



First Nations
Foundation

ANNUAL REPORT

July 2018 - June 2019



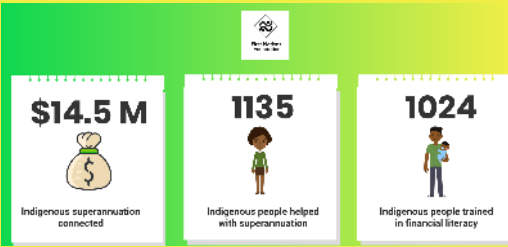
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HIGHLIGHTS

OUTREACH

RESEARCH

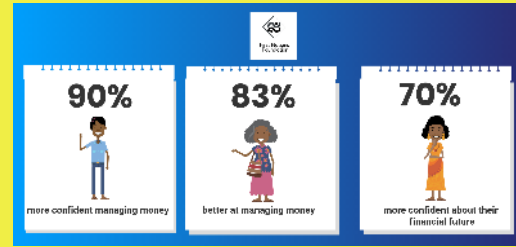
EDUCATION



\$14.5 million Indigenous superannuation located
10 locations: 8 remote
*5 in partnership with ASIC in APY Lands



Groundbreaking Money Stories research released May 2019
FNF, Centre for Social Impact, National Australia Bank



My Moola financial literacy program transition to digital program (expected release November 2019)

620

Indigenous research participants

1135

Indigenous superannuation members helped

\$14.5M

Indigenous superannuation located



1024

Indigenous financial literacy trainees

1

Indigenous Financial Wellbeing Impact Framework launch



First Nations Foundation

35

Attendees at Indigenous Financial Centre Roundtable

CLOSING THE GAP



\$33 BILLION P.A.

Productivity Commission 2016



YR 12 ATTAINMENT

ON TRACK



EARLY CHILDHOOD EDUCATION

ON TRACK



LIFE EXPECTANCY

gap widening



HEALTH

gap widening



EMPLOYMENT

gap widening

AUSTRALIAN FINANCIAL SERVICES



\$163 BILLION (2018)

Financial services 9% of Australia's GDP in 2017-2018



440,700 EMPLOYEES

25,344 advisers employed and 6,214 AFSLs



\$3.5 TRILLION

Funds Under Management



\$927 MILLION

Fintech investments 2016, over 650 start-ups



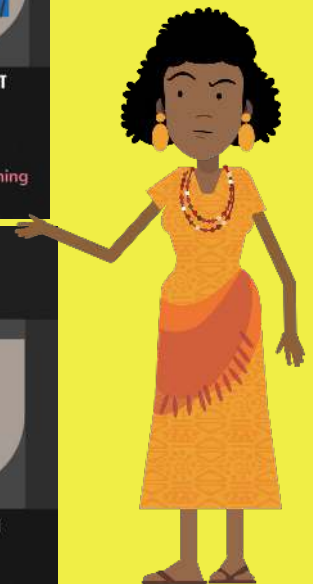
\$10 BILLION

Life insurer payments to Australians 2018



\$581 MILLION

Charity donations 2016



CHAIR REPORT

Ian Hamm



2018/19 was a year of increasing our influence in the macro-economic Indigenous policy space and reaching more Indigenous people with our national services, in a year of a Royal Commission into financial services.

In May 2019 we released the first in-depth research nationally into the financial position of Indigenous Australians: **Money Stories**. The first Indigenous iteration of the ongoing National Australia Bank research series, we revealed a national emergency was taking place: 9 in 10 Indigenous people have no financial security. The figures made national news when evidence of the enormity of the challenge was revealed for the first time. The need for the work of this foundation became even more evident to financial services, and our call for a targeted, resourced national approach began.

Leading the response to these concerning figures, our foundation presented the **Indigenous Financial Wellbeing Impact Framework** we developed in 2017 with the Indigenous community and EY, the most aspirational economic framework for Indigenous people yet seen in this nation. We aspire to more than parity or closing of gaps: our aim is for the financial health of our First Nations. We released this at a Sydney **Roundtable** attended by 35 executive participants across financial services, community and government. Our foundation is keen to partner with industry and government to effect real change to the alarming financial story of our people.

In our product offerings, we commenced and reached 80% completion of our transition to national, scaled Indigenous financial education by transforming our in-person financial program to an exciting edu-tech product. We aim to launch this in November 2019 and engage financial services, government and employers of Indigenous people to use their scale and resources to join us in turning around the finances of Aboriginal and Torres Strait Islander people. We also expanded our superannuation outreach to reunite \$14.5 million Indigenous superannuation with 1135 people as our Big Super Day Out national rollout continues to grow. It has been a busy year and our research, programs and advocacy are leading and supporting financial services and government towards overdue change.

Ian Hamm is a Yorta Yorta man on a number of mainstream and Indigenous boards including Red Cross Australia, National Trust, Aboriginal Housing Victoria and the Koorie Heritage Trust.

DIRECTORS



Raylene Belottie
WA

Raylene is a Nanda woman from Yamatji country. Raylene has spent 25 years building Indigenous financial inclusion at ANZ Bank and Credit Union Australia where she built a formidable portfolio of \$200M in Indigenous loans and term deposit accounts. Raylene has extensive national Indigenous networks.



Michelle Crawford
Vic

Michelle's experience includes youth services, microfinance, employment, education, and not for profit governance. She is currently CEO of Concern Australia. Michelle has a Masters in Social Science, Graduate Diploma in Adult Education, Bachelor of Business, and is a member of the Australian Institute of Company Directors. She also serves as a Director on the Board of Unison Housing.



Phil Usher
NSW

Phil is a Wiradjuri man, a qualified financial advisor and has consulted to over 3,000 clients. Phil has a personal mission to ensure that Aboriginal people are building long term sustainable wealth and believes this can be achieved through money and business education.

CEO REPORT

Amanda Young



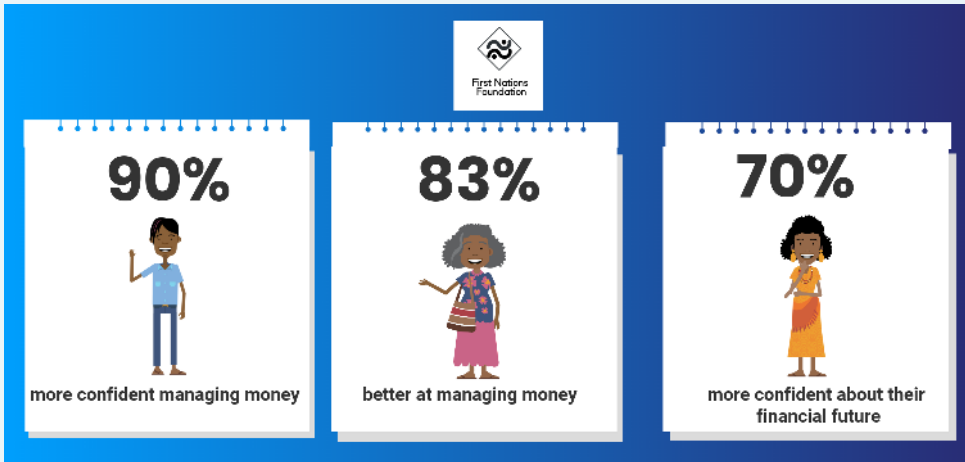
To echo the sentiments of the Chairperson, this year the foundation focused on the evidential base and innovation to change the financial plight of First Nations people. HILDA 2018 confirmed yet again Indigenous people have the lowest financial literacy in the nation and since 2016 we have been raising funds to build a digital financial program to reach Indigenous people at scale. We have succeeded this year and have built this training program for release in late 2019. Updated to reflect new fintech products, our edutech product, built entirely for Indigenous people will change the game and give for the first time access to financial training for over 650,000 Indigenous people.

We released our latest research in partnership with the Centre for Social Impact and NAB which clearly showed the financial stress on First Nations people, the uptake of dangerous high cost credit at over 20 times the rate of the mainstream, 52% have nil savings, low rates of insurance and low financial knowledge.

Financially we posted a profit/loss of \$201,000. In the next financial year we face revenue headwinds as the impact of the Royal Commission into Financial Services continues to reverberate. We have been funded by the financial sector the past 6 years and hope this will continue, particularly now we have built the foundation and prepare for growth.

Amanda Young is a lawyer, social entrepreneur and an Atlantic Fellow in Social and Economic Equity at the London School of Economics.

INDIGENOUS FINANCIAL LITERACY TRAINING

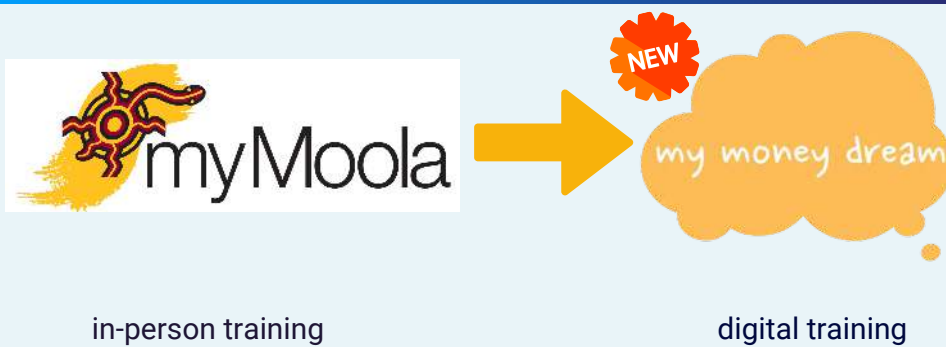


In 2018/19 we transitioned My Moola in-person training to My Money Dream digital training for public release in late 2019. This training has been built for financial services to offer to their customers, employers to their staff, and government to their programs.

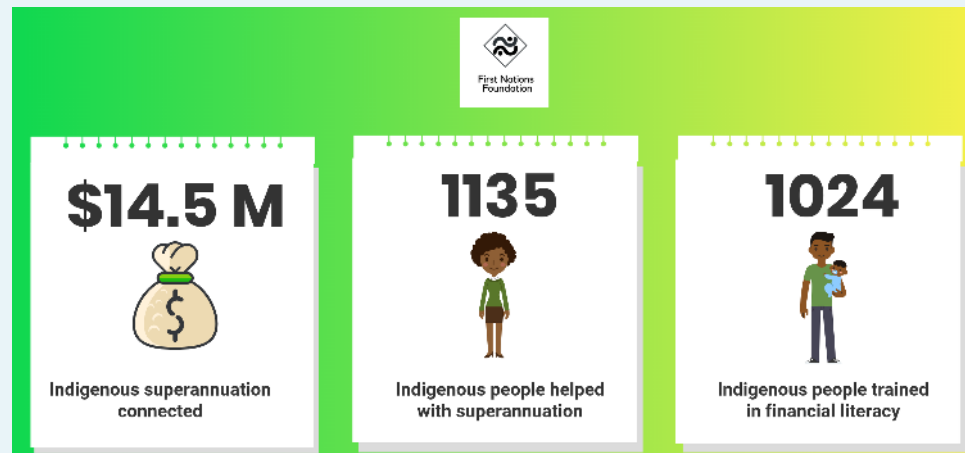
We trained 1024 people nationally using the in-person format. Each person trained reported they shared learnings with 5.6 people, with total impact of 5760 people. Our learners also reported stunning behavioural change that comes from a product that incorporates cultural relevance. (See left.) We aim to take this success forward on a scaled level.

When 1 in 2 Indigenous people are in financial stress, expensive interventions such as Cashless Debit Cards are government policy, it makes sense to invest into the financial knowledge of First Nations people. Without it, none of the terrible headline statistics of 9 in 10 lacking financial security (compared to only 1 in 10 mainstream) can be changed.

Our foundation is motivated to create this product as a bridge between financial services and First Nations, to be a point of offer and contact to start engaging with each other and improve the reality of 3 in 4 Indigenous people having trouble navigating financial services.



SUPERANNUATION OUTREACH



There is a good reason we won an award for this program. It is a stunning success and continues to go from strength to strength.

We recognised Indigenous people were not maximising the potential of their retirement savings. Worse, many did not know this mandatory scheme existed at all or had lost track of their savings.

We have three secret weapons: the trust of the Indigenous community to talk about superannuation, the respect and collaborative relationships with the superannuation sector and the commitment to do something about it. That is how we created the most successful superannuation reuniting program in the country, including mainstream. We took the ATO and superannuation funds to communities in remote Far North Queensland (Aurukun, Hopevale), Cairns, Palm Island and Brisbane, and through a partnership with ASIC Indigenous Outreach Program which led in Central Australia, also brought our partners to five remote Anangu communities. We hope to extend the program to Northern Territory and Western Australia in 2019.



4

LEADERSHIP

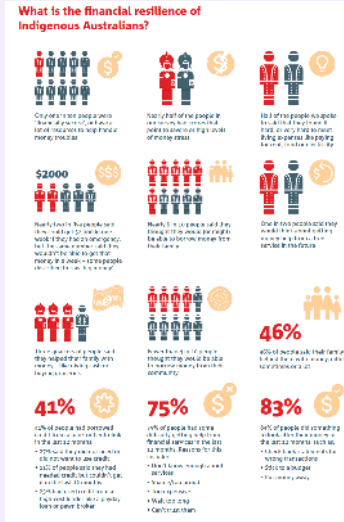


Advocacy

- Indigenous Financial Wellbeing Centre + Strategy roundtable Sydney May 2019
- Plenary keynote Canadian national AFOA conference 2018
- FCA Indigenous Forum 2019 Melbourne



Research



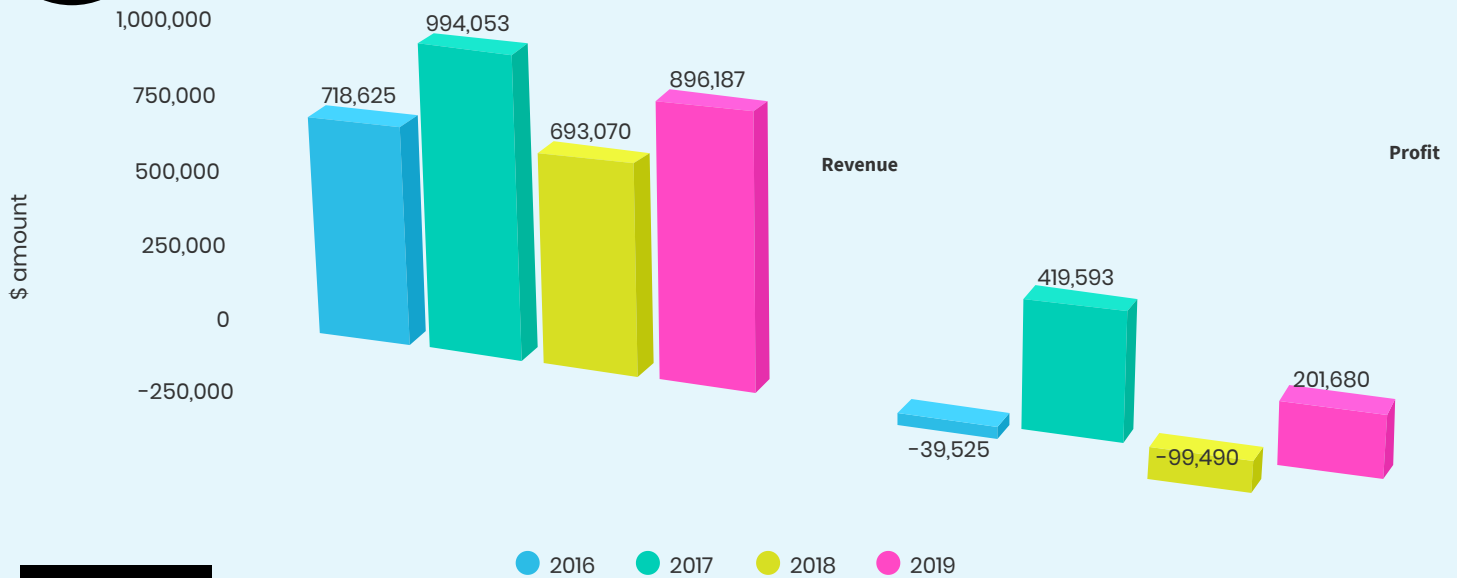
Money Stories has changed the way financial services and governments understand the relationship between Indigenous people and money.

It is particularly powerful because for the first time we could compare the Indigenous experience to the mainstream. Our research partners CSI and NAB have done Australian financial resilience research for years and committed to understanding the Indigenous experience. We now have data to demonstrate where and how financial services and Indigenous people can work together for better financial wellbeing:

- 1 in 2 Indigenous people in financial stress (mainstream 1 in 10)
- 52.5% Indigenous people have nil savings (mainstream 13.5%)
- 23% Indigenous people use high cost credit (mainstream 1.9%)
- 9 in 10 Indigenous people have no financial security (mainstream 1 in 10)
- 36.7% Indigenous people have no insurance (mainstream 10.3%)

5

FINANCES



Funding sources

- Financial services donations: 99.8%
- Government 0%
- Other donations .01%
- Major partners: Credit Union Australia, Financial Services Council
- Sponsors: AIST, AustralianSuper, Cbus, HESTA, Christian Super, Suncorp, Future Super, QSuper, LGIA Super.



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