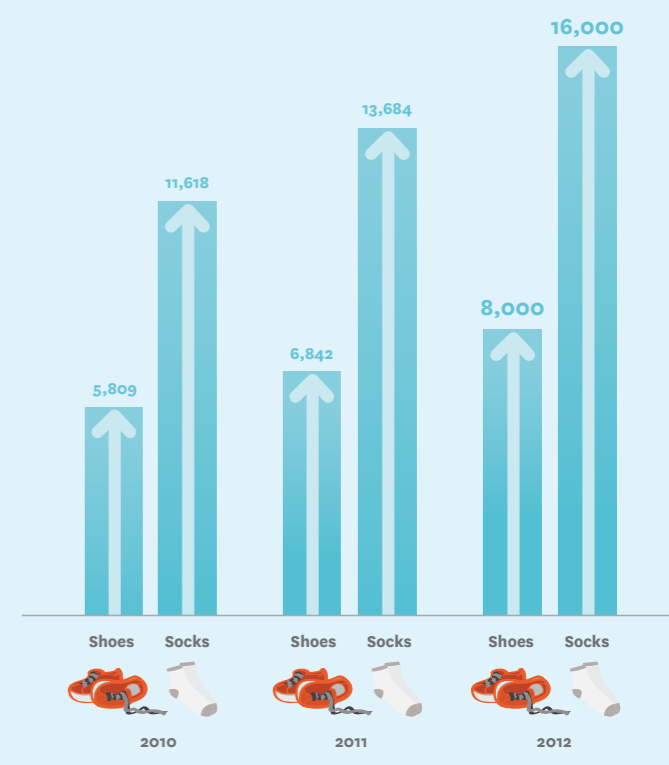
Food for Kids



Raincoats for Kids



Shoes and Socks for Kids





Where Our Programmes Operate





“Thank you so much for the raincoats and the shoes. Your coat keeps me safe. Your shoes keep people’s feet warm and comfy. **Thank-you for all the good you do for kids.**”
- Deverrel (St. Joseph’s)

“When kids have no lunch they have the option of having fruit salad, nut bars and raisins. When they are cold they wear their nice cosy Warriors jackets and shoes. So we would just like to give the biggest thank you we could ever give.”
- Shaye (Western Heights Primary)

“Dear KidsCan, How are you? **We really appreciated the shoes, socks and fleecy raincoats.** We were all excited to get our shoes and stuff. Now I am very warm in winter and my feet aren’t freezing.”
- Summer (Tinopai Primary)

From the Kids

“My friends and I were flabbergasted when Steve Rapira presented us with the downright outstanding wonderful jackets. Seeing the Warriors was a big wake up call for me because it convinced me to work hard so I can achieve my goals and dreams for my future.”
- Michael (St. Michael’s School Lower Hutt)

“THANK YOU
for the new black shoes you have provided for me. They keep my feet warm and cosy on wet days. I clean them everyday and I plan to take good care of them. I keep them in a safe place so that they are always ready for a quick get-away.”
- Joseph (St. Joseph’s Otahuhu)

“I am writing to say thank you for sending us shoes, jackets and food. We gladly appreciate what you do for us because that’s thinking win/win. So if there’s anything we can do just let us know because you have done a lot for us.”
- Samin (Western Heights Primary)

“When we went to assembly I felt proud because I thought it was going to be a wonderful one. But when the warriors came in, I was screaming like an animal! They gave us a jacket. Thank you very much for giving us the rain coats that was very kind of you, by giving us a cool and beautiful rain coat. This is my first time having a rain coat. I really appreciate that.”
- Gloria (Takanini School)

“I was one of the people who received a KidsCan jacket in 2011 and **I am really thankful for all your generosity** you have given towards my school. It is a pleasure to own something extremely special like this and I was really psyched then to wear it.”
- Sulieti (St. Joseph’s Otahuhu)



“Our parents were as **excited** as our children when they first walked out the gate wearing their raincoats.”

- Ebbett Park School

From the Teachers

“I am very aware of the success these initiatives have on the student’s learning as they are warm, comfortable and have access to food where 4 out of 5 days these students would have no breakfast or lunch and a minimal snack for dinner.”

- Teacher Rongomai School

“The food supplied by KidsCan is extremely useful, every day. There are families that do not send lunches or who can even give their children breakfast every day. Having the food on hand is great, we feed the children quietly and it definitely shows in their concentration levels and learning.”

- Teacher Windley School

“My daughter has accepted that she has to wear “hand me down” uniform from her big sister, so to receive a “brand new” warm coat just for her is really amazing. I have seen other children at our school who have received new coats and shoes, and it really does make a difference for all the children. **It’s great to know that they can travel to and from the school in this winter weather and remain warm and dry.**”

- Parent from St. Joseph’s Otahuhu

“On behalf of Kelston Intermediate we would like to thank you for donating Warrior’s jackets. **We really appreciated that you are keeping our school warm.** Last week we had a sausage sizzle fundraiser. We raised \$152, it was raised to thank-you for donating jackets to us. As we walk around we see students wearing your jackets with joy.”

- Class Councillor Kelston Intermediate

“The staff have all been staggered by the overwhelmingly **positive response** to the rain jackets by all the students. They wear them whether the sun is shining and it’s 26 degrees, or whether it’s cloudy or not. **The one day we did have some rain they were all in them!**”

- Teacher Takanini School

“A much needed pallet of food arrived today along with some fantastic dental kits. Alarming to think some of our children do not own their own toothbrush. They will now! **Thank you so very much.** The food does make a massive difference to these kids.”

- Principal Firth Primary School



Board Profiles

Bill Birnie:



Bill has over 30 years of investment banking experience and holds a Bachelor of Laws. He is a Director of Far North Holdings Limited, a Trustee of the James Wallace Arts Trust and holds the Government appointments of Deputy Chairman of Sport New Zealand, Chairman of Sport New Zealand's Audit, Finance and Risk Committee and Director of High Performance Sport New Zealand. Bill is the former Deputy Chairman of the New Zealand Film Commission, and a past Chairman and Director of ENZA. He formerly held the positions of Director of the Screen Council of New Zealand, Commissioner of the Hillary Commission 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.

John Kensington:



John is an Audit Partner at KPMG heading up the Financial Services Line of business and their financial services audit practice in addition to being the Audit Risk and Audit Quality Partner. John joined KPMG Auckland in January 1986 and has 27 years audit experience across a wide range of clients, including banking and finance, television, vehicle importers and pharmaceuticals. John is also deputy chair of the New Zealand Audit and Assurance Standards Board. He is also a member of NZICA, FINSIA, INFINSZ and the Institute of Directors.

Julie Chapman:



Julie is the CEO and Founder of KidsCan with over ten years experience in not for profit management. She 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's role is to direct strategy and create sustainability in order to grow the activities of the Trust to meet its charitable objectives. Julie is also responsible for programme development, key partnerships, Government relationships, public relations and the overall day to day management of the Trust. In 2008 Julie was recognised as an emerging leader by the Sir Peter Blake Trust.

Glenda Hughes:



A former sportswoman, Glenda is a National Championship shot put record holder, a Commonwealth Games Representative and holder of four New Zealand power lifting records. She has worked with the NZ Olympic Games Committee and is still involved in sport today as advisor to many of our top athletes, in media relations and other management support programmes. Glenda's spent 18 years in the New Zealand Police force, in a variety of roles including the riot squad during the 1981 Springbok Tour, and has a BA with a double major in Sociology and Criminology. Glenda has an incredible ability to deal with people at all levels and to understand what motivates them, and how people function and communicate. She is a guest lecturer in marketing, communication and managing change at several universities.

Nigel Hampton QC :



Nigel graduated LL.B in 1964 from Canterbury University being awarded the Gold Medal for top graduate for the year, and was admitted to the bar in 1965. Since then he has been appointed Queen's Counsel in 1989 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; and was the Chief Justice of Tonga, 1995-97. He serves as a Judicial Officer for NZ Rugby Union, SANZAR and International Rugby Board. Nigel was awarded the OBE (1988) and CM (1990).

Partner Acknowledgements

The KidsCan Charitable Trust would like to thank the following sponsors, supporters, trusts and grant organisations for their valued support in 2012:

Sponsors and Supporters

adidas
Abe's Bagels
Allco
AMP
Athlete's Foot
Autex Industries
Bauer Media
Beautiful You Magazine
Benefitz
Campbell Live
Conferenz
Continental Car Services
DHL
Domino's Pizza
EasiYo
Enth Degree
Fatso
Ford New Zealand
Fujifilm
George Western Foods
Get a Party Bus
Glaxo Smith Klein
Hayes Knight Audit NZ
ICAP
Image Centre Group
iSite
James Crisp
KPMG
Lactic Turkey
Maclean Computing
McConnell Dowell
Ministry of Social Development
More FM
Multimail

Muzino
Nestlé
The New Zealand Rugby Union
Now Couriers
NZI
NZ Tag Football
OMD
Planet Fun
QBE Insurance
Radioworks
RDT Pacific
Retko
Ritchies
Sir Peter Blake Trust
Skinfood
Sky City
Spark Activate
St Paul's (Glow - Carols by Glowstick)
Tasti Products
The Athlete's Foot
The Mad Butcher
The New Zealand Herald
The Research Agency
The Warehouse
Trademe
Trillian Trust
Tristram Motors
True
Trust Management Ltd
TV3 & FOUR
Vision Products
VTNZ
Westfield Queensgate
Yahoo! New Zealand
Z Energy - Good In The Hood

COGS

COGS Coastal Otago / Waitaki
COGS Far North
COGS Great Barrier
COGS Hauraki
COGS Kirikiriroa / Hamilton City
COGS Manawatu / Horowhenua
COGS Manukau
COGS Mataatua
COGS North Taranaki
COGS Papakura / Franklin
COGS Rotorua
COGS South Taranaki
COGS South Waikato
COGS Southland
COGS Tairāwhiti
COGS Tauranga / Moana
COGS Tongariro
COGS Waikato West
COGS Wairarapa
COGS Waitakere City
COGS Whanganui / Waimarino / Rangitikei
COGS Whangarei / Kaipara
COGS Whitiareia

Local Government

Auckland Council- Central
Far North District Council - Northern Zone
Far North District Council - Western Zone
Horowhenua District Council
South Waikato District Council Community Development Grant

Trusts and Foundations

(The) W Milverton Trust
Acorn Foundation
Alexander Harold Watson Charitable Trust
C H Izard Bequest Fund
Donny Charitable Trust
Four Winds Foundation
George Sevicke Jones Estate
Grassroots Trust
Greenlea Foundation
Hutt Mana Charitable Trust
Infinity Foundation
Jack & Majorie Ferrier Charitable Trust No2
John Beresford Swan Dudding Trust
Methanex
The Paul Newman Foundation
Pub Charity
Public Trust
Rodmor No 2 Charitable Trust
Rotorua Energy Charitable Trust
Sargood Bequest
Sir John Logan Campbell Residuary Estate
The Hawkes Bay Community Foundation
The Philip Brown Fund
The Roy & Jan Mace Charitable Trust
The Trinity Foundation
The Vernon Hall Trust Fund
Valder Ohinemuri Charitable Trust (Inc).
W Duncan Bickley Trust Fund
William Toomey Charitable Trust

Financial Statements

KIDSCAN CHARITABLE TRUST GROUP

Statement of Financial Performance
For the year ended 31 December 2012

	Notes	Group	Parent	Group	Parent
		2012	2012	2011	2011
		\$	\$	\$	\$
Campaign Income		1,545,986	1,545,986	940,364	940,227
Government Income		185,332	185,332	316,825	316,825
Philanthropic Trusts and Gaming		121,477	121,477	171,936	171,936
Sponsorship Income		930,163	930,026	664,289	664,289
In Kind Gifts and Donated Goods received for Programmes	1(c)	2,150,722	2,150,722	819,139	819,139
Interest and Dividends		421	421	-	-
Other Income		-	-	657,449	634,669
Total Operating Revenue		4,934,101	4,933,964	3,570,002	3,547,085
Invitation Only Events Donation	7	-	-	-	8,463
Big Night In Donation	7	-	102,406	-	207,327
Total Non Operating Revenue		-	102,406	-	215,790
Total Revenue		4,934,101	5,036,370	3,570,002	3,762,875
Campaign Costs		212,716	212,716	234,466	234,466
Administration Costs		599,154	599,153	517,968	551,330
Operating Costs		811,870	811,869	752,434	785,796
Programme Costs		1,450,352	1,450,352	1,403,158	1,403,158
In Kind Gifts and Donated Goods used in Programmes	1(c)	2,150,722	2,150,722	819,139	819,139
Investment in Children's Programmes		3,601,074	3,601,074	2,222,297	2,222,297
Total Operating Expenditure	2	4,412,944	4,412,943	2,974,731	3,008,093
Net Surplus for the year		521,157	623,427	595,271	754,782

The accompanying notes form part of these financial statements



KIDSCAN CHARITABLE TRUST GROUP

Statement of Movements in Equity
For the year ended 31 December 2012

	Notes	Group	Parent	Group	Parent
		2012	2012	2011	2011
		\$	\$	\$	\$
Equity at Beginning of Year		1,101,208	998,938	505,937	244,156
Total Recognised Revenues and Expenses for the Year					
Net Surplus for the Year		521,157	623,427	595,271	754,782
Equity at End of Year		1,622,365	1,622,365	1,101,208	998,938

The accompanying notes form part of these financial statements



KIDSCAN CHARITABLE TRUST GROUP

Statement of Financial Position
As at 31 December 2012

	Notes	Group 2012 \$	Parent 2012 \$	Group 2011 \$	Parent 2011 \$
Current Assets					
Bank - Committed for Programmes	3	702,422	702,422	511,087	511,087
- General		346,803	346,803	289,394	189,393
Prepayments		90,108	90,108	67,308	67,308
Receivables		563,407	563,407	266,856	264,587
Total Current Assets		1,702,740	1,702,740	1,134,645	1,032,375
Non Current Assets					
Property, Plant & Equipment	4	28,966	28,966	26,233	26,233
Total Non Current Assets		28,966	28,966	26,233	26,233
Total Assets		1,731,706	1,731,706	1,160,878	1,058,608
Current Liabilities					
Related Parties	7	34,912	34,912	-	-
Payables & Provisions	5	74,429	74,429	59,670	59,670
Total Current Liabilities		109,341	109,341	59,670	59,670
Equity					
Trust Capital & Reserves		1,622,365	1,622,365	1,101,208	998,938
Total Equity		1,622,365	1,622,365	1,101,208	998,938
Total Equity & Liabilities		1,731,706	1,731,706	1,160,878	1,058,608

For and on behalf of the Board who authorised the issue of these
Financial Statements

Chairman

Date

26/6/13

The accompanying notes form part of these financial statements



KIDSCAN CHARITABLE TRUST GROUP

Notes to and forming part of the Financial Statements
For the year ended 31 December 2012

1 Statement of Accounting Policies

a) Reporting Entity

The financial statements of the KidsCan Charitable Trust Group are a general purpose report and have been prepared in accordance with New Zealand generally accepted accounting practice, as defined by Financial Reporting Standards and Statements of Standard Accounting Practice.

The KidsCan Charitable Trust Group consists of the KidsCan Charitable Trust, Big Night In Limited (a wholly owned company) and Invitation Only Events Limited (a wholly owned company).

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

b) Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Group, with the exception that investments have been revalued.

c) Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

Accounts Receivable

Accounts receivable are stated at their estimated realisable value.

Property, Plant & Equipment

Property, plant & equipment is recorded at cost. Depreciation is provided for on a straight line basis.

Major depreciation periods are:

Computer Equipment and Software 3 - 6 years

Office Furniture and Equipment 6 - 10 years

Disposals

When an item is 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.

Impairment

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

When an item is impaired the amount of impairment is recognised as a loss in the Statement of Financial Performance. The cost and accumulated depreciation of the item are offset against each other, and the remaining cost balance (if any) represents the impaired value of the item.



KIDSCAN CHARITABLE TRUST GROUP

Notes to and forming part of the Financial Statements

For the year ended 31 December 2012

In Kind Gifts and Donated Goods used in Programmes

In Kind Gifts and Donated Goods used in Programmes have been recognised as income where the Group has been able to evidence the difference between the price paid, if any, and the wholesale price of the goods. As the donated goods are received, the amount recognised as income has been expensed, in the Statement of Financial Performance.

A significant portion of In Kind Gifts & Donated Goods and Services recognised 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.

Volunteer hours

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

Revenue Recognition

Revenue is recognised on receipt or invoice basis, whichever is sooner, unless there are conditions attached to the revenue, in which case revenue is recognised when the conditions are fulfilled.

Interest Revenue

Interest revenue is recognised on an accrual basis.

Donations & Grants

Donations & Grants income is accounted for as it is received.

Goods and Services Tax (GST)

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 Financial Performance are stated exclusive of GST.

Income Taxation

The Group is exempt from Income Tax, as the Group is registered with the Charities Commission (CC21929).

Foreign Currency Policy

Transactions in foreign currencies are converted to New Zealand currency at the date of the transaction.

Assets and Liabilities are translated to New Zealand currency at the closing exchange rate and exchange variations arising from the transactions are recognised in the Statement of Financial Performance.



KIDSCAN CHARITABLE TRUST GROUP

Notes to and forming part of the Financial Statements

For the year ended 31 December 2012

Leased Assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised.

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.

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.

Basis for Consolidation

The group financial statements include KidsCan Charitable Trust and its 100% owned subsidiaries Big Night In Ltd and Invitation Only Events Ltd are accounted for using the acquisition method.

All significant inter-company transactions have been eliminated on consolidation.

d) Differential Reporting

The Group qualifies for differential reporting as it is not publicly accountable and is not large as defined in the Framework for Differential Reporting. The Group has applied all differential reporting exemptions available.

The Group has exercised the option to delay mandatory adoption of NZIFRS, under the External Reporting Board Standard A1.

e) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in prior years.

f) Comparative Figures

The prior period comparative for Goods in Kind has been restated to include services that were not disclosed in the prior year financial statements. These have been identified and quantified as a result of the trust progressively implementing more sophisticated systems to capture Goods in Kind information. This has resulted in a \$405,460 increase in both the 2011 Goods in Kind income and expenditure. Given the non-cash and matching nature of Goods in Kind income and expenditure there has been a nil net impact on the profit comparative figures and retained earnings as a result of this restatement.



KIDSCAN CHARITABLE TRUST GROUP

Notes to and forming part of the Financial Statements
For the year ended 31 December 2012

2 Surplus from Operations

Included in the surplus from operations are the following expenses:

	Group 2012	Parent 2012	Group 2011	Parent 2011
	\$	\$	\$	\$
Audit Fees	19,000	19,000	18,500	18,500
Depreciation:				
- Computers	3,575	3,575	4,572	3,302
- Furniture	6,556	6,556	11,184	10,464

3 Bank

By 31 March 2013, KidsCan have spent \$596,024 (31 March 2012 \$415,073) of funds committed for programmes on items including food, raincoats and shoes.

4 Property, Plant & Equipment

	Group (As at 31 December 2012)			Parent (As at 31 December 2012)		
	Cost	Accum Depn/ Amort	Book Value	Cost	Accum Depn/ Amort	Book Value
	\$	\$	\$	\$	\$	\$
Computers	29,876	25,203	4,673	29,876	25,203	4,673
Furniture	44,588	20,295	24,293	44,588	20,295	24,293
Totals	74,464	45,498	28,966	74,464	45,498	28,966

	Group (As at 31 December 2011)			Parent (As at 31 December 2011)		
	Cost	Accum Depn/ Amort	Book Value	Cost	Accum Depn/ Amort	Book Value
	\$	\$	\$	\$	\$	\$
Computers	27,449	17,317	10,132	23,168	14,663	8,505
Furniture	39,846	23,745	16,101	39,473	21,745	17,728
Totals	67,295	41,062	26,233	62,641	36,408	26,233

5 Payables and Provisions

	Group 2012	Parent 2012	Group 2011	Parent 2011
Current	\$	\$	\$	\$
Trade Creditors	40,490	40,490	-	-
Accrued Expenses	21,605	21,605	16,791	16,791
Sundry Creditors	-	-	8,866	8,866
Employee Entitlements	12,334	12,334	34,013	34,013
Totals	74,429	74,429	59,670	59,670

The provision for employee entitlements relates to accrued holiday pay.



KIDSCAN CHARITABLE TRUST GROUP

Notes to and forming part of the Financial Statements
For the year ended 31 December 2012

6 Operating Lease

The entity incurred a total expenditure of \$78,397 in the year in relation to the lease of the Trust's premises. Additionally two vehicles are leased by KidsCan Charitable Trust, with total expenditure of \$18,622 incurred in relation to the lease of the vehicles.

	Group 2012	Parent 2012	Group 2011	Parent 2011
Obligations under non-cancellable operating lease are:	\$	\$	\$	\$
Within one year	93,223	93,223	81,781	81,781
One to two years	76,348	76,348	79,055	79,055
Two to five years	14,772	14,772	65,145	65,145
More than five years	-	-	-	-
Totals	184,343	184,343	225,981	225,981

7 Related Parties

Julie Chapman is a Trustee of KidsCan Charitable Trust and is also employed by KidsCan Charitable Trust as a Chief Executive.

Big Night In Limited is a wholly owned subsidiary of KidsCan Charitable Trust. The Director of Big Night In Limited is a Trustee of KidsCan Charitable Trust, further KidsCan Charitable Trust is the sole beneficiary of Big Night In Limited. Big Night In Limited distributed funds to KidsCan Charitable Trust during the financial year.

Invitation Only Events Limited is a wholly owned subsidiary of KidsCan Charitable Trust. All of the Directors of Invitation Only Events Limited are Trustees of KidsCan Charitable Trust, further KidsCan Charitable Trust is the sole beneficiary of Invitation Only Events Limited.

A Trustee was paid for their commercial services. The amount received represented a 66% discount on the normal charge out rate.

An employee's company was used to procure promotional product. This transaction was conducted at 'arms length'.

A Trustee's firm was engaged to provide additional assurance services. The amount received represented a discount of 40%. Design services were also provided for the Annual Report at no charge.

All transactions with Trustees/Employees were preapproved by the Board.

8 Unpaid Capital

Big Night In Limited was incorporated on January 2009 as a 100% owned subsidiary of KidsCan Charitable Trust.

Big Night In Limited has capital of 100 shares of \$1 each, which at 31 December 2012 were uncalled and unpaid. In the event of a call on this unpaid capital, KidsCan Charitable Trust has a commitment of \$100.

Invitation Only Events Limited was incorporated on June 2007 as a 100% owned subsidiary of KidsCan Charitable Trust. Invitation Only Events Limited has capital of 100 shares of \$1 each, which at 31 December 2012 were uncalled and unpaid. In the event of a call on this unpaid capital, KidsCan Charitable Trust has a commitment of \$100.

9 Contingent Liabilities

There were no contingent liabilities at 31 December 2012 (2011 Nil).

10 Capital Commitments

There were no capital commitments at 31 December 2012 (2011 Nil).

11 Subsequent Events

There have been no material post balance sheet events which would require disclosure or adjustment to the December 2012 Financial Statements.



Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Trustees of KidsCan Charitable Trust Group

We have audited the financial statements of KidsCan Charitable Trust and its subsidiaries on pages 24 to 31, which comprise the consolidated and separate statements of financial position as at 31 December 2012, and the consolidated and separate statements of financial performance and statements of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Trustees Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, KidsCan Charitable Trust or any of its subsidiaries.

Opinion

In our opinion, the financial statements on pages 24 to 31 present fairly, in all material respects, the financial position of KidsCan Charitable Trust and its subsidiaries as at 31 December 2012, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

Hayes Knight Audit NZ

HAYES KNIGHT AUDIT NZ
AUCKLAND, NEW ZEALAND
27 June 2013





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