

The Kids In Need Foundation *2014 Annual Report*



The Kids In Need Foundation
School Supplies.Changing Lives.

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LETTER FROM THE EXECUTIVE DIRECTOR

Dear Friends of the Kids In Need Foundation,

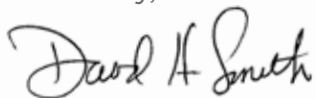
Hundreds of millions of dollars in school supplies have been donated to the Kids In Need Foundation since our founding in 1995. The immediate impact has been dramatic -- the future impact is being realized each day in the lives of the kids we help. Companies and individuals that donate to Kids In Need help restore a sense of self-esteem and confidence. A little bit of magic happens to children when school supplies appear where there were none before. I have had the privilege of seeing the smiles, hearing the squeals of delight and gasps of excitement as they look into their new backpacks filled with supplies for the first time.

In 2014 alone, we distributed more than \$117 million worth of free school supplies to 4.2 million children. I have to admit, it's rewarding and fun. But, with more than 16 million children living below the poverty line, the work yet to be done is extensive.

We believe anyone visiting a classroom and seeing children without supplies understands the effect it has on their attitude toward school and learning. How can a student be expected to succeed without even the basic tools of learning? **The Kids In Need Foundation believes in supporting the education of those most in need, and it is with great appreciation to our donors, volunteers, and the many others who support our efforts that we present our 2014 Annual Report.**

The Kids In Need Foundation believes that we can help children succeed in school by giving them serious attention and assistance when they need it. That's what we do. That's what you help us do. **And, on behalf of education... on behalf of teachers... and on behalf of the children, we thank you.**

Sincerely,



David H. Smith, Executive Director



The Kids In Need Foundation's mission is to ensure that every child is prepared to learn and succeed in the classroom by providing free school supplies nationally to students most in need. Four key programs help facilitate our efforts:

- A national network of 34 Resource Centers where teachers from low-income schools can go to obtain free school supplies
- Communities not served by Resource Centers are accommodated through our School Ready Supplies program, where we deliver the necessary supplies to succeed directly to schools with the greatest need
- Students who have gone through natural disasters are helped to return to normal routines with new backpacks and supplies through our Second Responder® program
- We also operate Teacher Grant programs where we award preK-12 educators with direct funds to provide innovative learning experiences

The Kids In Need Foundation has distributed more than \$700 million in school supplies since its founding, directly benefiting 4.2 million students and more than 120,000 teachers annually. We are a national 501(c)(3) charitable organization founded in 1995.

For more information, visit kinf.org, and join us at twitter.com/kidsinneed and facebook.com/kidsinneed.

OUR BOARD OF DIRECTORS

These are the people who work tirelessly to see that we have the supplies we need, the resources to expand our reach, and the vision to help more kids than we ever have before.

Brad Demsky, Chair
Corey Funkey, Vice Chair
Anne Bannister, Treasurer
Roger Posacki, Secretary
Bill Douthit, Immediate Past Chair
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FINANCIAL STATEMENT

We have audited the statements of financial position of Kids In Need Foundation as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years then ended (not presented herein). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis of our opinion.

The condensed statements of financial position as of December 31, 2014 and 2013, and the related condensed statements of activities for the years ended are presented in summary and, therefore, do not include all of the information required by accounting principles generally accepted in the United States of America.

In our opinion, because of the significance of the omission of the information referred to in the preceding paragraph, the condensed financial statements, referred to above, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Kids In Need Foundation as of December 31, 2014 and 2013, or the change in its net assets or its cash flows for the years then ended.

Full audited financial statements are available at Kids In Need Foundation's website, www.kinf.org.

Brady Ware & Schoenfeld, Inc.

CONDENSED STATEMENT OF FINANCIAL POSITION

	12/31/2014	12/31/2013
Cash and cash equivalents	\$ 621,839	\$ 900,262
Pledge Receivables, net	111,706	117,187
Inventory	5,851,727	4,670,681
Prepaid Expenses	29,532	13,601
Investments	680,904	476,909
Equipment, net	22,604	36,831
Other assets	13,561	8,346
Total Assets	\$ 7,331,873	\$ 6,223,817

Liabilities	\$ 198,491	\$ 332,201
Net assets - Unrestricted	1,002,167	978,435
Net assets - Temporarily Restricted	6,126,215	4,908,181
Net assets - Permanently Restricted	5,000	5,000
Total Liabilities and Net Assets	\$ 7,331,873	\$ 6,223,817

CONDENSED STATEMENT OF ACTIVITIES

	12/31/2014	12/31/2013
UNRESTRICTED NET ASSETS		
Support and Revenue	\$ 118,312,301	\$ 70,176,208
Net Assets Released from Restrictions	2,483,883	1,675,993
	120,796,184	71,852,201
Expenses -		
Program Services		
Materials-in-kind - Kids in Need	116,177,297	68,148,717
Resource Center - Kids in Need & Summit	106,195	49,694
Teacher Grants	202,381	208,696
School Ready Supply Program	279,581	249,085
Second Responder Program	39,308	-
Twin City Resource Center	2,620,890	1,881,678
Other programs	107,699	81,419
Supporting Services		
Management and General	1,037,462	953,446
Fund Development	201,639	130,405
Total Expenses	120,772,452	71,703,140
Increase in Unrestricted Net Assets	23,732	149,061
RESTRICTED NET ASSETS		
Support and Revenue	3,701,917	1,852,638
Net Assets Released from Restrictions	(2,483,883)	(1,675,993)
Increase in Temporarily Restricted Net Assets	1,218,034	176,645
CHANGE IN NET ASSETS	\$ 1,241,766	\$ 325,706

MISSION

We're here to ensure that every child is prepared to learn and succeed in the classroom nationally by providing free school supplies nationally to students most in need



Our four key programs:

1

National Network of Resource Centers

34 "stores" where teachers can get free school supplies

2

School Ready Supplies Program

In communities out of the reach of our centers, we deliver the supplies directly to qualifying schools

3

Second Responder[®] Program

When areas are affected by natural disasters, we deliver supplies to help kids return to normal routines

4

Teacher Grants Program

With key partners, we award preK-12 educators with funds to provide innovative learning experiences

RESOURCE CENTER NATIONAL NETWORK



144,700

teachers served by the kids in need foundation national network of resource centers



5,033
schools served
NATIONALLY



505
grants awarded
NATIONALLY

4,209,581

STUDENTS HELPED WITH SCHOOL SUPPLIES IN 2014 - MORE THAN TWICE AS MANY AS IN 2011



\$117M

in supplies distributed last year nationally to the neediest students

SCHOOL SUPPLIES CHANGING LIVES



OVER THE LAST 20 YEARS, WE HAVE DISTRIBUTED

NEARLY \$700 MILLION IN SCHOOL SUPPLIES!

Thank you to all our national sponsors, donors, and volunteers. Together we are changing lives.

