

CHANGING OUR NATION

2017
ANNUAL
REPORT

 **AIEF**
AUSTRALIAN INDIGENOUS
EDUCATION FOUNDATION



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OUR
PARTNERS

95%
OF AIEF ALUMNI
ENGAGED IN CAREER PATHWAYS

109 SCHOLARSHIP
GRADUATES IN
2017

45
UNIVERSITY
GRADUATES
TO DATE

484
YEAR 12
GRADUATES
TO DATE

178



VOLUNTEERS FROM
AIEF CORPORATE PARTNERS

511

AIEF
SCHOLARSHIP
STUDENTS
FROM

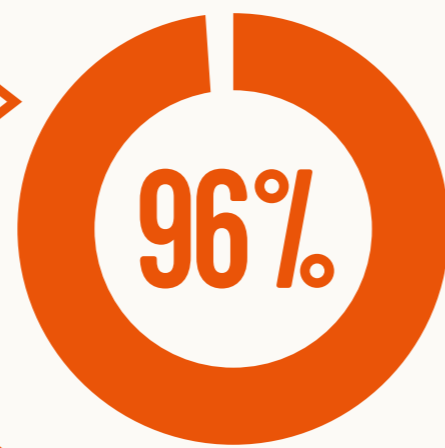


communities
in every state
and territory
of Australia



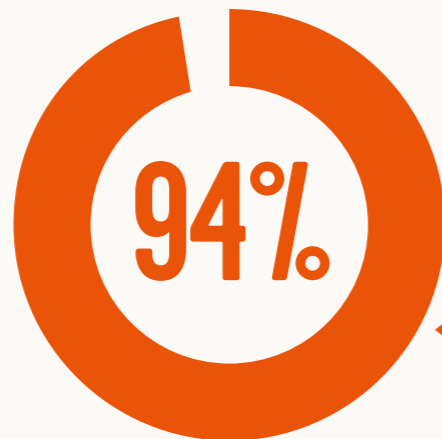
UNIVERSITY
RETENTION &
COMPLETION RATE

96%



94%

RETENTION
& YEAR 12
COMPLETION RATE



\$164
MILLION RAISED
SINCE 2008

1.3%
SPENT ON
TOTAL COSTS
TO DATE

23

CEOs &
LEADERS
PERSONALLY
ENGAGED
WITH AIEF





A MESSAGE FROM OUR PATRONS

PATRON-IN-CHIEF

**HIS EXCELLENCY GENERAL THE HONOURABLE
SIR PETER COSGROVE AK MC (RETD), GOVERNOR-GENERAL
OF THE COMMONWEALTH OF AUSTRALIA**

Every child deserves an education and all the opportunities it brings – to learn, to grow, to discover the world and contribute to it.

The Australian Indigenous Education Foundation recognises the importance of education in nurturing the potential that lies within young Indigenous Australians.

Through scholarships and ongoing mentoring and support, AIEF provides invaluable assistance to help students complete secondary schooling, attend university and find gainful employment. The value of AIEF's support and encouragement can be seen so clearly in the success and achievement of the Indigenous Australians it works with.

As Patron-in-Chief, I recognise all AIEF does for so many Indigenous students and I know the Foundation's work will continue to change lives and our nation for the better.

A MESSAGE FROM OUR PATRONS

PROFESSOR THE HONOURABLE DAME MARIE BASHIR AD CVO

It is indeed an inspirational period in the history of our nation, when we can observe the ever-increasing numbers of young Australians of Aboriginal and Torres Strait Islander heritage going forward to complete their secondary education and then beyond in the various tertiary fields.

As well as giving a particular sense of pride to the individual student, his or her family, and the school of that student, it also provides a powerful beacon of encouragement to other students of Indigenous heritage, and strengthens further the role of Australia in the regional and international environment.

I join the many individuals across our nation, of both non-Indigenous as well as Indigenous background, who have a deep sense of appreciation for the role – the incomparable role – of the Australian Indigenous Education Foundation, in adding to the strength of the people of Australia, and for providing a model which others may emulate.

Our congratulations and deep appreciation goes to all who are involved.



Image courtesy of The University of Sydney



A MESSAGE FROM OUR PATRONS

DAVID GONSKI AC

As can be seen in this year's Annual Report, AIEF is an organisation which positively changes and affects the lives of so many.

I heartily congratulate AIEF on another year of great achievements.

I am extremely proud to be associated with such a fine and greatly performing organisation and I look forward with confidence to the coming year being as successful as the last.

Congratulations to all who have contributed to AIEF's success so far.

WELCOME FROM THE CHAIR

WARREN MUNDINE AO AIEF CHAIR

I grew up in a multicultural Australia where there are many different kinds of families.

Your family and my family may come from different cultures, but it's the things we have in common that make family the foundation stone of all societies and cultures.

I wanted my children to have a better life, opportunities and education than I had growing up, and I believe all families want this for their children.

The difference for Indigenous families is the gap that still exists between their communities and the rest of the country. Many families have closed it through education and employment and for those yet to do so, ensuring the next generation gets a quality education is an urgent need.

Few realise that the work of AIEF is driven by Indigenous students and families who want – who need – access to a quality education. Our scholarships are primarily awarded on the basis of student enthusiasm and aspiration and parental support and commitment, and our results over the past nine years show that these criteria are the best predictors of student success.

Meanwhile, the growth of our program and the demand for our scholarships has proved the maxim 'success breeds success'.

Unfortunately, we cannot keep up with this demand, which means saying 'no' to young Indigenous Australians striving for a quality education, including brothers, sisters and cousins of students currently supported by our programs.

At AIEF, we believe all families should have the choice and the opportunity to ensure their children receive a quality education.

With a quality education, young Indigenous people can be full participants in Australian life and all it has to offer. This includes being part of strong and thriving traditional nations where they can take care of their culture, language, traditional lands and build an economic future – for themselves, and their families.

With more funding, AIEF could respond to the growing community demand for scholarships that are changing lives and will ultimately change our nation.

I would like to thank my fellow Directors and AIEF's network of partners and supporters for their dedication to this goal.

Sincerely



WITH A QUALITY EDUCATION,
YOUNG INDIGENOUS PEOPLE
CAN BE FULL PARTICIPANTS
IN AUSTRALIAN LIFE AND ALL
IT HAS TO OFFER.

2017 OVERVIEW

ANDREW PENFOLD AM EXECUTIVE DIRECTOR

In 2017 the Australian Government published the Study Away Review, which found that demand for Indigenous boarding places had grown 40.5% from 2012 to 2016.

In this time, apparent retention to Year 12 rose from 52% to 60% for Indigenous students, while Year 12 attainment was one of only two 'Closing the Gap' targets consistently shown to be on track.

Our student numbers also rose and as of 2017, AIEF is funding around one third of all scholarship places for Indigenous boarders through a program that consistently achieves a retention and Year 12 completion rate of more than 90%.

We're very proud of our network of schools, scholarship students and graduates for achieving these outcomes, which are making a significant contribution to rising rates of Year 12 attainment. We're also proud of becoming a significant creator of opportunities for young Indigenous Australians.

This pride is tempered by the knowledge that we cannot keep up with the growing demand for scholarships, and that our funding is fully committed to support current scholars to completion.

As I write these words we are saying 'no' to Indigenous students and families – the very people whose determination to create a better future for their children inspired us to establish this organisation, and who have driven its growth and success.

And while we're forced to say 'no', more and more Indigenous families are seeking boarding school scholarships for their children. When you consider that we represent around one third of all scholarship opportunities currently available to these families, the urgency of the situation becomes clear.

This report tells the story of what happens when you create a scholarship for a young person with a supportive family who wants the opportunity, and then assist them to pursue whatever career they choose.


As you read it, I encourage you to consider how the individual achievements recorded in its pages are changing families, communities and the future of our nation.

I would also like to ask you to consider how you could help us to say 'yes' to more young people like Darnell, Shae, Nikita and PJ and their fellow students and graduates.

If we're going to meet community demand we need private sector, individual and philanthropic donors and the Australian Government to continue to invest in our work.

We are determined to sustain this program and ask you to support us in our mission to empower more Aboriginal and Torres Strait Islander young people to shape Australia's future.

Sincerely



**WE ARE DETERMINED TO
SUSTAIN THIS PROGRAM
AND ASK YOU TO SUPPORT
US IN OUR MISSION TO
EMPOWER MORE ABORIGINAL
AND TORRES STRAIT ISLANDER
YOUNG PEOPLE TO SHAPE
AUSTRALIA'S FUTURE.**



AIEF SCHOLARSHIP PROGRAM

In 2017, 109 students completed Year 12 or university on AIEF Scholarships. This means that from 2018 the total number of graduates to date will exceed the number of students in the program for the first time in AIEF's history.

109 SCHOLARSHIP GRADUATES IN 2017

75 AT UNIVERSITY IN 2017

436 AIEF SCHOLARSHIP STUDENTS AT SCHOOL

UNIVERSITY RETENTION & COMPLETION RATE **96%**

94% RETENTION & YEAR 12 COMPLETION RATE

The 109 graduates in 2017 were part of a cohort of 511 students, comprising 436 school and 75 university students attending 36 Educational Partners and 21 universities across Australia.

These students came from 256 communities across every state and territory of Australia, maintaining the reach of the Scholarship Program, with 41% of students coming from remote and very remote communities, 27% from rural communities and 32% from regional and metropolitan communities.

AIEF also maintained retention and Year 12 completion rates among school students at 94%, including 94 Year 12 graduates, and continued to be the most successful Indigenous education program in Australia.

The schools program is complemented by a growing tertiary program, and in 2017 Brylie Frost, Henrietta Stapleton and Jackson Dowling, who graduated from medicine, law (juris doctor) and nursing respectively, joined 2014 graduate Lowanna Moran in completing both Year 12 and university with AIEF Scholarship support.

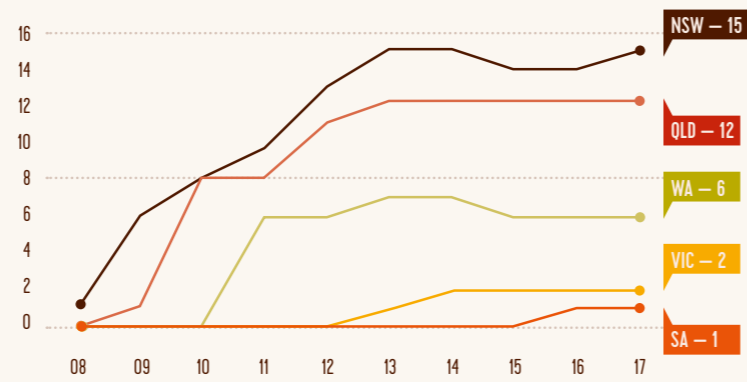
Growth in the tertiary program has been driven by the AIEF Tertiary Scholarship, which was awarded to an additional seven AIEF Alumni during the year. The scholarship aims to remove financial barriers to university that can discourage some AIEF graduates from enrolling, or lead to students withdrawing early from their course.

During the year, 96% of tertiary scholarship students continued or completed their studies, with nine AIEF-Shalom Gamarada Scholarship Students graduating with degrees in medicine, arts, nursing and law.

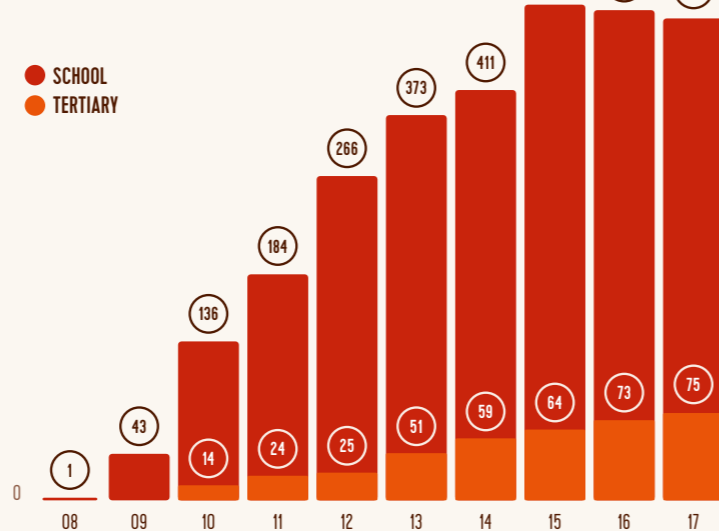
The AIEF-BHP Tertiary Scholarship was broadened in 2017 through expansion of the list of eligible degrees, with the program welcoming its first law student.

At the end of the year, Shahbaz Rind became the first student to complete both undergraduate and postgraduate study in the program when he graduated with a Master of Professional Engineering (Chemical) on an AIEF-BHP Tertiary Scholarship.

GRAPH 1: AIEF EDUCATIONAL PARTNERS 2008-2017



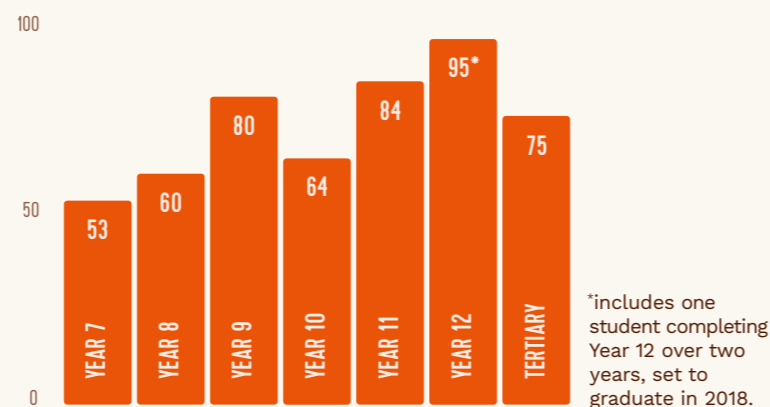
GRAPH 2: AIEF SCHOLARSHIPS 2008-2017



GRAPH 3: AIEF SCHOLARSHIP STUDENTS BY GENDER 2017



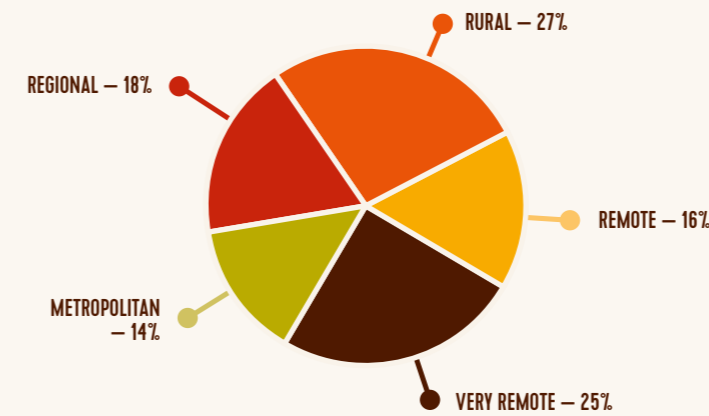
GRAPH 4: AIEF SCHOLARSHIP STUDENTS BY GRADE 2017



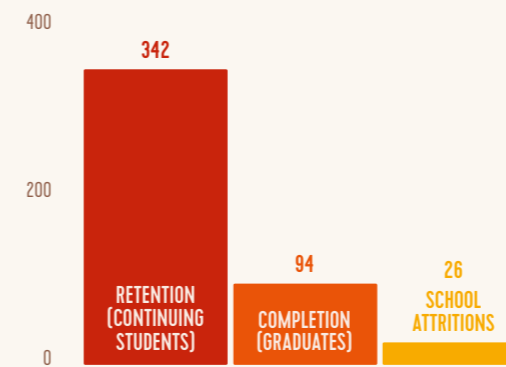
GRAPH 5: AIEF SCHOLARSHIP STUDENTS BY STATE 2017



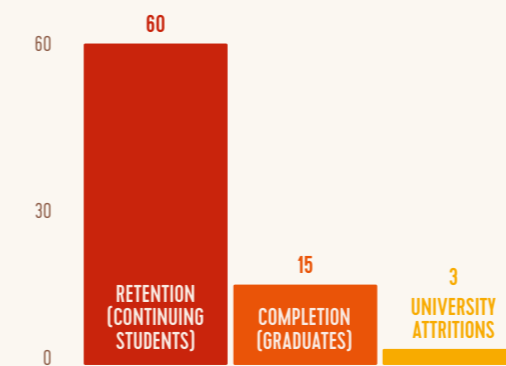
GRAPH 6: AIEF SCHOLARSHIP STUDENTS BY REMOTENESS 2017



GRAPH 7: SCHOOL RETENTION AND YEAR 12 COMPLETION RATE 2017



GRAPH 8: UNIVERSITY RETENTION AND COMPLETION RATE 2017



Travis Germain and Balin Willoughby also successfully completed their studies, and with Shahbaz progressed to the BHP Graduate Program, joining current BHP Graduates Christopher Gordge and Nyah Tumu-Mathers.

During the year, seven AIEF-BHP Tertiary Scholarship Students completed summer internships at BHP operations in Western Australia (Mt Whaleback, Perth) and Queensland (Blackwater, Peak Downs and Mackay).

As we prepare to mark ten years in 2018, we remain focused on achieving benchmark outcomes, including retention and completion rates above 90%.

These outcomes are made possible by our Educational Partners, who provide essential administrative support for our program and dedicate passion and commitment to the education and pastoral care of each AIEF Scholarship Student.

THE ACHIEVEMENTS OF OUR EDUCATIONAL PARTNERS UNDERPINNED THE ACHIEVEMENTS OF THE PROGRAM IN 2017 AND WE WOULD LIKE TO THANK AND ACKNOWLEDGE THEM FOR ENSURING AIEF'S CONTINUED SUCCESS.

AIEF SCHOLARSHIP PROGRAM

NAME: Darnell Fisher

AGE: 20

GRADUATED: Year 12, 2014, Marist College Ashgrove

EMPLOYMENT: Rifleman, Australian Defence Force

FROM: Cherbourg, QLD

CASE STUDY

At 12 years of age Darnell Fisher moved from the small town of Cherbourg, three hours outside Brisbane, to begin Year 7 as a boarder at Marist College Ashgrove.

“Boarding school was something completely different from home. My older cousins already went there and I saw there were better opportunities and that it would be a better thing for me.”

Darnell's move was strongly supported by his grandfather Uncle Eric Law, a respected Elder of the community. For Uncle Eric – a proud Waka Waka man, retired teacher and Vietnam veteran – education has always been a priority.

“Getting our young fellas and young girls a quality education, and I emphasise the word quality, is so important. And I emphasise the fact that this is an education that stands alone.”

“We always talk about letting our kids follow their dreams, but at the end of the day I think we often feel those dreams are out of reach. As a community, we need to let them follow their dreams and give them the right tools to be able to make the right choices.”

For Darnell, boarding school opened up a world of academic and sporting options.

“Getting my AIEF Scholarship is the best thing that's ever happened to me. It gave me so many opportunities, access to a great career and great mentors. They helped me to get where I wanted to be.”

Today Darnell is in his third year in the Australian Army as a Rifleman, and the second year of his posting to Townsville.

“The Army was always a thing because pop was in the Army. I have a couple of cousins in the Navy, and I looked at that, but I thought I wanted to try something different.”

Darnell's enlistment came as a surprise to Uncle Eric. “It sort of shocked me, but in a good way. I'm a veteran and my dad was in World War One. When I asked Darnell about it, he said, ‘Pop, if the army was good enough for you, it should be good enough for me.’”

“I would not have bet in a million years that he would have done that. He's very strong minded, strong willed. I always pictured him as somebody who would be running a company or being a leader in that regard; I didn't see him as someone who would start at the bottom of the totem pole in the Defence Force and try to work his way up.”

For Darnell, Uncle Eric is a role model. “My pop is great. I've got a lot to look up to; he's an inspiration.”

Uncle Eric believes scholarships like those provided by AIEF benefit the wider Indigenous community.

“I've been around this game for a long time. AIEF is something pretty close to my heart. They've got the runs on the board. They've listened to people – that's the most important thing. They've looked at things from different perspectives, and gone about their work in a way that shows they're really committed towards showing our Indigenous people that their culture, and maintaining that, is as important as the academic stuff.”

“These schools are not going to water anything down for our kids. We want them to walk out and say ‘I got this qualification, I'm just as good and proud as the next person.’”

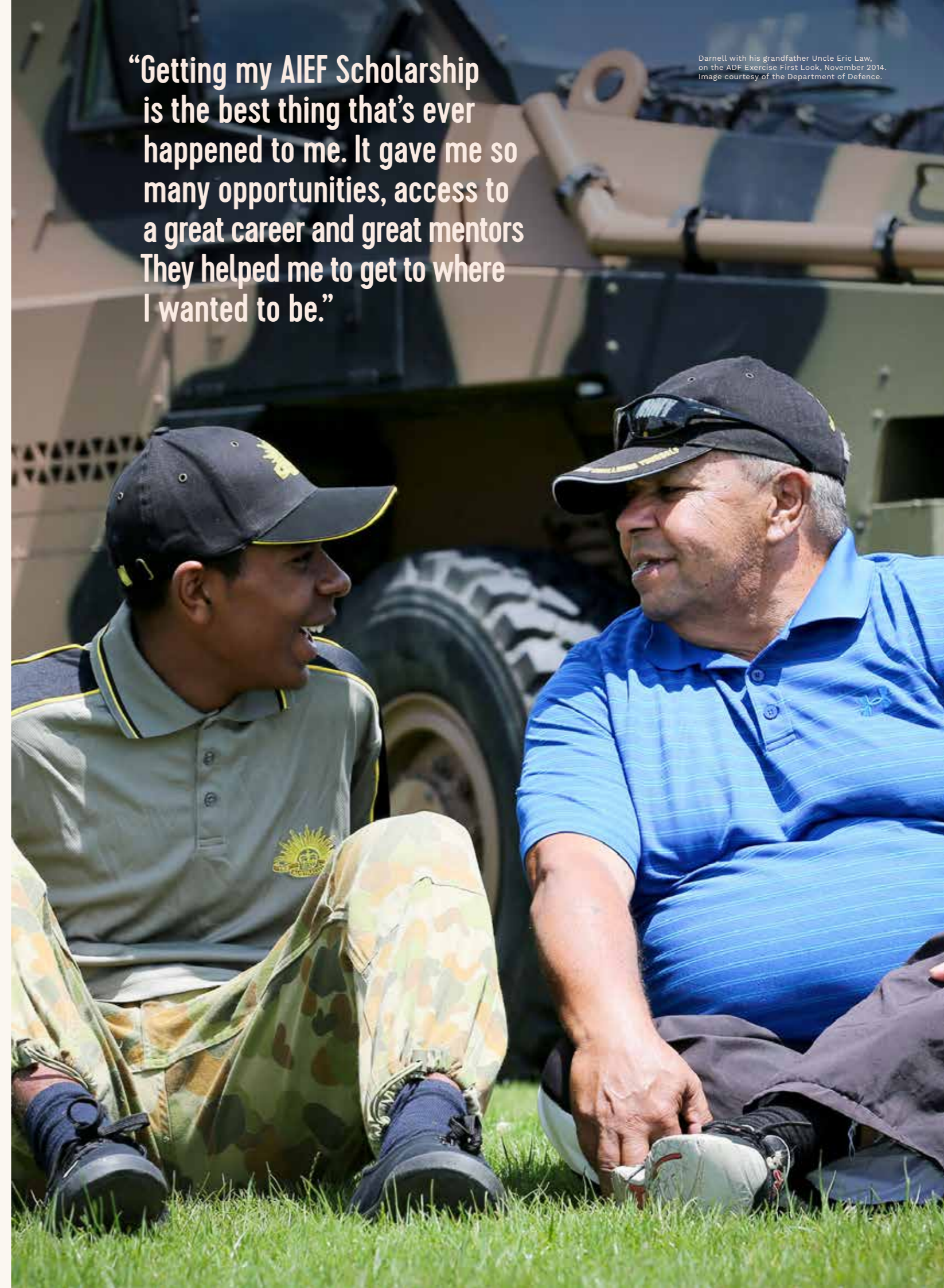
Uncle Eric has a strong message for young Indigenous people: “Be strong and comfortable in your culture. At the end of the day, it will be your culture, and your belief and commitment to your culture that stands you apart from the rest. You couple that with a quality education and then nothing is impossible.”

Darnell believes his scholarship and going to boarding school broadened his experience and networks, and he's looking forward to the next chapter.

“I'm thinking I'll wait for a deployment trip and then when I come back I'd like to join the Special Forces. I've done a promotion course for Lance Corporal so that might be next. Will I have a long term career with the Army? It does seem like it's heading down that road.”

“Getting my AIEF Scholarship is the best thing that's ever happened to me. It gave me so many opportunities, access to a great career and great mentors. They helped me to get to where I wanted to be.”

Darnell with his grandfather Uncle Eric Law, on the ADF Exercise First Look, November 2014. Image courtesy of the Department of Defence.





AIEF tertiary graduates Mitchell Heritage (Class of 2015, CBA Graduate) and Carlie Smart (Class of 2014, Director of AIEF) with Prime Minister the Hon. Malcolm Turnbull at a reception for Aboriginal and Torres Strait Islander professionals ahead of the release of the ninth Closing the Gap report in Canberra, February 2017.



AIEF Alumni Mililma May (Class of 2016) and Thomas Raymond (Class of 2015, AIEF-BHP Tertiary Scholar) welcome the new Qantas 787 Dreamliner at Sydney airport, October 2017.



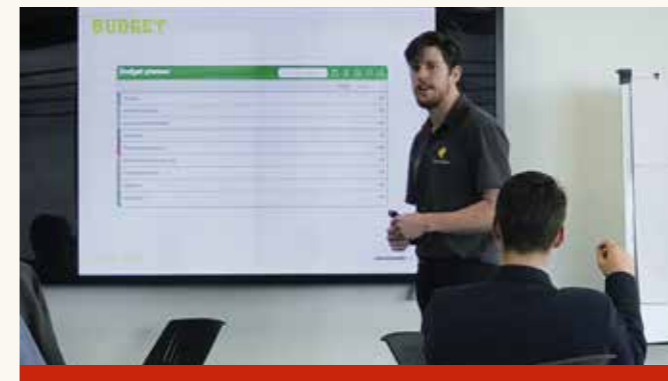
AIEF Scholarship Student Leon from The Scots College meeting the President of Ireland Michael D. Higgins and Sabina Higgins after playing the yidaki (didgeridoo) at a dinner hosted by The Ireland Funds Australia in Sydney in the President's honour, October 2017.



AIEF-BHP Tertiary Scholars Niamh Moir and Neika Chatfield explore career pathways and opportunities at BHP in Brisbane, July 2017.



Adriana Gardos and Mary Shaw from Tenix with guest speaker Chris O'Donnell (Class of 2012, HSBC Graduate) at the Year 12 Graduation ceremony for students from schools in NSW, VIC and WA in Sydney, September 2017.



"HAVING A SAVINGS AND BUDGET STRATEGY WILL HELP YOU REACH YOUR LONG TERM GOALS" – BRANDON PATERSON FROM COMMONWEALTH BANK'S START SMART PROGRAM AT THE YEAR 12 LEARN IT, LIVE IT! WORK READINESS WORKSHOP IN SYDNEY, AUGUST 2017.



Students exploring their strengths and values at the Learn It, Live It! Work Readiness Workshops for Year 11 and 12 Queensland students hosted by Perpetual in Brisbane, October 2017.



Students from The Cathedral School connect with AIEF and each other at the Year 7-9 Activity hosted by AFL in Townsville, June 2017.

AIEF SCHOLARSHIP PROGRAM

NAME: Shae Williamson

AGE: 23

STUDYING: Bachelor of Science,
Central Queensland University

FROM: Emerald, QLD

After finishing high school, Shae Williamson had planned to go to university. Four days before she was due to fly to Brisbane to begin studying radiography at QUT, she found out she was pregnant with her first child. “That put a stop to those plans. Instead I started working to support myself and my family.”

After working in Emerald for four years, Shae saw her friends start graduating from university. “I looked around and thought ‘What am I doing with my life?’ and I decided I needed to go back to study.”

With two young children, a husband and a mortgage, Shae decided to study a Bachelor of Science part-time through distance education in order to work and support her family.

“Science is something I really enjoy studying and distance education has allowed me the best balance in commitments and I genuinely love it.”

In 2016, Shae applied for an AIEF-BHP Tertiary Scholarship. Determined to study full time in 2017, she knew it would be a strain on the household.

“My scholarship has helped me in so many ways. Financially, I have been able to stop work to focus on my studies, and it has made it affordable for me to put my kids in day care. I wouldn’t be able to study without the support of AIEF. With a Bachelor of Science there’s no single, clear job at the end. Now there’s a pathway for me to follow and it’s given me more direction.”

“With the extra support I’ve received my grades have improved and I’m really excelling, I have even had a paper published in a journal in only my second year at uni. If I had still been working, there’s no way I would have had the time to put into doing that, getting my work to that acceptable publishing standard.”

Over the summer, Shae also completed an internship at BHP’s Blackwater Mine, which she says was a great experience and helped clarify her career goals.

CASE STUDY

“When I was first accepted for an internship, I contacted AIEF and BHP and asked to be placed somewhere close to home so I could still see my kids. BHP was really helpful and supportive, and it’s amazing that they were willing to do that for me.”

During the internship, Shae worked on a project in the coal wash plant.


“It was very hands-on – working in the lab, doing experiments, getting dirty and having fun – and then I wrote a report that was submitted to the executive leadership. I wasn’t sure where in the mining industry I wanted to go and the internship helped me find the area where I want to pursue a career. I’ll be applying for the BHP Graduate Program when I finish university – process engineering sounds really appealing.”

Shae admits juggling motherhood and studies has been really hard, but she is resolute in her desire to succeed.

“This has been a life-changing scholarship for me. I want my children to see me as strong and independent, to grow up and appreciate what I’ve done for them. I want to show them the importance of respecting women in the workforce.”

“I want to be a role model for my kids, but I also want to be role model for all Indigenous Australians to get out there and educate themselves, stand up, break the cycle and close the gap.”

“I’m lucky because my family has always been supportive of getting an education. Not everyone has that, but AIEF will be that support for you. They’ll be your own cheer squad, which makes all the difference in the world.”



“I want to be a role model for my kids, but I also want to be role model for all Indigenous Australians to get out there and educate themselves.”

AIEF PATHWAYS PROGRAM

A successful transition from school to further study or employment can have a lasting impact on the trajectory of a young person's life and career. That is why AIEF uses the alumni transition rate – 95% in 2017 – to measure the success of those participating in our Pathways Program, which supported 826 students and alumni including 94 Year 12 and 15 university graduates in 2017.



AIEF PATHWAYS PROGRAM

Through the AIEF Pathways Program we aim to support a lifetime of success by connecting students with the AIEF network from Year 7 onwards.

In 2017, AIEF Scholarship Students attending Partner Schools in the same city continued to connect with AIEF and each other at Year 7-9 Activities. 211 mentor-student pairs took part in the Mentor Program, which pairs volunteer mentors from Corporate Partners including Commonwealth Bank, BHP, Qantas, HSBC, KPMG, Perpetual, SAP, Swire, AFL, and Allens with students from Year 10, with 29 volunteers joining and 182 continuing in 2017.

Mentors continued to contribute to the Transition Support Program, which facilitated career sessions, events and work readiness workshops for 180 Year 11 and 12 students during the year.

AIEF also worked with the Department of Prime Minister and Cabinet to deliver the Work Experience in Government Program (WEX) in Canberra for students in Years 11 and 12.

As AIEF celebrates ten years in 2018, we also recognise the generational change in our alumni network. This means broadening the support we offer as Advisors are not only helping students looking for their first job out of school or university, but also alumni looking to develop their careers, including those returning from parental leave.

In 2017 AIEF also continued to offer cadetships and internships for alumni and tertiary scholarship students. Jhdara Jones and Lachlan Harlow completed their first AIEF-HSBC Summer Work Placement in Melbourne over the 2017/18 university holiday break and Jerone Wills completed his third placement in Sydney. AIEF Alum and Tertiary Scholar Bernard Kelly continues in his role at Allens after commencing an IT cadetship in August 2017.

AIEF also implemented the Corporate Partner Employment Coordinator role in 2017 to better connect students and alumni with employment opportunities across our network of Corporate Partners.

Building a strong and supportive peer network is a priority, as the cohort of alumni expands. In 2017 AIEF hosted six Alumni Connect events and introduced new events for students in their first year out of school to reaffirm their relationship with AIEF, help build relationships with their peers and promote a strong support network. This has been particularly evident in Canberra where, despite AIEF having no Partner Schools, many Alumni have relocated for work and study and forged strong bonds with one another.

Harnessing the expertise of our alumni community continued to be a focus, and AIEF once again hosted the annual Yarn'n Circle, where alumni and tertiary scholars provided feedback on the Pathways Program and put forward a number of ideas, including formal roles for alumni representing AIEF.

These insights continue to shape the development of our programs and we are looking forward to implementing several of these ideas in 2018.

95%

of AIEF Alumni engaged in

CAREER PATHWAYS



THE AIEF PATHWAYS PROGRAM SUPPORTED

826

students &
alumni in 2017



INCLUDING
GRADUATES

109

TOP 8

industries for work and study:

BUSINESS / CONSTRUCTION
EDUCATION / ENGINEERING / HEALTH
HOSPITALITY & TOURISM / LAW / SPORT

32% UNIVERSITY 63% EMPLOYMENT

211

STUDENTS MATCHED
WITH AIEF MENTORS



CASE STUDIES

Britta Campion/The Australian

Nikita is pictured with fellow 2017 graduate and AIEF Scholarship recipient Bailey.

NAME: Nikita
AGE: 17
GRADUATED: Year 12 2017, St Catherine's School, Waverley
STUDYING: Bachelor of Social Work/Bachelor of Criminology and Criminal Justice, University of New South Wales
FROM: Darwin, NT

By the time Nikita had reached Year 9 she had lost all interest in school, and her attendance rate dropped below 50%.

"The school said I wouldn't be allowed to go to graduation, or couldn't be involved in certain activities. I started getting more serious and thinking, 'I need to do something and change.'"

Nikita decided to follow in the footsteps of her cousin and applied for an AIEF Scholarship to board at St Catherine's School Waverley, starting in Year 10.

"My younger cousin was already at a boarding school in Sydney and I could see how he was succeeding. My mum and my nana helped me to apply for a scholarship to boarding school and I am so thankful that I found such a supportive and friendly environment. All the girls in the boarding house are like my sisters."

By the time she was in Year 11, Nikita was a House Official. In Year 12 she was elected a school Prefect.

Nikita says the support she received through the Transition Support Program helped her finish her schooling and smooth her path to university, where she's studying a combined Bachelor of Social Work and Bachelor of Criminology and Criminal Justice.

"AIEF made me appreciate and value education so much more than I ever imagined."

"If I didn't have the opportunity with AIEF, I don't think I would have finished school. None of my friends from back home finished Year 12."

"My Pathways Advisor was amazing. She really helped me with applying for my courses and applying for uni, she was so supportive. She would check in and see how I was going and would send me checklists and helped me put together my applications."

"I did a university pre-program last year and she helped me to apply for that as well. That helped me get into my course that I'm in now, I don't think I would have otherwise. Then coming in, I wasn't too nervous about starting uni because I had already met so many people through the pre-program."

Nikita now lives on campus in college at university.

"AIEF made me appreciate and value education so much more than I ever imagined. The opportunity has made me a stronger person and has greatly increased my confidence."

"When I finish my degree, I really want to work in the Indigenous justice space. I want to work in detention centres, or with kids before they start heading into that area – programs to help get them off the streets, keep them out of trouble, and help get them to boarding school, because it's such a great opportunity."

Nikita encourages young Indigenous students to take hold of the possibilities offered by an AIEF Scholarship.

"Never say no, because you never know what door you're closing or what opportunity you're missing."

"There are five of us at boarding school now, me and my sister and three of my cousins, one who's in Year 12 now. The two littlest ones are at home, but they'll be going to boarding school next year. I do think we've been role models for the younger ones. We're showing them what's possible."



NAME: PJ
AGE: 18
STUDYING: Year 11, 2017, Scotch College, Melbourne
FROM: Wadeye, NT

PJ was 14 when he applied for a scholarship to attend Scotch College, Melbourne. Hailing from the remote community of Wadeye, about 400km south west of Darwin, PJ was a little nervous, but mainly excited about going to a large boarding school and living in the city.

Now in Year 12, PJ's favourite thing about Scotch is the friendships he has made.

"I love hanging around with friends in the boarding house from everywhere – from overseas, from around Australia. And I love sport; there's a lot of camaraderie there, everyone gets around and supports everyone."

One of his close mates, who shares his love of AFL, is his AIEF Mentor Gareth Whitten, a Senior Software Development Engineer at Allens.

Gareth first heard about the AIEF Mentor Program at work. "I had a chat with my family and my two older kids encouraged me. I wasn't sure how they would react, or if it was something I should do, but they both thought I'd be a good mentor to someone."

Gareth and PJ both arrived early for their first meeting and circled the block, unknowingly passing one another again and again. "When I saw PJ inside I thought, 'There you go, we've both been doing the same thing!' When we got in there, we were both a bit nervous, but he's pretty easy to talk to; I was quite lucky with who I got matched with."

For PJ, Gareth is someone he can talk to about anything. "We chat about school work, how his work is going; sometimes we kick the footy around on the oval at school. The best thing about Gareth is he's very talkative, but I can tell him things that for me are quite private, we've become really close."

They talk about life at boarding school, and back home. "I'd like for Gareth to come to Wadeye. I'd show him the rock art sites, rock paintings, take him fishing. I think he'd be alright at it, you just need patience with fishing."

Gareth says PJ is both "a typical teenage boy" and an impressive young man with maturity beyond his years. "During the school holidays when he goes back home, PJ actually does mentoring for some of the kids in the community that maybe have run into a little bit of trouble, a kind of youth work with a group in his town. They might go out bush for a few days to help these young guys and girls sort themselves out a little bit. It's pretty gobsmacking that a kid of 18 is doing something like that. I've just turned fifty and I'm just coming to mentoring. But that's PJ. If he puts his mind to something, he'll just blitz it."

"Get to know your mentor well; talk to them. They'll support you in the years to come."

PJ's advice to other students is to build a strong relationship with your mentor as there are many things you can learn from them. "Get to know your mentor well; talk to them. They'll support you in the years to come. They'll help you with study. Gareth says if I ever need any help to just call him or text him. He's told me, with Year 12, to make sure I do a bit of work each night, take things as they come, but to enjoy it as it's the last time I'll be at school."

For Gareth, mentoring has been a much easier and relaxed process than he thought it would be. "It's very rewarding and nowhere near as difficult as you might think. I don't know if it's just PJ, but our relationship is very easy. It's basically just having a chat with somebody and forming a friendship."

After finishing Year 12, PJ intends to spend some time travelling the world before returning to spend time with his family in his home community, and considering courses at university.

Gareth says, "PJ is going to go far. It's not just helping him, it's also about helping him achieve whatever he ends up doing and the broader impact that will have. He will be magnificent."



Preparation. Punctuality. Presentation. The team from Allens on how to ace an interview at the Year 12 Learn It, Live It! Work Readiness Workshop with students from WA, NSW and VIC schools in Sydney, August 2017.



“HE’S TAUGHT ME THAT NO MATTER HOW HARD THE JOB IS, YOU JUST HAVE TO KEEP GOING. YOU NEVER KNOW YOU COULD END UP BEING ONE OF THE MOST SUCCESSFUL PEOPLE IF YOU JUST STICK AT IT.” – 2017 YEAR 12 GRADUATE PADDY FROM ST JOSEPH’S NUDGEES COLLEGE ON HIS MENTOR JARROD HAWKINS FROM SWIRE COLD STORAGE.



“MY MENTOR HAS OPENED UP A WORLD OF OPPORTUNITIES. I KNOW SHE’LL BE THERE FROM NOW ON.” - 2017 YEAR 12 GRADUATE NATASHA FROM CLAYFIELD COLLEGE ON HER MENTOR HAYLEY LOCK FROM KPMG.



Wyatt Cook-Revell (Class of 2016, AIEF-BHP Tertiary Scholar) meets Editor-in-Chief Paul Whittaker at The Australian’s Competitive Advantage Forum, held in partnership with BHP, November 2017.



“I CAN TALK TO LIS ABOUT ANYTHING AND NOT FEEL EMBARRASSED; I KNOW SHE’LL BE UNDERSTANDING.” – 2017 YEAR 12 GRADUATE CAITLIN FROM ST VINCENT’S COLLEGE, POTTS POINT, ON HER MENTOR LIS MILLER FROM SAP.



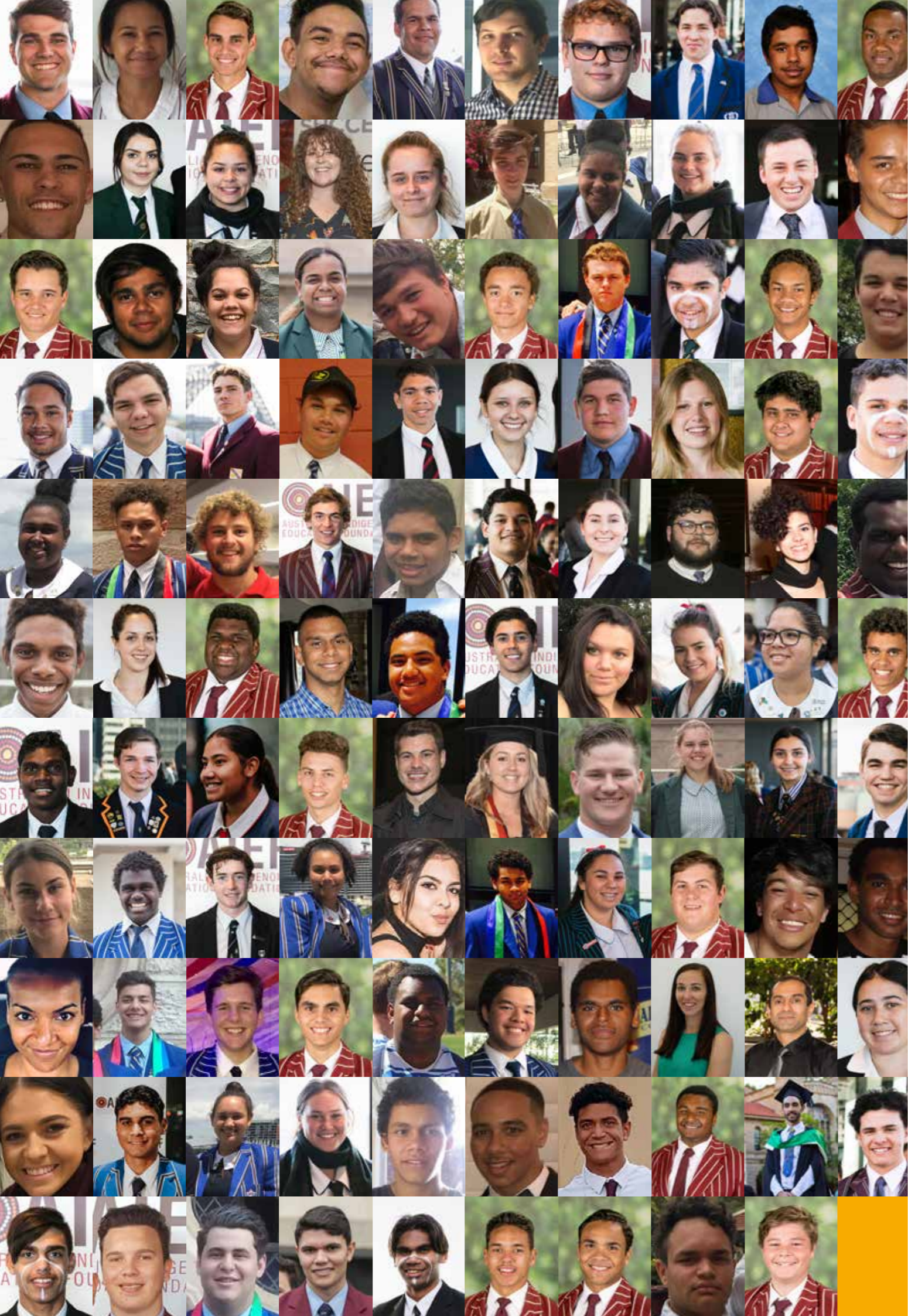
“BEING PART OF AIEF AND BEING PROVIDED OPPORTUNITIES LIKE THIS HAS REALLY OPENED MY EYES.” – AIEF ALUM JERONE WILLS (CLASS OF 2014, AIEF TERTIARY SCHOLAR) ON HIS AIEF-HSBC SUMMER WORK PLACEMENT IN BRISBANE, FEBRUARY 2017.



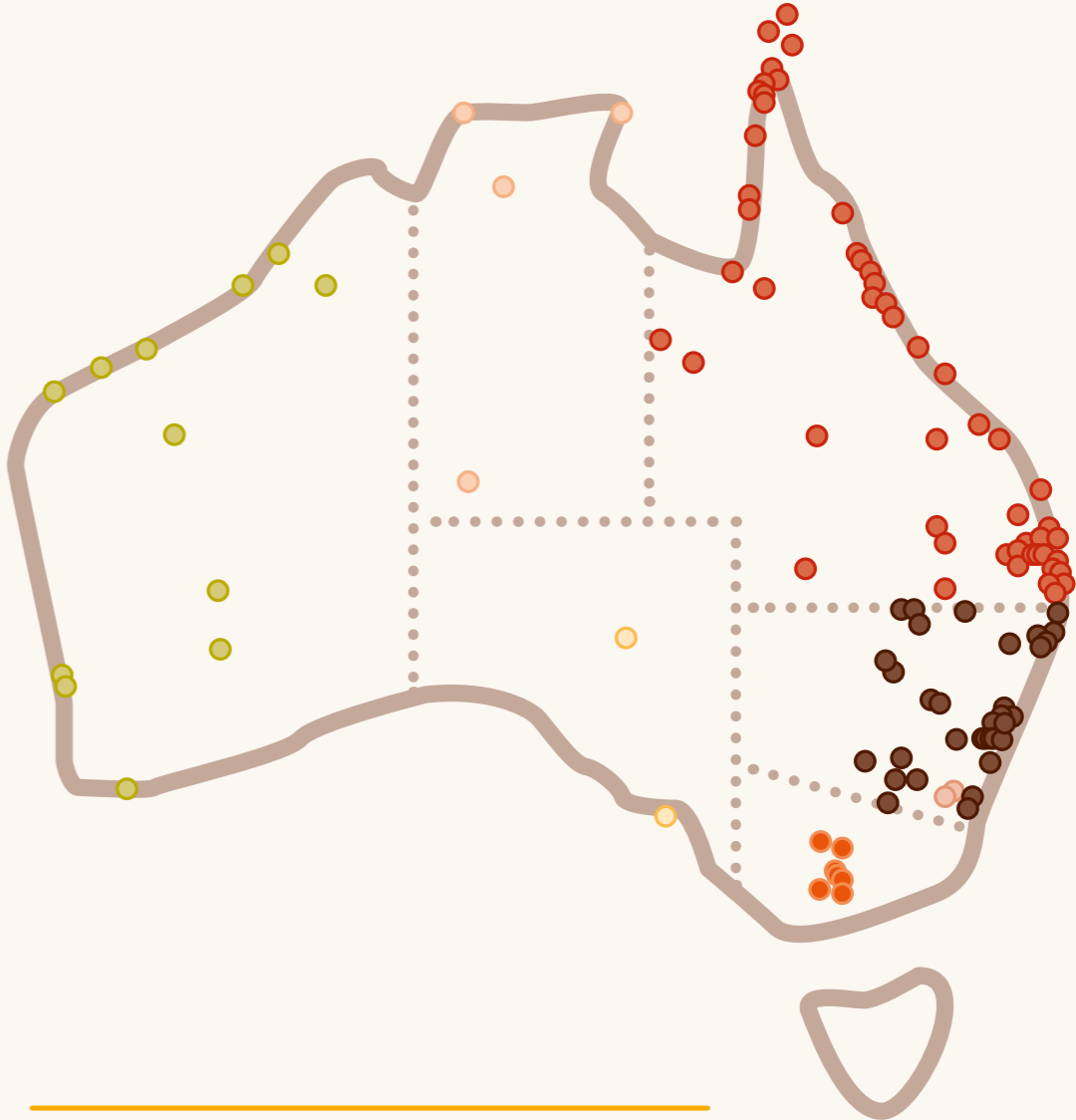
“SURROUND YOURSELF WITH TEACHERS AND PEOPLE WHO WILL SUPPORT YOU.” - FORMER OLYMPIAN CATHY FREEMAN OAM FROM THE CATHY FREEMAN FOUNDATION WITH YEAR 11 STUDENTS FROM ST JOSEPH’S NUDGEES COLLEGE AT THE LEARN IT, LIVE IT! WORK READINESS WORKSHOP IN BRISBANE, OCTOBER 2017.



AIEF Scholarship Students Kymberley, Ella and Ivana from Seymour College, Adelaide explore the science of DNA at the Garvan Institute immunogenomics lab in Sydney with Senior Research Officer Dr Joanne Reed, October 2017 – thanks to AIEF Ambassadors Julia and Ruth Ritchie from The Bill and Patricia Ritchie Foundation for making it possible!



OUR 109 GRADUATES IN 2017 JOIN A NETWORK OF ALUMNI LIVING, WORKING AND STUDYING ACROSS AUSTRALIA.



Including 25% in their home community.

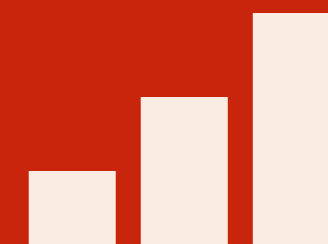
2017 FINANCIAL SUMMARY

The Financial Report for the year ending 31 March 2018 highlights AIEF's financial performance in three key areas: funding, investments and costs.



FUNDING

As at 31 March 2018 AIEF has raised a cumulative total of \$164 million. This represents an increase of \$35 million in reportable income and pledges since AIEF's 2016 Annual Report.



INVESTMENTS

AIEF continued to implement its conservative investment strategy focused on protection of capital and risk minimisation, and its investment portfolio generated investment earnings of \$2.6 million representing a return of approximately 3.02% during the year.



COSTS

AIEF's low cost base continues to set a benchmark across the non-profit sector, with AIEF having spent an amount equivalent to only 1.3% of its scholarship funding on total administration costs to date after other income generated by AIEF for costs is taken into account.

KEY HIGHLIGHTS TO DATE	\$
Funding target for Scholarship Program	166 , 000 , 000
Total scholarship funding to date	155 , 863 , 930
Scholarship funding required to meet target	10 , 136 , 070

FUNDS RAISED TO DATE	\$
Government scholarship funding	83 , 000 , 000
Investment income in government scholarship fund	4 , 644 , 758
Non-government funding in scholarship fund	51 , 488 , 852
Investment income in non-government scholarship fund	7 , 666 , 059
Investment income in operating account	2 , 468 , 920
Fee for service income	5 , 583 , 712
Pledged contributions	9 , 019 , 432
Total funds raised to date	163 , 871 , 733
Total equivalent expenditure to date from scholarship funding (2007-2017)	2 , 053 , 450

AIEF provides evidence that the private sector has an appetite to invest in strategies to help close the gap and to invest in a joint venture with the public sector that is efficient, effective, proven and low-cost.

CAPITAL RAISING

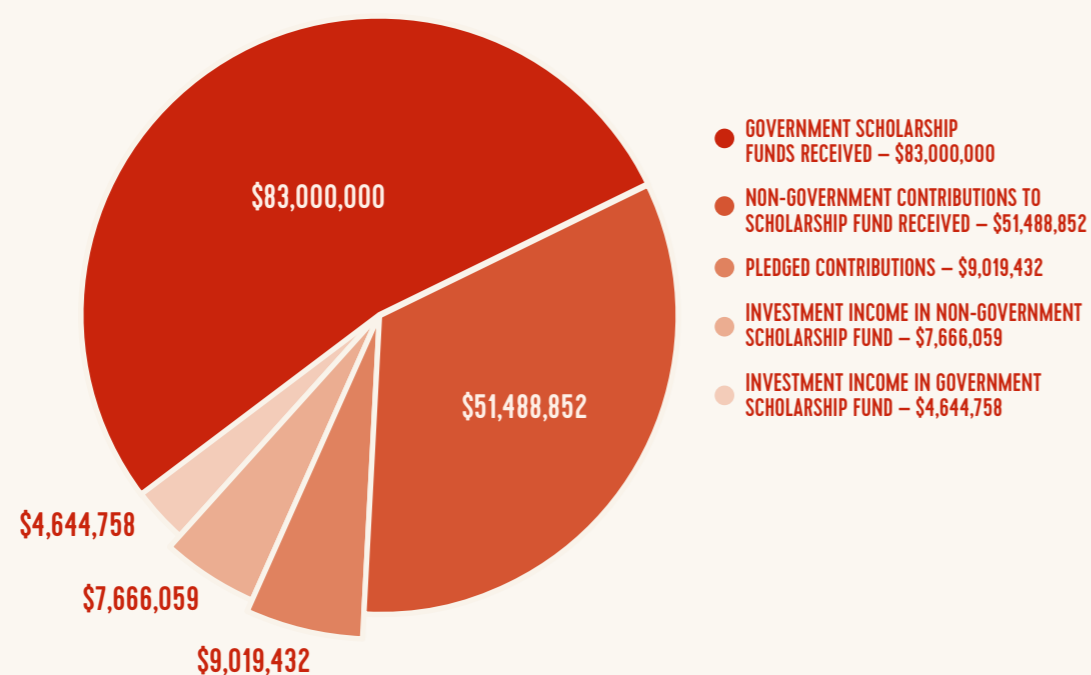
Under the contract AIEF entered into with the Australian Government in 2009, the Australian Government committed to invest \$20 million over three years. This was subsequently increased to \$22 million in 2012, \$32 million in 2013, \$38 million in 2015, \$53 million in 2016 and \$83 million in 2017.

AIEF committed to use its best endeavours to match this \$83 million in Government funding over a period of 20 years, with an undertaking to raise \$5 million in the first five years. AIEF took this commitment seriously, and as at the end of March 2018, less than nine years since signing the contract with the Australian Government, AIEF has raised \$156 million towards the contracted \$166 million 20-year target, with cumulative cash and pledges standing at \$156 million and fees and other income at \$8 million, for a cumulative total of \$164 million.

Existing funds are allocated to support current scholarship commitments and AIEF needs to raise additional funds to create more opportunities and support more outcomes for more Indigenous students.

AIEF is indebted to its visionary and committed partners for supporting its work. AIEF is backed by more than 3,000 financial supporters as well as hundreds of program partners and volunteers and dozens of pro bono and in kind supporters. AIEF's model of engaged collaboration is built on best practice partnership principles and this approach, and the support of its partners, is fundamental to its success.

AIEF'S \$166 MILLION FUNDING TARGET (REACHED \$156 MILLION IN TOTAL)



INVESTMENTS

AIEF has delivered a satisfactory performance by proceeding with caution and diligence in a defensive portfolio predominantly in cash, to deliver an investment return of around 3.02% in 2017. Total investment returns over the past nine years amount to over \$14.8 million.

AIEF believes that its investment function is to protect and preserve the money contributed to its programs and to be prudent, conservative and diligent with investments so that it can apply the funds for the purpose they were contributed – the education of Indigenous students.

In addition to its investment portfolio, some listed equities have been donated in-specie to AIEF to hold for dividend income. Those equities fall outside AIEF's investment portfolio since AIEF is directed to retain those shares to generate ongoing dividend income in accordance with the wishes of the donor and AIEF did not pay any consideration for these shares. These shares decreased in value in 2017.

AIEF has a professional and experienced Investment Committee chaired by AIEF Director Rob Coombe, Executive Chairman of the Generation Development Group and also including AIEF Director Greg Cooper, CEO of Schroder Investment Management Australia Ltd; asset allocation expert John Schaffer; and AIEF's Executive Director and former investment banker Andrew Penfold AM. The AIEF Investment Committee maintains discussions and market monitoring to ensure investments are appropriate for the AIEF business model and objectives.

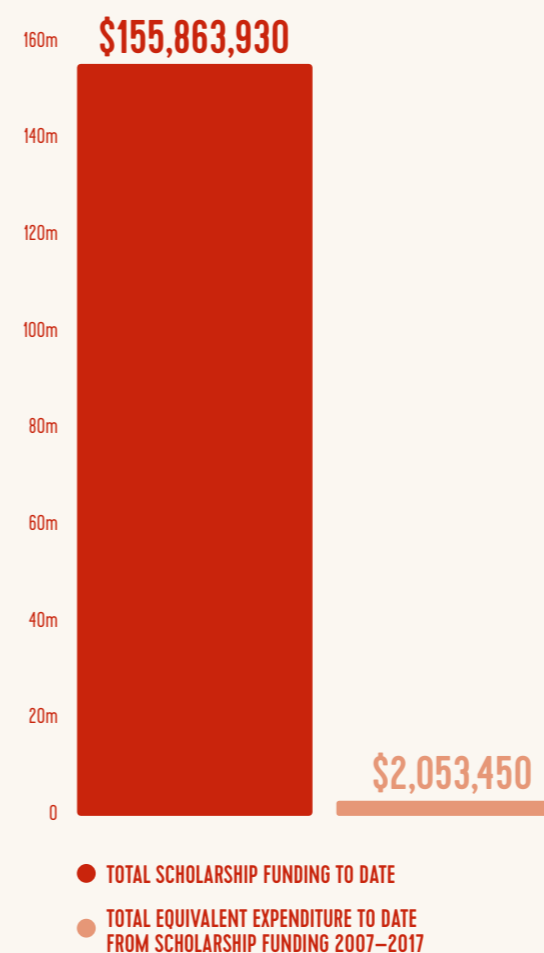
COSTS

AIEF's low cost base continues to set a benchmark across the non-profit sector, with AIEF having spent an amount equivalent to only 1.3% of its scholarship funding on total administration costs to date after other income generated by AIEF for costs is taken into account.

AIEF generates income to meet its total operating costs (i.e. all costs other than scholarship distributions) from a number of sources including a proportion of scholarship donations and investment returns, administrative and other fees for services, contributions made specifically for capacity costs and investment income in the AIEF operating account.

Total equivalent expenditure to date from scholarship funding (2007-2017) represents AIEF's total operating costs from 2007 until 31 March 2018, once total income generated for operating costs from all sources other than scholarship contributions is taken in to account.

EQUIVALENT SCHOLARSHIP FUNDING AND COSTS 2007 – MARCH 2018



ACCOUNTS

Under the legal, regulatory, tax and contractual framework AIEF operates within, AIEF is required to keep various separate books of account and segregation of funds (for example segregation of government and non-government funds) for accounting, investment, distribution and treasury functions. AIEF's statutory accounts comply with all such requirements in full and are always filed within the required legal and regulatory timeframes.

For the purposes of this Annual Report, AIEF has summarised its statutory accounts into two convenient components as follows:

1. The AIEF Scholarship Program, which contains details of all income, expenditure, assets and liabilities relating to that program from both government and non-government sources; and
2. The AIEF Corporate Account comprising the financial statements for AIEF's operating accounts where all operating income and expenses are captured.

The business model for the AIEF Scholarship Program creates a scholarship fund which will be invested and distributed for Indigenous scholarships over a number of years. When funding is received for the AIEF Scholarship Program, 15% of the funding amount is transferred to the AIEF Corporate Account to contribute to operating costs over the same period. Similarly, 15% of investment earnings of the Scholarship Program accounts is transferred to the AIEF Corporate Account.

AIEF SCHOLARSHIP PROGRAM STATEMENT OF INCOME AND EXPENDITURE FOR YEAR ENDING 31 MARCH 2018

Income	2018 \$
Government funding for scholarships	24,000,000
Government establishment grant contribution	6,000,000
Non-government funding for scholarships	3,365,139
Non-government capacity donations	235,131
Investment earnings	2,034,282
Total income	35,634,552
Expenditure	
Capacity donations to Corporate Account	235,131
Allocation to Corporate Account	6,820,374
Total expenditure	7,055,505
Operating surplus	28,579,047
Distributions	
School scholarship distributions	9,966,434
Tertiary scholarship distributions	1,345,774
Total distributions	11,312,208
Surplus/(Deficit)	17,266,839

AIEF's operating income is supplemented by income generated from other activities undertaken by AIEF to ensure AIEF can continue to operate on a sustainable basis. This other income is shown in the AIEF Corporate Account as 'fee for service income'.

Whilst scholarship funds are being raised, AIEF is also distributing scholarship funds each year. AIEF's average net scholarship cost is approximately \$23,500 per student per annum, which includes the net amount we fund for boarding and tuition fees; incidentals such as uniforms, books, extra-curricular activities, camps and excursions; and support for work readiness training, mentoring and post-school transition support. In 2017, AIEF distributed a total of \$11.3 million in scholarship funds.

In addition to the net assets shown above, AIEF has \$9.1 million in pledges already committed to AIEF as at 31 March 2018 but not shown in AIEF's official accounts until the time of receipt.

AIEF SCHOLARSHIP PROGRAM BALANCE SHEET AS AT 31 MARCH 2018

	2018 \$
Retained funds as at beginning of year	43,633,293
Revaluation of equities donated in-kind	-190,000
Surplus for the year	17,266,839
Total scholarship funds	60,710,132
Represented by:	
Bank and term deposits	50,916,991
Scholarship fund balanced investments	10,541,398
Equities donated in-kind	433,000
Interest receivable	317,855
Donations receivable	245,266
Other receivables	10,714
Total assets	62,465,224
Scholarships payable	1,755,092
Total liabilities	1,755,092
Net assets	60,710,132

AIEF CORPORATE ACCOUNT

The AIEF Corporate Account is the operational limb of the AIEF financial statements. For simplicity and transparency, all operating income and operating expenditure is accounted for in the AIEF Corporate Account.

As at 31 March 2018, AIEF had a total staff headcount of 33, representing 31 staff on a FTE basis.

AIEF CORPORATE ACCOUNT STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDING 31 MARCH 2018

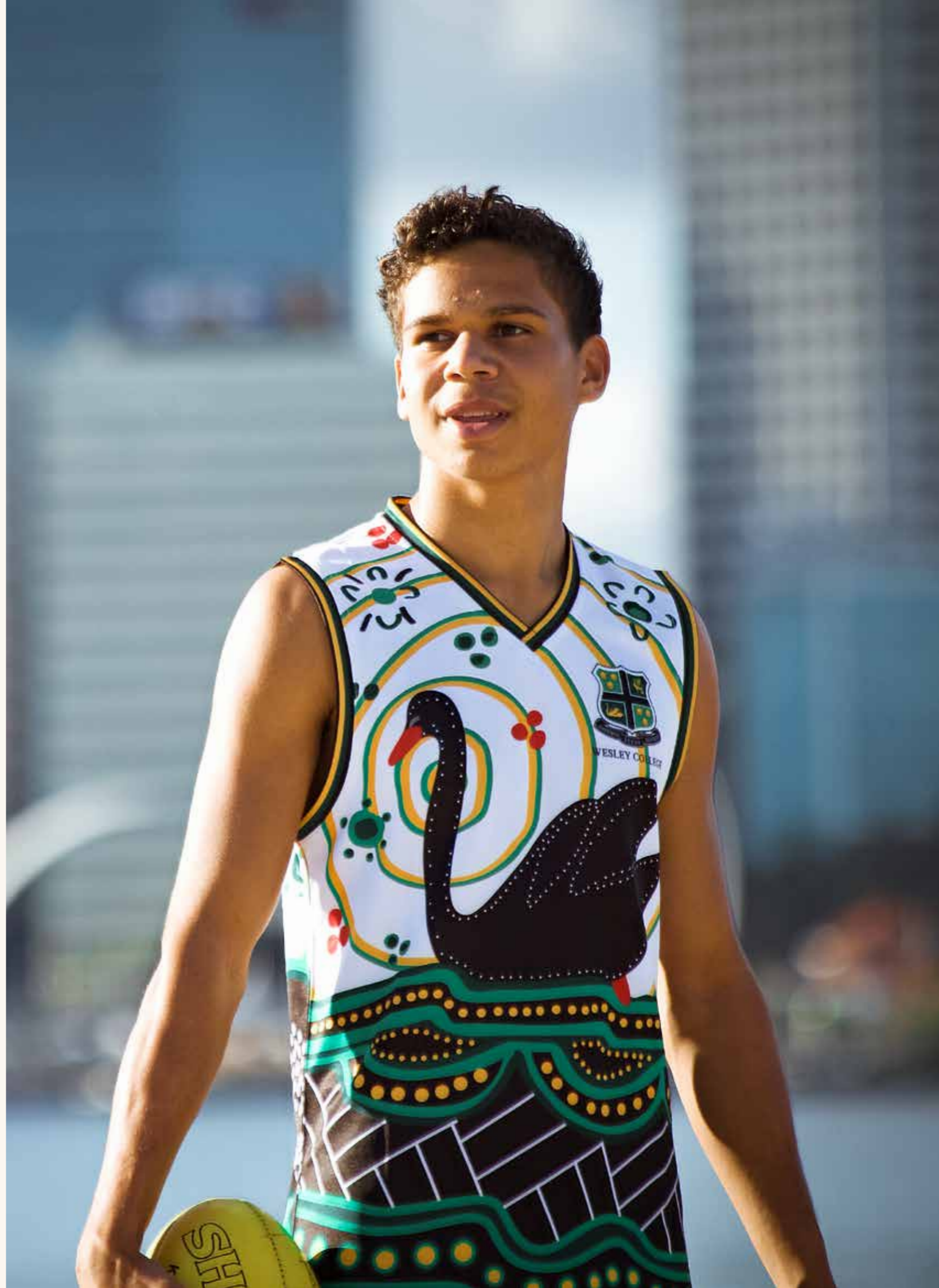
Income	2018 \$
Capacity donations	235,131
Costs contribution from Scholarship Program	6,820,374
Fee for service income	747,965
Investment earnings in Corporate Account	546,842
Annual Pathways Support Amount	2,375,484
Total income	10,725,796
Expenditure	
Staffing costs	3,406,486
Office and operating expenses	822,162
Depreciation	41,595
Accounting and legal	37,571
Total expenditure	4,307,814
Surplus	6,417,982

AIEF CORPORATE ACCOUNT BALANCE SHEET AS AT 31 MARCH 2018

	2018 \$
Retained funds as at beginning of year	15,733,455
Surplus for the year	6,417,982
Total operational funds	22,151,437
Represented by:	
Cash and term deposits	21,852,380
Interest receivable	181,175
Other receivables	355,748
Plant and equipment less accumulated depreciation	154,022
Other assets	49,005
Liabilities	
Trade and other payables	176,748
Employee benefits	264,145

AUDIT

The full financial report for AIEF for the year from 1 April 2017 to 31 March 2018 has been filed on time with ACNC in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The financial statements have been prepared in accordance with the Australian Accounting Standards and audited by BDO East Coast Partnership in accordance with Australian Auditing Standards.



GOVERNANCE AND PEOPLE



Janet Albrechtsen Mark Arbib Andrew Barkla Stephanie Brantz Jennifer Byrne Kerry Chikarovski Brett Clegg Bruce Corlett AM



Tony Cripps Patricia Cross Geoff Cundle Charles Curran AC Jenny Dean Geoff Dixon Tom Drake-Brockman Damian Eales



John Eales AM Dr Peter Farrell AM Andrew Forrest AC Janie Forrest Nicola Forrest Angelos Frangopoulos AM Adriana Gardos Stan Grant



Caroline Gurney Steve Harker John Hartigan Matthew Hayden AM Greg Hughes Catherine Hunter Alan Joyce AC Alison Kitchen



Alan Kohler Tristan Landers Liz Lewin Michael Lindsay Sharri Markson Nigel Marsh Ray Martin AM Peter Mason AM



Greg Miller Chris Mitchell David Mortimer AO David Murray AO Ian Narev Peter Nash Sir Ralph Norris John O'Sullivan



James Paterson Aden Ridgeway Julia Ritchie Ruth Ritchie Michael Rose AM John Schaffer Jillian Segal AM Mary Shaw



Ann Sherry AO Richard Spurio Martin Tricaud Peter van Onselen Geoff Walsh AO Dr Nikki Williams Geoff Wilson Frank Zipfinger

AMBASSADORS

His Excellency
the Honourable
Sir Peter Cosgrove AK MC
(Retd), Governor-General
of the Commonwealth
of Australia -
Patron-in-Chief

Professor
The Honourable Dame
Marie Bashir AD CVO

David Gonski AC



PATRONS



Warren Mundine AO - Chair Rob Coombe Greg Cooper Helen McCabe Carlie Smart Michelle Penfold Andrew Penfold AM - Executive Director

BOARD



Rob Coombe - Chair Greg Cooper John Schaffer Andrew Penfold AM

INVESTMENT
COMMITTEE

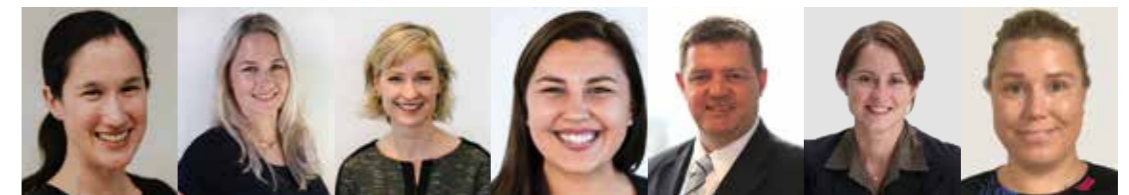


Brendon Ah Chee Craig Alt Eddie Ansell Alara Barnes Erin Boyd Renée Coffey Claudia Cowell

TEAM



James Forbes Margaret Gilroy Liz Hayes Corinna Lam Matika Little Janine Matthews Lily Mei Murray



Rebecca Ngo Natalie Nicolson Gillian Odbert Natalie Orton Andrew Penfold AM Michelle Penfold Simone Roche

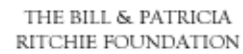


Tamara Salamacha Trista Sa'u Coby Smith-Carr Kira Spucys-Tahar Jenny Stevens Mia Strasek-Barker Fuakoko Tanielu



Alayna Walsh Tori Warkill Jason Whitfield Keith Wicks Zak Wild

OUR PARTNERS



The AIEF Scholarship Program and the AIEF Pathways Program are supported by the Australian Government in collaboration with individual, philanthropic and corporate supporters from the private sector.



Damien Milan

AIEF'S WORK AND THE PRODUCTION OF THIS REPORT HAVE BEEN SUPPORTED BY PRO-BONO WORK FROM:



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.....
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Australian Indigenous Education Foundation

JERRY FROM PORMPURAAW, QLD, PICTURED ON THE COVER OF THIS REPORT, IS ONE OF 109 GRADUATES IN THE AIEF CLASS OF 2017. HE COMPLETED HIS SECONDARY SCHOOLING AT ST JOSEPH'S NUDGEES COLLEGE AND PURSUED HIS INTEREST IN ENVIRONMENTAL MANAGEMENT DURING THE YEAR, TAKING PART IN THE EARTHWATCH STUDENT CHALLENGE SUPPORTED BY HSBC. JERRY IS CURRENTLY WORKING ON A CATTLE STATION IN NORTH QUEENSLAND.