

KIDS & FUTURE FOUNDATION 2015 ANNUAL REPORT

The Transparent Housekeeping Book of
Kids & Future Foundation





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“We work for our children’s future.”

Creating a society where children can play, learn, experience,
and dream of a bright future is everyone’s duty.

Kids & Future Foundation (K&F) is devoted to fostering a society where children can realize their dreams. We, therefore, build new space to children exposed to vulnerable environments as well as offering various opportunities including professional vocational experience.

K&F continues to make diligent efforts for a better future for children.



About the Foundation and Its People



Our Foundation's accomplishments are truly recognized when we observe our children flourish day by day.

01 Introduction to K&F

Name : Kids & Future Foundation

Chairman : Hoon-kyu Lee

Location : 5F Sam-bo B/D, 272, Sadang-ro, Dongjak-gu, Seoul, Korea

Permitted by : Korean Ministry of Health and Welfare, License No. 832

Corporation Type : Social Welfare Corporation

Applicable Statute : Article 16 of Social Welfare Service Act

Target Audience : Social welfare facilities and personnel of children and youth-related work; neglected children and youth

Date of Establishment : March 28, 2000

Contribution Deduction : Designated donations (in accordance with Paragraph 1, Article 34, Income Tax Act); relevant organizations and individuals: 30%; corporations: 10%

03 Core Values

Creativity

We are open and flexible; we are not afraid of making a change for a better and happier world for children.

Trust

Through our financial transparency, we build trust with our partner organizations and our donors. Our mutual respect is based on integrity and trust, through which we gather our ideas.

Passion

We make dedicated efforts based on our incessant passion for children's bright future.

Action

We have no hesitation in stepping up to challenges, planning, and taking action accordingly if we find something of value to the youth we serve.

02 Vision & Mission

VISION

K&F pursues a society where every child can dream of a brighter future.

MISSION

We aim at providing children and youth ample opportunities to play and learn in a healthy and stable environment.

“Children are our future.”

Kids & Future Foundation (K&F) was founded on March 28, 2000, based on the concerted will of entrepreneurs. For the past 16 years, K&F has been diligently playing its role as a private, independent foundation providing support to children in welfare blind spots.

We have, above all, been able to offer systematic and professional welfare projects to children and various organizations through partnerships with corporations. As a result, we have grown into the most transparent and equitable welfare foundation in Korea.

As the new chairman of K&F starting March 2016, I will do my utmost in assisting the Foundation in exerting its maximum competence thus built, while promoting its third great leap.

I will especially make efforts to strengthen programs which substantially reflect the characteristics of the enterprises which support our endeavors, based on K&F's four core values of creativity, trust, passion, and action. By doing so, we will strive to make a society where both corporate social responsibility (CSR) and children's dreams can be achieved.

Our sustained management of benefactors and project development have been possible due to our supporters—corporations and individuals.

We would like to ask for your continued attention as we proceed, with determination, in implementing transparent, fair, and sustainable welfare projects.

Thank you very much.

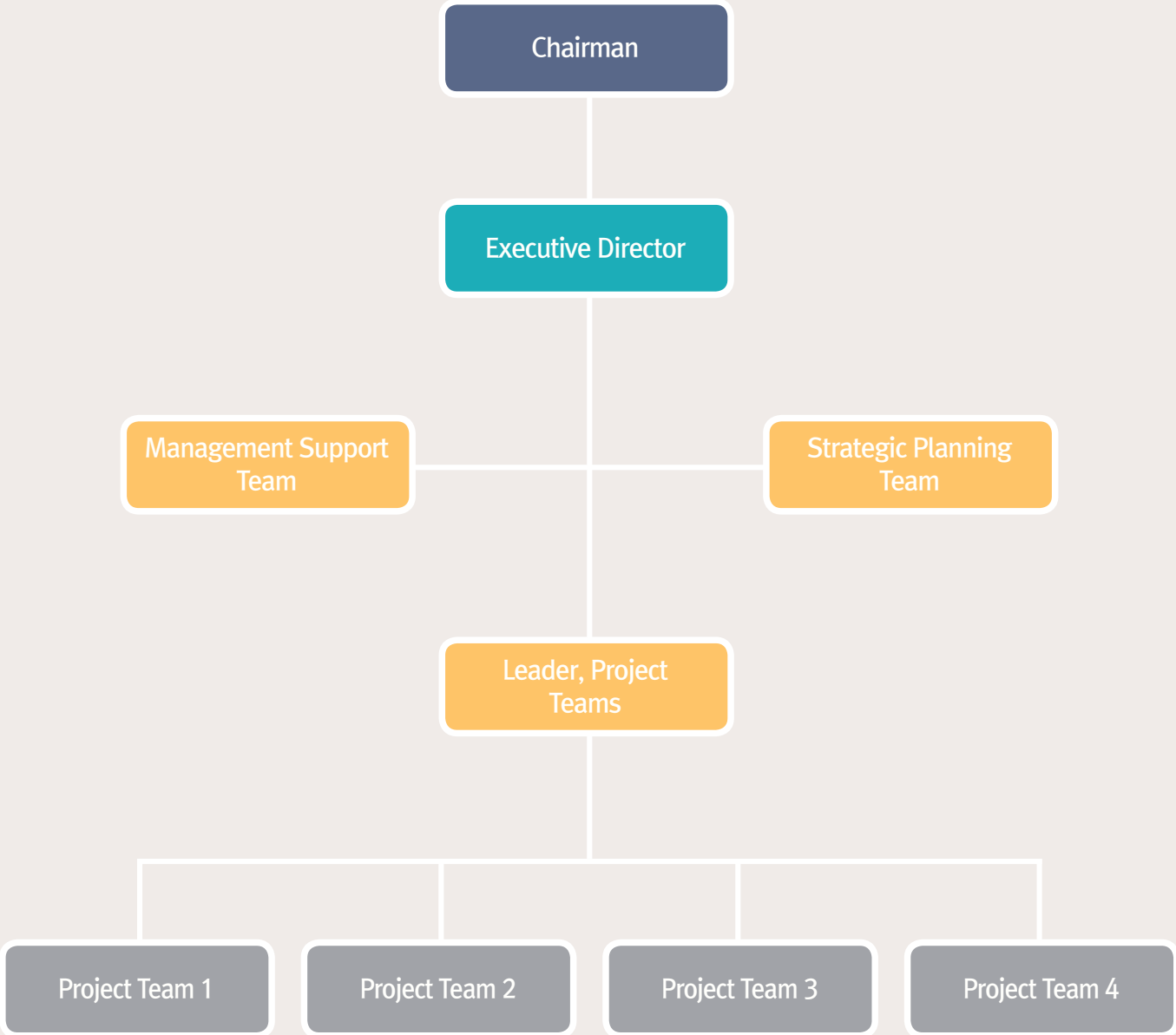


LEE Hoon-kyu

Chairman, Kids & Future Foundation



Organization



About Our Transparency

K&F places the highest value in abiding by a transparent and truthful principle of finance operation.

It is our Foundation's principle, based on accountability and efficiency, to allocate our supporters' donations to the right purpose.

K&F is the most transparent nonprofit organization (NPO) in the Republic of Korea. In 2001, our Foundation was the first NPO to implement an external auditing system. In addition, in 2008, we founded GuideStar Korea to communicate with our donors as the leading NPO of transparency.

The core value and mission of K&F are reflected in our every activity. We are doing our utmost in project implementation, hiring and evaluation, and smooth communicative processes. Meanwhile, we make endeavors toward receiving regular external audit, assessing project performance, and communicating with our sponsors.

As the most transparent foundation in Korea, K&F's achievements of the past three years can be confirmed through this report.

For the sustainable growth and development of the nonprofit sector, K&F has concluded an MOU with Arthur "Buzz" Schmidt, founder of GuideStar USA, in 2005. In 2008, K&F has founded GuideStar Korea.

Through GuideStar Korea, it has become possible to share information on NPOs' mission, values, activities, and operational status, as well as to communicate with donors.

Our citizens, thus, are able to participate in NPOs' efforts with greater trust and in more diverse ways.



K&F's 3-year Operation Outcomes

We place the utmost value in transparency and accountability; the details of K&F's operation in the past three years can be viewed at a glance as below.

01 Revenue (2013-2015) (Unit: KRW)

Category	2013	2014	2015
Individual donations	1,459,522,813	1,544,540,089	1,558,669,385
Corporate & group donations	4,499,598,864	7,790,971,653	9,328,332,603
Support funds from fundraising organizations & foundations	461,394,410	1,346,732,400	1,598,665,218
Donated goods	24,921,960	254,091,482	236,932,000
Other income (interest earnings, etc.)	170,352,212	194,370,451	126,573,995
Balance carried over	2,286,143,881	2,972,751,446	5,505,395,265
Total	8,901,934,140	14,103,457,521	18,354,568,466

※The increased amount of balance carried over in the past three years have all been used for the donation fund for CSR projects.

02 Expenses (2013-2015) (Unit: KRW)

Category	2013	2014	2015
Project costs	5,530,085,846	8,229,616,419	10,627,297,833
General administration & fundraising fees	397,775,309	456,595,387	468,726,268
Total	5,927,861,155	8,686,211,806	11,096,024,101
Reserve fund for the following year's projects	2,972,751,446	5,505,395,265	7,422,237,577

※The reserve fund includes the past year's expenses, accounts payable, etc.

● Net Worth Details (Unit: KRW)

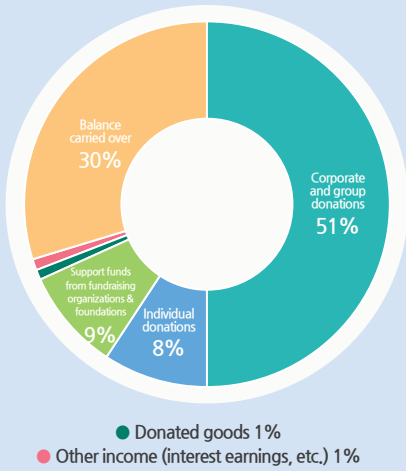
Category	2013	2014	2015
Net worth without constraints	531,538,981	572,955,557	721,616,570
Net worth with temporary constraints	2,391,759,312	4,777,382,500	6,362,880,479
Total	5,923,298,293	8,350,338,057	7,084,497,049
Net worth with permanent constraints (fundamental property)	3,000,000,000	3,000,000,000	3,000,000,000

● Composition of Personnel Expenses (2015) (Unit: KRW)

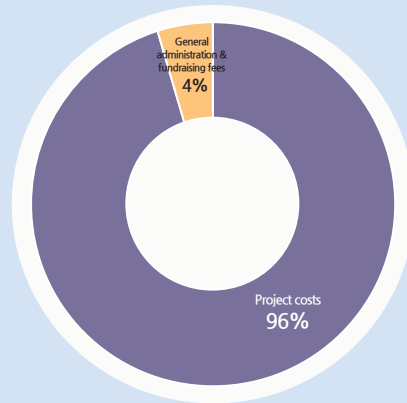
Total	Project-related	Fundraising-related	Management
1,139,870,015(100%)	778,017,776(68.3%)	87,050,842(7.6%)	274,801,497(24.1%)

K&F's 3-year Operation Outcomes

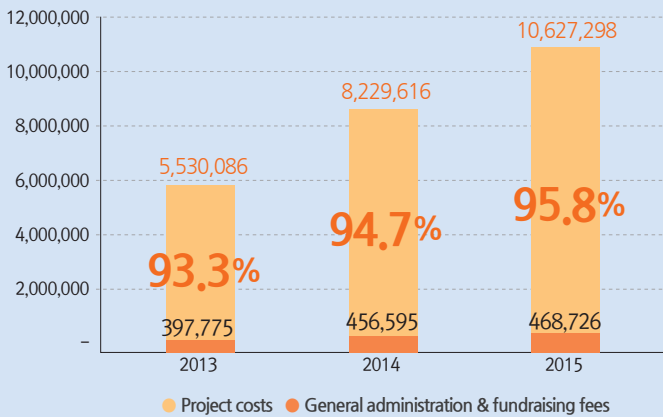
03 2015 Income



04 2015 Expenses

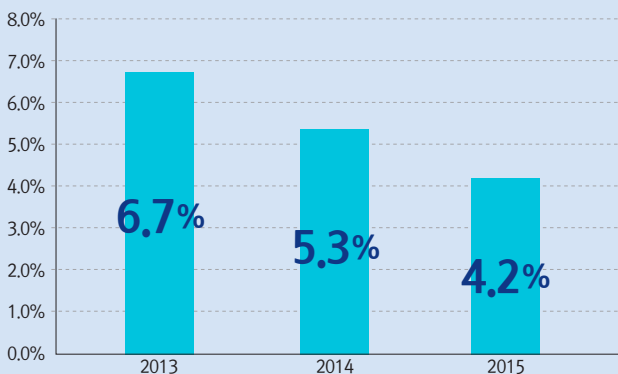


05 Fiscal Stability: Changes in the Efficiency of Project Expenses (Unit: 1,000 KRW)

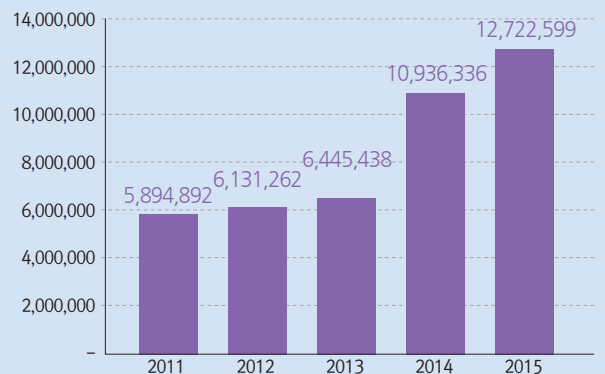


Expenses are divided into different functions (projects cost and general administration & fundraising fees) according to the disclosure form (such as closing statement) of nonprofit organizations stipulated by the National Tax Service (Article 25 of the Inheritance Tax and Gift Tax Act, revised 2016).

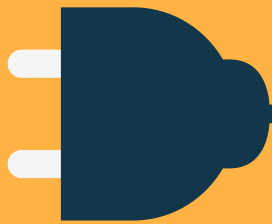
06 Changes in the Efficiency of General Management/Fund Expenses



07 Changes in Annual Donations Received (Unit: 1,000 KRW)



2015 OVERVIEW



Jan.

- Hosted Hanwha 'Science for Future' Event
- Visited HQ of Mercedes-Benz Mobile Academy in Germany
- Arumin Ski Camp

Feb.

- Held Launching Ceremony of 6th Samsung Securities YAH0 College Volunteers
- Appointment of FC Malawi Coach Heung-sae Im as Honorary Ambassador
- Agreement Ceremony on 'Life Insurance Social Contribution' with Shinhan Life Insurance

Mar.

- Hosted Samsung Card 'Art in Concert Stage 03'
- MOU on 'Dream Playground' with Korea Kid Association Playground
- K&F Anniversary Event
- MOU with Hanwha Eco-school

Apr.

- Happy Diverse Festival
- ADIDAS My Dream FC Opening Ceremony
- Published K&F Transparent Housekeeping Book

May

- 4th Opening Ceremony of Shinhan Card Arumin Library Book Mentors
- KB Rainbow Love Camp Event
- Event for Hyundai E&C
- HILLSTATE Dream Mentoring Volunteer Service

June

- K&F-Samsung Card fund donated for Nepal earthquake
- 395th Arumin Library opened in Jeju-si
- Johnson & Johnson 'Love Eye' Campaign

July

- Launching Ceremony of Kookmin Bank (KB) 4th 'College Student Volunteer Group'
- MOU on scholarship assistance with Seoul Guarantee Insurance (SGI)
- Held Korea Asset Management Corp. (KAMCO) 'Hope for Youth Camp'
- Samsung Fire & Marine Insurance Summer Camp
- Mentorship Cultural Event of Finance Education for Youth (Samsung Securities)

Aug.

- Held Hanwha 'Science for Future' Summer Camp
- Disbanding Ceremony of Hyundai E&C 'HILLSTATE Dream Mentoring Volunteer Service'
- Finance Education for Youth PT Competition for the 6th YAH0 College Volunteers (Samsung Securities)
- Youth camp for scholarship program (for children of victims of construction disasters)
- Samsung Electronics Scholarship Award Ceremony
- Mercedes-Benz 'Rice-sharing Event'

Sep.

- Sejong-si Eco-friendly Science Education for Elementary School Children by Hanwha Advanced Materials
- 'Golden Bell Contest' by Finance Education for Youth (Samsung Securities)
- 'Open Family Project' Wall Painting Volunteer Service by K&F Staff

Oct.

- Held FC Malawi Youth Soccer Competition
- Supported Kookmin Bank 'Dajeong Dagam' Domestic Travel

Nov.

- 10th Anniversary Event of Finance Education for Youth (Samsung Securities)
- Mercedes-Benz 'All Together' Staff Volunteer Activity

Dec.

- Mozart Sonata Concert (for young patients of rare and incurable diseases) by violinist Joo Young Park
- Donation Ceremony of the Visit Korean Committee (VKC)
- Ceremony for KB Star-B Scholarship



How to Support K&F

Individual Donation

A donation can be made in a fixed amount over a consecutive period of time; a one-time donation is also possible starting at 10,000 KRW. These funds are allotted to our foundation's campaigns such as the K&F Talent Scholarship and FC Malawi.



How to Make a Donation:

You can participate by just a few clicks; click on 'Donation' on our website (eng.kidsfuture.or.kr)



Happy Bean Donation:

Participation is also possible through Naver's 'Happy Bean Donation' (www.happylog.naver.com/kidsfuture.do)



Direct donation is available via ARS

+82-60-700-1533 or +82-2-843-8478



Deposit can be made to the accounts below.

-Shinhan Bank: 100-016-715700

-Kookmin Bank: 813001-04-046748

"It was very disheartening to see a widening education gap between children on account of poor family conditions. We want the foundation to help children realize their dreams of a better future."

Rosetta Stone, Corporate Donator

Partnership for Corporate Social Responsibility (CSR)

Our partnerships operate in the process below. For more information, you can contact us through our website, via telephone, or by email. We will get back to you upon reviewing your inquiry.



Designated Donations from Employees and Organizations

There are various convenient ways to donate for business employees and individuals of organizations. For example, contributions can be made by having the donation amount automatically deducted from individuals' monthly salary, through matching grants, or by donating an agreed amount.

Donating Goods

You can join our sharing efforts by donating various goods such as school supplies, clothes, and books.



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