

Kickstart Kids International Limited

ABN 67 153 380 851

Financial Report

For the Year Ended 30 June 2021

Kickstart Kids International Limited

ABN 67 153 380 851

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For the Year Ended 30 June 2021

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Kickstart Kids International Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Donations and gifts	4	109,673	95,790
Interest income		11	8
International program expenditure	11	(73,678)	(101,910)
Fundraising costs		(3,842)	(6,640)
Administrative expenditure		(1,000)	(760)
Surplus/(Deficit) before income tax		31,164	(13,512)
Income tax expense		-	-
Surplus/(Deficit) for the year		31,164	(13,512)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		31,164	(13,512)

The accompanying notes form part of these financial statements.

Kickstart Kids International Limited

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Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	58,732	30,144
Trade and other receivables	7	12,840	10,264
TOTAL CURRENT ASSETS		<u>71,572</u>	<u>40,408</u>
TOTAL ASSETS		<u>71,572</u>	<u>40,408</u>
LIABILITIES			
TOTAL LIABILITIES		<u>-</u>	<u>-</u>
NET ASSETS		<u>71,572</u>	<u>40,408</u>
EQUITY			
Accumulated funds		<u>71,572</u>	<u>40,408</u>
TOTAL EQUITY		<u>71,572</u>	<u>40,408</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Accumulated Funds	Total
	\$	\$
1 July 2020	40,408	40,408
Total comprehensive income for the year	31,164	31,164
Balance at 30 June 2021	71,572	71,572

2020

	Accumulated Funds	Total
	\$	\$
Balance at 1 July 2019	53,920	53,920
Total comprehensive income for the year	(13,512)	(13,512)
Balance at 30 June 2020	40,408	40,408

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts from donors and fundraising activities	107,097	107,731
Interest received	11	8
Cash payments to international programs	(73,678)	(101,910)
Payments to suppliers	(4,842)	(9,829)
Net cash provided by/(used in) operating activities	<u>28,588</u>	<u>(4,000)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	28,588	(4,000)
Cash and cash equivalents at beginning of year	30,144	34,144
Cash and cash equivalents at end of financial year	6 <u>58,732</u>	<u>30,144</u>

The accompanying notes form part of these financial statements.

Kickstart Kids International Limited

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Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Kickstart Kids International Limited as an individual entity. Kickstart Kids International Limited is a not-for-profit Company limited by guarantee, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2021 was to work with impoverished communities in sustainable ways to kick-start the lives of orphans and vulnerable children in Kenya.

The functional and presentation currency of Kickstart Kids International Limited is Australian dollars.

On 30 October 2013, in accordance with the Constitution, Kickstart's board of directors approved the establishment of a relief fund called Kickstart Kid's International Overseas Aid Fund ("The Fund"). The governing body members of The Fund are the directors of Kickstart.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012.*, the New South Wales Charitable Fundraising Act 1991, the Victorian Fundraising Act 1998, the Western Australian Charitable Collections Act 1946 and associated Regulations.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Donations

Donations and bequests are recognised as revenue when received:

- by the company; or
- by another entity on behalf of the company.

Various services are donated to Kickstart. No assessment of the value of these services is included in the financial statements.

Interest revenue

Interest is recognised using the effective interest method.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in surplus or deficit. Gain or loss on derecognition is recognised in surplus or deficit.

Fair value through other comprehensive income

The Company does not hold any financial assets measured at fair value through other comprehensive income.

Financial assets through profit or loss

The company does not hold any financial assets measured at fair value through profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade and other payables.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company or refer to Note for details of the changes due to standards adopted.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

There are no critical judgements in applying accounting policies that are expected to have a significant effect on the amounts recognised in the financial statements.

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Notes to the Financial Statements For the Year Ended 30 June 2021

4 Revenue and Other Income

	2021	2020
	\$	\$
Donations and gifts		
Cash donations	57,092	45,693
Fundraising appeals	20,772	25,888
Monthly donations	28,109	20,496
Directors' donations	3,700	3,713
	109,673	95,790

(a) Cash donations

Cash donations comprise donations from the Australian public.

(b) Fundraising appeals

As at 30 June 2021, Kickstart holds a fundraising licence in the states of New South Wales (CFN/20987), Victoria (11875) and Western Australia (22238). Kickstart has no obligations under its Victorian fundraising licence for the year ended 30 June 2021.

The NSW *Charitable Fundraising Act 1991* ("the Act") and supporting *Charitable Fundraising Regulation 2008* prescribe the manner in which fundraising appeals are conducted, controlled and reported in NSW. The amounts shown in the Statement of Comprehensive income are in accordance with Authority Condition 7, which is issued to Kickstart Kids International limited under Section 19 of the Act.

(c) Sponsorship

Sponsorship donations are contributed on a recurring monthly basis.

(d) Directors' donations

Director's donations are contributed by various directors and other members of Kickstart's personnel. In addition to supporting Kickstart's key objectives of international development aid, directors' donations are available to cover the administrative activities of Kickstart (refer note 6(a)). This helps to ensure that donations from Kickstart's general donors are applied toward Kickstart's core activities.

5 International Program Expenditure

All international program expenditure during the current financial year related to Olturoto Children's Village Kenya, which is Kickstart's current development focus in partnership with Nanga Organisation, a Non-Governmental Organisation registered in Kenya.

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Notes to the Financial Statements For the Year Ended 30 June 2021

6 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank	<u>58,732</u>	<u>30,144</u>

(a) Restriction on Funds

There are generally no specific restrictions placed by donors on funds donated to Kickstart.

Restricted funds are funds received or reserves held that must be spent on the designation purpose for which they were received or are held. They comprise:

- Government funding and related interest that must be spent in accordance with the terms of a funding agreement;
- Donations, grants and bequests where the donor indicates a preference for the use to which the funds are to be used;
- Donations received in response to specific purpose appeals; and
- Provisions for statutory entitlements due to employees.

Kickstart has a policy that administrative costs are met out of directors' donations rather than general donations. Accordingly, the component of the cash balance available for administrative expenditure is limited to the accumulated amount of directors' donations. The remainder of the cash balance is applied towards international programs and any fundraising activities. All other funds are restricted in that the Board has discretion to spend them on purposes for which Kickstart is established.

The amount of accumulated directors' donations available to meet future administrative expenditure is as follows:

	\$
Balance at 1 July 2020	23,789
Directors' donations	3,700
Administrative expenditure	<u>(1,000)</u>
Balance at 30 June 2021	<u>26,489</u>
Balance at 1 July 2019	20,836
Directors' donations for the year	3,713
Administrative expenditure for the year	<u>(760)</u>
Balance at 30 June 2020	<u>23,789</u>

(b) Disposal of surplus

The governing instruments of Kickstart prohibit the distribution of any surplus to members. All income must be applied solely towards the promotion of the objects of Kickstart.

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Notes to the Financial Statements For the Year Ended 30 June 2021

7 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Accrued donation revenue	<u>12,840</u>	<u>10,264</u>

Accrued donation revenue relates to donations made through a secure third party system which are remitted to Kickstart in the following month.

The carrying amount of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 1 each towards meeting any outstandings and obligations of the Company. At 30 June 2021 the number of members was 3 (2020: 3).

9 Auditors' Remuneration

Kickstart is grateful to BDJ Partners for providing audit services on a pro bono basis in the current financial year.

10 Contingencies

In the opinion of the directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020:None).

Kickstart Kids International Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Related Parties

(a) **The company's main related parties are as follows:**

The Company's sole related party is the Nanga Organization, a Non-Governmental Organisation incorporated in Kenya. James Woodward is a director of both the Company and the Nanga Organization.

(b) **Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Kickstart provides funding to Nanga Organization to support projects for local communities in Kenya.

	Funding
	\$
Other related parties	
Nanga Organization	73,678

12 Events after the end of the Reporting Period

The financial report was authorised for issue on 18 November 2021 by the directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

13 Company Details

The registered office and principal place of business of the company is:

Kickstart Kids International Limited

C/O BDJ Partners

Level 8, 124 Walker Street

North Sydney NSW 2060

Kickstart Kids International Limited

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 1 to 12, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The provisions of the Charitable Fundraising Act 1991 (NSW), the Regulations under the Act and the conditions attached to the authority have been complied with for all income received and applied by the company from any of its fundraising appeals during the year ended 30 June 2021.

This declaration is made in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and a resolution of the Board of directors.



Director

James Woodward

Dated 18 November 2021

Kickstart Kids International Limited

ABN 67 153 380 851

Independent Auditor's Report to the members of Kickstart Kids International Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kickstart Kids International Limited (the company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with the Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 and the Charitable Fundraising Act 1991 (NSW), including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-Profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 and the Charitable Fundraising Act 1991 (NSW) and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

BDJ Partners



Gregory W Cliffe
Partner

25 November 2021

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Kickstart Kids International Limited

ABN 67 153 380 851

Auditors Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 To the Directors of Kickstart Kids International Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- i) no contraventions of the independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

BDJ Partners



.....
Gregory W Cliffe
Partner

18 November 2021

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