

MAKING A LASTING --- IMPACT

SUPPORTING THE
EDUCATION OF MORE
DISADVANTAGED
AUSTRALIAN
CHILDREN



MAKING A LASTING IMPACT

The Smith Family provides long-term educational support for disadvantaged Australian children and young people. Our support starts in a child's early years, working with their family and community to prepare them for school. When a child is at school, we make sure they have the resources and support they need to attend regularly, engage in learning and be motivated to stay at school until they complete Year 12. At the same time, we support parents by giving them the skills and confidence to encourage learning at home and to engage positively in their child's education. Because we measure and track the outcomes of our work, we know our long-term, targeted approach is helping disadvantaged students to build better futures for themselves.

By improving their educational outcomes, our work is having a lasting impact on young Australians in need. With the help of our supporters, we have reached more disadvantaged children, and helped them to break the cycle of disadvantage.

OUR VISION

A better future for young Australians in need.

OUR MISSION

To create opportunities for young Australians in need by providing long-term support for their participation in education.

OUR BELIEF

Every child deserves a chance.

VALUES

| | |
|----------------|------------------------|
| Respect: | We are caring. |
| Integrity: | We are ethical. |
| Collaboration: | We work together. |
| Innovation: | We are dynamic. |
| Excellence: | We strive for quality. |





Melanie

Melanie has been sponsored through The Smith Family's *Learning for Life* program since 2008.

Inset: Year 6
This page: Year 7
Cover: Year 10



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WE ARE CREATING LASTING CHANGE FOR MORE DISADVANTAGED YOUNG PEOPLE

THE PROBLEM

In Australia today, 1.1 million children and young people live in poverty.¹ Not having food to eat or being homeless are outward signs of poverty, but all too often poverty is hidden. That's why it can be hard for many Australians to comprehend it, let alone understand its impact.

We know from our work that the effects of poverty go beyond a child's home life, affecting their schooling. Without the basic items they need for school, such as books or a uniform, a child can feel like they don't fit in or belong. Many children growing up in disadvantaged households do not have access to early learning experiences and resources. This means that when they start school, they may already be behind in basic skills such as reading or numeracy. Then as each year passes, they can fall further behind their classmates. Not being able to keep up at school can lead to children becoming disengaged from learning. Or worse, they may drop out altogether. Without the skills or qualifications they need for a job, these young people will end up with poorer life outcomes overall.

This stark picture can be the reality for one in every seven children in Australia.

OUR SOLUTION

Around 30 years ago, The Smith Family began shifting away from providing traditional welfare support to using an evidence-based approach that aims to stop intergenerational poverty.

Our solution is to provide extra out-of-school educational support for disadvantaged children. We begin providing this support before children even start school, and continue until formal education ends. Recognising that parents are their child's first teacher, we also help parents gain the confidence and skills they need to support their child's early learning.

Our focus today is on creating lasting change. For a disadvantaged child to have a chance to achieve a better future, they need long-term educational support.

OUR STRATEGY AND AMBITION

In 2012–13, we launched our first Five-Year Strategy to achieve our vision of: *a better future for young Australians in need* and our mission: *to create opportunities for young Australians in need by providing long-term support for their participation in education.*

We marked the final year of this strategy in 2016–17. In this annual report, we review our progress against the key measures we set and highlight some of our key achievements.

As part of the strategy, we outlined an organisation-wide ambition: *to ensure the effectiveness of our programs and to increase our reach to help support more disadvantaged children, young people and their parents/carers.*

Five years later, we are delighted to confirm that we have achieved our ambition. Our constant focus on measuring our progress and outcomes is the foundation for this achievement. This report shows our program outcomes and significant funding success, which have enabled us to offer effective programs to a greater number of children and young people.

This year we received a four-year funding commitment of \$48 million from the Australian Government which will enable 24,000 additional students to join our *Learning for Life* education program by 2020.

In the final year of our 2012–17 Five-Year Strategy, we are delighted to confirm that we have achieved our ambition: *to ensure the effectiveness of our programs and to increase our reach.*

¹ *Poverty in Australia 2016*, Australian Council of Social Service and the Social Policy Research Centre.

² *Generation Stalled: Young, Underemployed and Living Precariously in Australia*, March 2017, Brotherhood of St Laurence



The Smith Family Chairman Christine Bartlett with Chief Executive Officer Dr Lisa O'Brien.

We began recruiting new students for the program in late 2016 and now have 5,491 additional participants. Previous funding commitments from the Australian and Victorian governments also enabled us to substantially expand our proven early mathematics program *Let's Count* in 2016–17 with more than 19,600 children participating throughout the year. We would not have been able to attract this government funding without evidence that our programs are highly effective.

The theme for the final year of our strategy was 'leveraging' – focusing on our outcomes, research, data and practice to ensure continuous improvement in our work with children and their families.

The commitment of existing supporters and recruitment of new supporters remain vital to our ongoing sustainability. Our fundraising has a strong focus on attracting new sponsors, as every student brought onto the *Learning for Life* program needs long-term sponsorship.

CHALLENGING TIMES

Our organisation helps disadvantaged young people to finish school and enter the workforce. Yet these are very uncertain times, particularly for young people trying to get started in a viable career.

The unemployment rate for those aged 15–24 climbed during the global financial crisis and has remained at about 13%, more than double the national average of 5.7%.²

Technology, globalisation and shifting demographics are radically transforming the world we live in, including the world of work. And although this new world presents opportunities, the families we support face significant challenges in realising them.

With advances in technology, jobs are rapidly changing and some are disappearing altogether. And as entire industries close, there will be fewer entry-level jobs, which will mean fewer jobs for people who leave school early or who have low-level skills.

We know that young people from disadvantaged backgrounds often lack networks and personal support to help them break into an increasingly competitive job market. Young people living in our poorest suburbs and towns also lack access to technology and the internet. This affects their ability to study, learn and ultimately secure meaningful work in their chosen field.

Unless steps are taken to support these young people to build their social and cultural capital, and assist them to be competitive in an increasingly unpredictable labour market, many will face long-term unemployment or underemployment. This will come at a substantial cost to these young people and to society as a whole.

A WHOLE-OF-COMMUNITY RESPONSE

The Smith Family recognises that a strategic whole-of-community response is required to ensure that young Australians in need can meet these challenges and achieve a better future.

We are focused on boosting the digital access and digital literacy skills which young people must have for their education and to transition successfully into work. Our new *Digital Access Program* is designed to support students (and their families), providing them with the digital access and skills they need for their education and future success.

For our young people to transition successfully from school into jobs, we need to work with them while they're still at school, to improve their job readiness and employability skills. We facilitate industry connections for young people, a critical step in helping them to build supportive networks and imagine a different future from what they see around them.

This year, more young people participated in meaningful work experience programs such as *Work Inspiration* (supported nationally by our new corporate partner, the Audi Foundation) and *Cadetship to Career*. We developed the latter through a partnership with the Business Council of Australia to provide more than 50 tertiary students from disadvantaged backgrounds with four-year cadetships and the opportunity to do paid work experience with one of the council's member companies. This year, both programs gave young people a great opportunity to kickstart their careers.

RECONCILIATION ACTION PLAN

Our practice was further supported through the development of our third Reconciliation Action Plan (RAP). Our new RAP sets out practical actions that we are taking to build strong relationships, create opportunities and build ongoing respect between cultures. Our RAP signals our commitment to collaborative and respectful engagement with Australia's First Peoples and to addressing the educational inequities experienced by Aboriginal and Torres Strait Islander peoples.

INNOVATION

Our best-practice definition of innovation is 'change that adds value', and this year, under our Innovation Strategy, we applied our innovation methodology to address two key strategic priorities. These were 'growing great careers at The Smith Family' as we aim to become an employer of choice, and 'activating our alumni to connect and contribute', to help former *Learning for Life* students stay connected with us. In this way, they can continue to benefit from our association long after they complete the program. The internal champions who worked on these priorities also helped foster a culture of innovation at The Smith Family.

OUR FINANCES AND FUNDRAISING

During the 2016–17 budget process, our Board approved investments in key strategic projects, particularly to take advantage of digital opportunities and develop our digital capability.

We are pleased to report our operating result was a surplus of \$2.9 million. This result excludes Children's Future Education Fund endowment income of \$3.1 million. Including this, our reported result was a surplus of \$6 million, which boosts our reserves to invest further in the coming years.

Factors contributing to our successful financial result included 6.2% growth in fundraising income (to \$68.7 million) coupled with efforts across the organisation to manage our costs.

We are grateful to all those who gave funds to The Smith Family this year, and for the ongoing confidence and trust our supporters have in our work. This year, we recorded 18% growth in funds received from our major donors, and we acknowledge the generous support of this important group.

Over the last five years, we have spent an average of \$4 in every \$5 provided by our supporters on our Community Programs for children, young people, and their parents/carers. And this year, thanks to our supporters, we were able to drive significant growth in our reach so that more children could benefit from our life-changing support. During the year, 38,876 students were participating in *Learning for Life*, up 17% on last year. VIEW Clubs of Australia, our largest community supporter, sponsored 1,209 of these students.

FIVE-YEAR STRATEGY

During 2016–17, we also developed our strategy for the next five years. This intensive process explored directions against the backdrop of the ongoing poverty being experienced by some children, putting them at risk of a lifetime of disadvantage. To formulate an effective strategy to meet a rapidly changing world, we looked closely at the future of education, the potential impact of digital and technological advancements, as well as trends in fundraising.

For their help developing our next Five-Year Strategy, we thank the members of our Board and advisory groups, and the many external experts in a range of fields who gave us much valued advice. We also thank our team members for their input and support. For guiding the development of this strategy, we are also deeply grateful for the pro bono support of consulting firm Bain & Company.

The Board of The Smith Family has signed off on the new Five-Year Strategy, which began on 1 July 2017. As part of the strategy, we have outlined an ambition to achieve a 30% increase in the number of young Australians we reach through our effective, evidence-based programs, so that more children can break the cycle of disadvantage and thrive in the 21st century. We will continue to focus on improving the educational outcomes for children in need as a key priority area.

ACKNOWLEDGEMENTS AND THANKS

As we reflect on this year's achievements, we would like to acknowledge those who helped us along the way.

We acknowledge all members of our Board and advisory groups, and thank them for their contributions and service.

We thank our sponsors, donors, volunteers, and members of VIEW Clubs of Australia, as well as our corporate, trust and foundation, university and community partners, and all governments that provide vital support.

We acknowledge and thank the schools, their teams, and the non-governmental organisations we partner with, as well as their broader communities, for their support.

We thank the children we support and their families for their commitment to achieving better futures for themselves through education.

Finally, we thank our Smith Family team members. Your work has meant that more children in need have been able to benefit from our proven programs. Every one of you has contributed to lasting change for the children and families we support. You have made a powerful outcome possible.

Thank you!

Christine Bartlett and Dr Lisa O'Brien



Silver Award, Australasian Reporting Awards 2017, recognising the high standard of our 2015–16 Annual Report.



Beth Southwell Practical Implications Award 2016, from the Mathematics Education Research Group of Australasia, for our work with Professor Bob Perry and Associate Professor Ann Gervasoni on the early mathematics program Let's Count.

EXAMPLES OF CHALLENGES FACED BY LEARNING FOR LIFE STUDENTS RECEIVING OUR SUPPORT:

- All of them live in low-income families.
- More than half live in a single-parent family, with 6% living with another relative or in foster care.
- 40% of students and 50% of their parents/carers have a health or disability issue.
- 60% have a parent/carer who didn't finish Year 12.
- More than 70% have a parent/carer who is not in paid employment.
- One in five students in Years 5–12 have attended four or more schools.
- A significant proportion of *Learning for Life* families don't have affordable and reliable internet access at home.

WE KNOW THE PROBLEM

THE CYCLE OF DISADVANTAGE

1. LOW-INCOME FAMILIES

Challenges include sickness, disability, unemployment, difficulty affording basic living costs, inability to provide resources for their child's education, limited access to digital technology and skills, and a lack of knowledge or confidence about how best to support their child's educational development.

2. POORER EDUCATIONAL OUTCOMES FOR CHILDREN

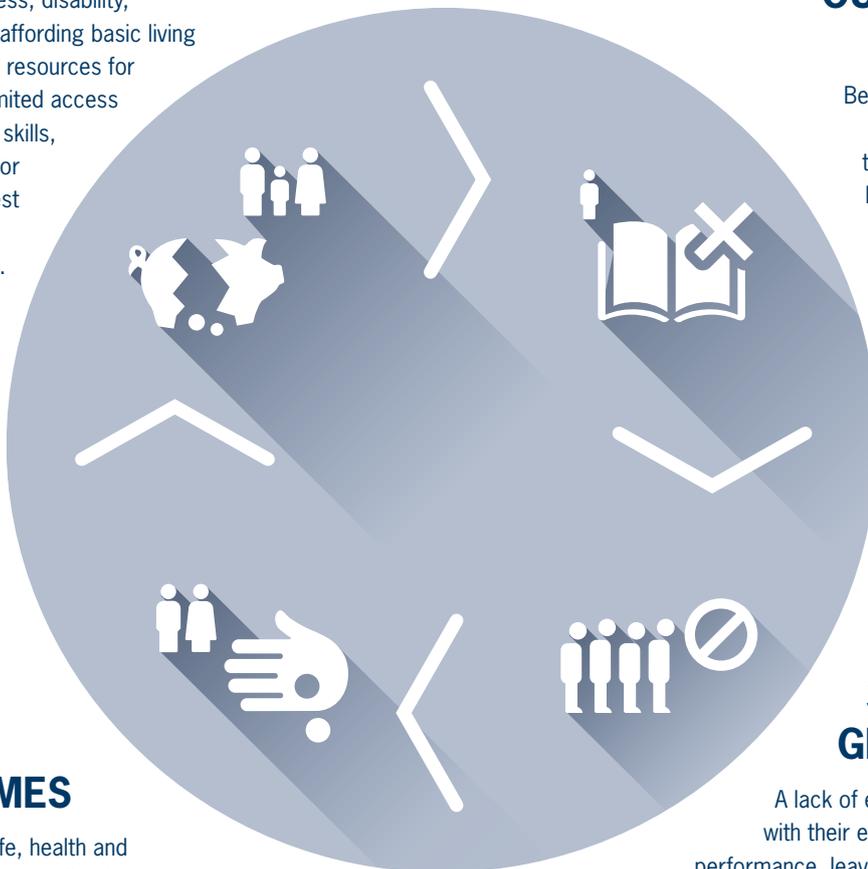
Behind in essential skills when they start school, without the items they need to fit in, limited access to resources to support learning development, falling behind at school and difficulty catching up, limited or no access to positive role models to guide study/career paths.

4. POORER OVERALL LIFE OUTCOMES

Inability to get ahead in life, health and wellbeing affected, passing on disadvantage to the next generation.

3. DIFFICULTY GETTING A JOB

A lack of engagement and motivation with their education, lower educational performance, leaving school early with few or no qualifications, fewer job opportunities, limited connections to community networks and services.



DISADVANTAGE AT EVERY STAGE

IN AUSTRALIA, 1.1 MILLION CHILDREN AND YOUNG PEOPLE LIVE IN POVERTY.¹

EARLY YEARS

PAGE 26

PRIMARY YEARS

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SECONDARY YEARS

PAGE 30

POST-SCHOOL YEARS

PAGE 32



DEVELOPMENTALLY VULNERABLE

One in three children in the most disadvantaged communities is developmentally vulnerable in one or more key areas when they start school.²

READING

Among Year 5 students whose parents have not completed Year 12 or its equivalent, 59% achieve above the national minimum reading standard compared to 93% of Year 5 students whose parents have a university qualification.³

YEAR 12 COMPLETION

Around 60% of young people from the lowest socio-economic backgrounds complete Year 12. This compares to around 90% for those from the highest socio-economic backgrounds.⁴

POST-SCHOOL ENGAGEMENT

Post-school, 41% of 24-year-olds from the most disadvantaged backgrounds are not fully engaged in work or study, compared to 17% of those from the most advantaged backgrounds.⁵

1 *Poverty in Australia 2016*, Australian Council of Social Service and the Social Policy Research Centre.

2 Australian Government (2016) *Australian Early Development Census National Report 2015: A snapshot of early childhood development in Australia*, Department of Education and Training: Canberra.

3 ACARA (Australian Curriculum, Assessment and Reporting Authority) (2016) *National Assessment Program Literacy and Numeracy*, ACARA: Sydney.

4 Lamb S, Jackson J, Walstab A & Huo S (2015) *Educational opportunity in Australia 2015: Who succeeds and who misses out*, Centre for International Research on Education Systems, Victoria University, for the Mitchell Institute: Melbourne.

5 *Ibid.*



IMPROVING EDUCATIONAL OUTCOMES FOR DISADVANTAGED FAMILIES

"We've had some tough times, but with The Smith Family we're one big family... we've learned you can come out on top.

"Our eldest son, Joshua, has autism and can't be left on his own. When he was younger, he had many appointments and only one of us could work.

"Along with that financial stress, we had a health concern with the eyesight of our youngest son, Conrad. He had a lot of appointments and during that time missed quite a bit of school, so he fell behind with his reading.

"Having The Smith Family's help [through the *Learning for Life* program] has been such a relief, knowing that we are able to put the kids through school without the embarrassment of not being able to afford books, uniforms or excursions.

"Before Conrad joined the *student2student* reading program, he didn't enjoy reading. But now he does and he had a real rapport with his reading buddy. He got As in his report last term, and Jack's also been getting As. Without The Smith Family's programs, I'm sure that wouldn't have happened."

Vicki and Wayne, parents of Joshua (15), Jack (13) and Conrad (12)

**OUR FIVE-YEAR STRATEGY
FOCUSES OUR APPROACH TO
SUPPORTING DISADVANTAGED
CHILDREN AND YOUNG PEOPLE**

**WE IMPROVE
EDUCATIONAL
OUTCOMES**

ACHIEVING OUR AMBITION

2012–17 FIVE-YEAR STRATEGY

Our organisational ambition guided our actions in four priority areas.

OUR AMBITION

To ensure the effectiveness of our programs and, with the help of our supporters, to significantly increase our reach to help support more disadvantaged children, young people and their parents/carers.

MEASURES OF EFFECTIVENESS

against which our progress is tracked

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| 1. Improving school attendance rates of <i>Learning for Life</i> students over time to 90% | PAGE 16 |
| 2. Increasing the proportion of Year 10 <i>Learning for Life</i> students who advance to Year 12 or its equivalent on sponsorship | PAGE 17 |
| 3. Increasing the proportion of Year 10, 11 and 12 <i>Learning for Life</i> students who are engaged in work or further study up to 12 months after they leave the program | PAGE 17 |
| 4. Influencing the policy agenda of governments in our mission-critical areas | PAGE 18 |
| 5. Significantly broadening our supporter base and growing our funds raised | PAGE 19 |

PROGRAM OUTCOMES

we are seeking to achieve

| At the individual/family level | At the school level | At the community level |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Improved literacy and numeracy • Improved confidence and self-efficacy • Improved motivation and aspiration • Enhanced networks and relationships • Improved knowledge and understanding • Improved or sustained school attendance | <ul style="list-style-type: none"> • Increased access to and use of community resources • Increased parental engagement in their children's learning | <ul style="list-style-type: none"> • Improved service collaboration and integration • Enhanced cross-sectoral partnerships |

STRATEGIC PRIORITIES

for 2016–17

| | | | |
|---------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| 1. To provide effective support through innovative quality programs | 2. To be an influential advocate for disadvantaged young Australians | 3. To connect the Australian community with the plight of disadvantaged young Australians and engage them to support our mission | 4. To build a high-performing and sustainable organisation |
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YEAR 5 THEME: LEVERAGING

In the final year of our Five-Year Strategy we look back at some of the highlights and achievements along the way.



STRENGTHENING

YEAR 1 2012–13

Established the methodology and baseline measures to track student achievement of educational outcomes: attendance, advancement and engagement.

Established an outcomes-based accountability framework and measures for core programs to evaluate student achievement of short-term educational outcomes.

Completed a review of organisational systems and processes to identify long-term and sustainable cost savings.

Developed a multi-year program of nationally significant research and secured three Australian Research Council Linkage grants.



ENHANCING

YEAR 2 2013–14

Evaluated community pilot sites to test new program delivery models for providing effective support to children and families.

Developed new fundraising strategies and a new website with improved capabilities.

Animated short film raised public awareness of child poverty in Australia, awarded Silver in 2014 Golden Trailer Awards.

Secured a further two Australian Research Council Linkage grants.



IMPLEMENTING

YEAR 3 2014–15

Implemented more effective ways of working with our families based on the evaluation of pilots of new program delivery models.

Completed a process of consultation and developed a new culture change vision and strategy.

Launched My Smith Family, a web self-service portal for *Learning for Life* sponsors, facilitating access to communications and sponsored student profiles.

Launched a shared sponsorship model to ensure the long-term sustainability of the *Learning for Life* program.



SCALING-UP

YEAR 4 2015–16

Published a landmark report showing our *Learning for Life* program outcomes and effectiveness.

Achieved a 68% team member engagement score, placing The Smith Family within Aon Hewitt's top 25% of organisations with highly engaged team members.

Received the 2016 SIMNA Award for Excellence in Social Impact Measurement for our *Learning for Life* program.

Secured Australian and State Government funding for *Let's Count* to scale up the reach of this program.



LEVERAGING

YEAR 5 2016–17

Achieved significant program reach, including an additional 5,491 *Learning for Life* students recruited.

Recorded strong progress in our digital programs for families and students including the 5 of 5 Attendance Game trial, an online portal for our families, and a new platform for *iTrack*.

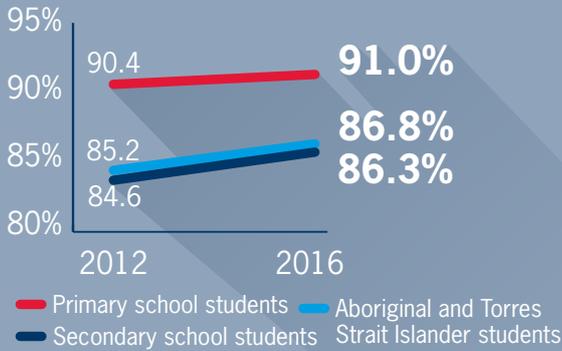
6.2% growth in total fundraising income compared to the previous year across our key segments.

Australian Government four-year funding commitment enabling a further 24,000 disadvantaged students to be brought onto the *Learning for Life* program by 2020.

FIVE YEARS OF PROGRESS

Between 2012 and 2017 we tracked our progress against five measures of effectiveness.

1. IMPROVING SCHOOL ATTENDANCE OF LEARNING FOR LIFE STUDENTS OVER TIME TO 90%



2. INCREASING THE PROPORTION OF YEAR 10 LEARNING FOR LIFE STUDENTS WHO ADVANCE TO YEAR 12 OR ITS EQUIVALENT ON SPONSORSHIP

68.2%

2014-16

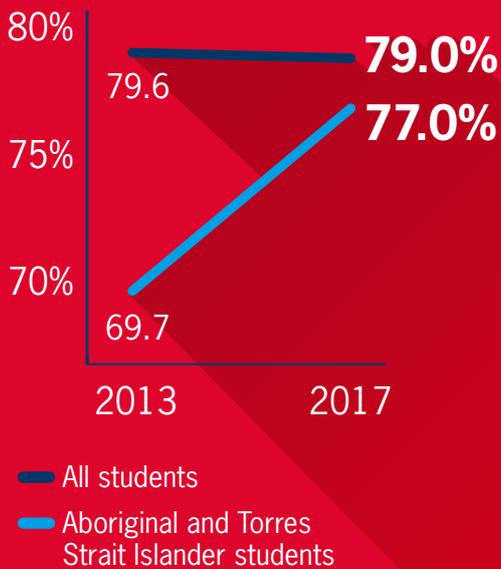


59.6%

2010-12



3. INCREASING THE PROPORTION OF YEAR 10, 11 AND 12 LEARNING FOR LIFE STUDENTS WHO ARE ENGAGED IN WORK OR FURTHER STUDY UP TO 12 MONTHS AFTER THEY LEAVE THE PROGRAM



4. INFLUENCING THE POLICY AGENDA OF GOVERNMENTS IN OUR MISSION-CRITICAL AREAS

- 72** Policy submissions
- 12** Research publications
- 5** Linkage grants
- 79** Conference and external presentations



Between 2012-17



5. SIGNIFICANTLY BROADENING OUR SUPPORTER BASE AND GROWING OUR FUNDS RAISED

\$99.5m

Total income in 2016-17



\$75.8m

Total income in 2012-13



GIVING STUDENTS THEIR BEST CHANCE

“My proudest moment is completing my degree. It was an indescribable achievement. Coming from a country where women have not been able to get an education, it’s an honour for me to be able to study so hard.

“Growing up in Afghanistan during the Taliban regime was not easy because we didn’t have the right to education. We didn’t get that, and we deserved to, so coming to Australia and getting an education freely was just the best thing that has ever happened to me.

“One of the most important things for my Dad is providing education for his children, but it was quite challenging for him to do that with such a big family. It was hard getting all of us books, uniforms, being able to attend all the school excursions.

“After I got The Smith Family sponsorship, I was overjoyed. It was just so helpful, it made it a lot easier for Dad. It meant the world to me to be able to go to university and the sponsorship helped get me where I am today.

“To my sponsors, I just want to say thank you very much. I don’t know how to repay you for what you’ve done, for being so supportive and encouraging, not only financially but mentally. I’m forever thankful.”

Basbib, *Learning for Life* graduate

OUR PROGRESS
WE TRACK FIVE
KEY MEASURES OF
EFFECTIVENESS TO ENSURE
OUR APPROACH IS WORKING

**OUR WORK
IS MAKING A
DIFFERENCE**

FIVE KEY MEASURES OF EFFECTIVENESS

WE TRACK OUR RESULTS

1 ATTENDANCE

Regular school attendance is vital for achieving positive educational outcomes.

LEARNING FOR LIFE STUDENTS' AVERAGE SCHOOL ATTENDANCE IN 2016:

91.0%

primary school students
(90.7% in 2015)

86.3%

secondary school
students (86.3% in 2015)

86.8%

Aboriginal and Torres
Strait Islander school
students (86.1% in 2015)

LONGER-TERM
RESULTS

SHORT-TERM
RESULTS

Increased academic achievement

Improved literacy

Increased self-management and confidence

Improved numeracy

Increased academic engagement

PROGRAM
RESULTS

LET'S COUNT

58%

of participating children could count a collection of at least 20 items, compared with 37% of children who did not participate in the program.

LET'S READ

90%

of surveyed parents indicated that they read more with their child.

STUDENT2STUDENT

96%

of students improved their reading ability. 83% reported that they now find reading more enjoyable.

LEARNING CLUBS

87%

of students agreed that going to a club helped them do better in class. 86% agreed that going to a club taught them they can do well if they try hard.

We are tracking the progress of more than 38,000 *Learning for Life* students against three longer-term outcomes: school attendance; completion of Year 12 or its equivalent; and post-school engagement in education or work. We are also assessing the short-term outcomes of our programs, as these help put children on the path to reaching the three longer-term goals.

2 ADVANCEMENT

Each completed year of schooling enables better overall life outcomes and improves an individual's ability to contribute economically and socially to the community.

3 ENGAGEMENT

A key indicator of the success of our approach is the proportion of *Learning for Life* students who successfully transition from school to further education, training or employment.

LEARNING FOR LIFE STUDENTS WHO ADVANCED THROUGH SCHOOL FROM YEAR 10 TO YEAR 12 OR ITS EQUIVALENT BY 2016:

68.2%

of *Learning for Life* students in Year 10 in 2014 advanced to Year 12 in 2016.

Over the last five years, 8,531 *Learning for Life* students across Australia have been supported to complete Year 12.

FORMER LEARNING FOR LIFE STUDENTS ENGAGED IN POST-SCHOOL EDUCATION, TRAINING OR EMPLOYMENT:

79.0%

A further 17% of former *Learning for Life* students were looking for work or volunteering.

Improved knowledge of financial management

Improved confidence with, and understanding of, computer use

Enhanced networks and relationships

Improved knowledge and understanding of study options and career paths

ITRACK

81%

agreed that their mentor helped them feel more confident about their future job/career/study options. 75% of students agreed that their mentor helped them understand more about how they can reach their career goals.

CERTIFICATE I FINANCIAL SERVICES

80%

of participants attained the Certificate I qualification. 85% reported that they have the ability to financially plan for the future.

TECH PACKS

83%

of parents/carers said that having a computer at home helped their child with school work.

SAVER PLUS

87%

of participants were better able to plan ahead and manage their money. 88% were more aware of where to get help making financial decisions.

FIVE KEY MEASURES OF EFFECTIVENESS

4 INFLUENCING THE POLICY AGENDA OF GOVERNMENTS IN OUR MISSION-CRITICAL AREAS

ADVOCACY

15

public policy submissions

In line with our aim of being an influential advocate for disadvantaged young Australians, we engaged with the Australian, State and Territory governments on key issues of relevance to our mission. Through public policy submissions and by participating in almost 200 meetings and briefings, we shared our perspectives on the policy settings and priorities most important for improving the educational and life outcomes of disadvantaged young Australians. We used our in-house data and evidence to demonstrate the positive and lasting impact of our programs and approach on disadvantaged students.

Because research shows that parental engagement in a child's learning is a greater predictor of educational outcomes than family background, we focused our advocacy work on highlighting the importance of supporting parents to engage in their child's education.

In 2016–17, we made submissions to governments on areas including the Australian and State budgets; national and State education legislation; education and training opportunities for young people from Aboriginal and Torres Strait Islander backgrounds; and the development of a national education evidence base on what is required to improve the educational performance of Australian children.

Through the media, we brought to the public's attention the importance of early literacy and numeracy support to ensure children are school-ready (*The Canberra Times*, *The Hobart Mercury*), the costs to the community of young people not finishing Year 12 (*The Australian*, *The Age*), the role of parent engagement in a child's learning (ABC News Breakfast, *The Herald Sun*) and strategies to support improved educational and employment outcomes for disadvantaged young people (*The Australian*, *The Daily Telegraph*).

RESEARCH

5

Australian Research Council Linkage grants

We continued working on five Australian Research Council Linkage grants, which all focus on improving the educational and life outcomes of children and young people from disadvantaged backgrounds. These grants are multi-year research collaborations involving universities, government departments and non-government organisations. Significant data collection and analysis was completed, providing new knowledge and insights to inform our programs, practice and advocacy.

We began a project to evaluate the outcomes and effectiveness of *Care2Achieve*, a new program funded by the Queensland Department of Communities, Child Safety and Disability Services. The program supports young women in Queensland who are leaving out-of-home care and going to university or TAFE. This evaluation, along with continued analysis of our unique longitudinal data from the *Learning for Life* program, involves us in nationally significant research that is directly relevant to improving the educational and post-school outcomes of highly disadvantaged young Australians.

LEADERSHIP

27

conference papers and external presentations

Throughout the year, representatives of The Smith Family delivered 27 conference papers or presentations as part of our advocacy agenda. A highlight was co-hosting the national Parent Engagement Conference in partnership with the Australian Research Alliance for Children and Youth. More than 600 Australian and international delegates and speakers from diverse backgrounds and sectors attended the conference to learn about and discuss the latest research and practices on parental engagement. Team members from The Smith Family served on the Conference Steering Committee and Abstract Selection Committee.

The Smith Family team members also presented at other conferences, including a Third Sector conference; the Australian Institute of Family Studies Conference; Melbourne Institute's Childhood, Education and Welfare Conference; the Longitudinal Data Conference; and the Employer Engagement in Education and Training Conference in London. In addition, team members presented to the Australian Institute for Teaching and School Leadership, the Australian Council for Educational Research and a wide range of corporates and philanthropic organisations.

The Smith Family, together with Professors Bob Perry and Ann Gervasoni, won the 2016 *Beth Southwell Practical Implications Award* at the Mathematics Education Research Group of Australasia Conference, for our work on the early-years mathematics program *Let's Count*.

5 SIGNIFICANTLY BROADENING OUR SUPPORTER BASE AND GROWING FUNDS RAISED

OVERALL INCOME

\$99.5m

Total income 2016–17

Total income grew by \$11.8 million, a 13.5% increase on 2015–16. This income included funds raised from individual supporters, corporate partners, universities, trusts and foundations, bequests, and governments, as well as investment income and net revenue from VIEW Clubs of Australia and our Recycling Operation.

TOTAL VOLUNTEER HOURS AND VALUE

In total, 8,779 volunteers contributed 464,614 hours of support. The estimated value of this support was \$13.9 million.

FUNDRAISING PERFORMANCE

\$68.7m

Funds raised in 2016–17 from individuals, major donors, organisations, VIEW Clubs of Australia and bequestors

The ongoing generosity of our donors and partners meant our overall fundraising income increased by \$4 million or 6.2%.

Individuals and VIEW Clubs of Australia gave \$39.5 million, up 6% from the previous year, and we signed up 11,082 new sponsorships, the highest-ever number recorded in a single year. Cash donations and contributions from regular givers were also up, and we welcomed 8,274 new monthly donors to our program.

Major donor contributions were up 18% on the previous year, hitting \$5.8 million.

Corporate partners, trusts and foundations, and universities gave \$12.1 million, 5% more than the previous year.

We continued to attract strong support from bequestors, with 98 generous supporters leaving a lasting legacy to help fund our learning and support programs. In 2016–17 these legacies totalled \$8.3 million.

Through the recently-established Children's Future Education Fund we received a further \$2.7 million in bequests and \$400k in other support. This will make a lasting impact on the future of young Australians in need.

GOVERNMENT FUNDING

\$26.5m

Government funding in 2016–17

We acknowledge the support we received from a number of government agencies around Australia to expand our work. These include the Western Australian Government funding for the *Child and Parent Centres* in Western Australia, and the funding provided by various State governments for *School Community Hubs*.

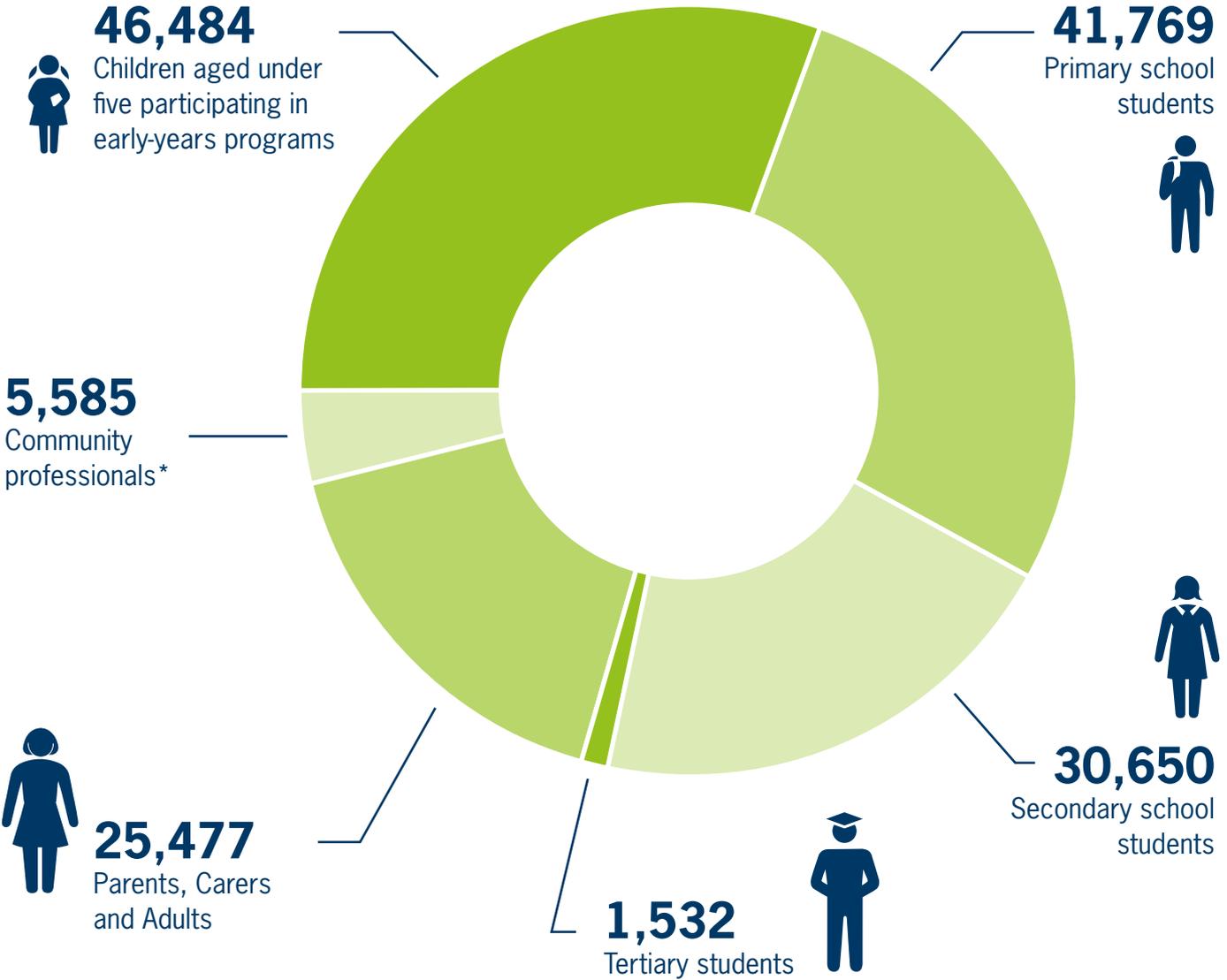
During the year, we continued to deliver the *Communities for Children Facilitating Partner* and *Saver Plus* programs and substantially expanded our *Let's Count* program. These programs are all supported by funding from the Australian Government, with *Let's Count* also supported by the Victorian Government. Funding from the Victorian Government also enabled the delivery of the *iTrack* mentoring program and the *Girls at the Centre* program.

The Department of Prime Minister and Cabinet funded projects that supported our focus on improving educational outcomes for Aboriginal and Torres Strait Islander children and young people. These included the *Indigenous Youth Leadership Project* and *Indigenous Youth Leadership (Legacy) Project* (in several states), *Borrooloola Intensive Support Playgroup* (Borrooloola in the Northern Territory), *Ready Set Go* project (Raymond Terrace in NSW), *Growing Healthy Families* (ACT), *Engaging Parents and Community* (Darwin and Palmerston in the Northern Territory) and *Engaging Parents and Community* (Lakes Entrance, Lake Tyers and Morwell in Victoria).

During the year we were also delighted to receive a four-year funding commitment of \$48 million from the Australian Government. This funding supports significant expansion of our *Learning for Life* program enabling a further 24,000 disadvantaged students to receive its support.

151,497 PARTICIPANTS

THE SMITH FAMILY REACHED 151,497 CHILDREN, YOUNG PEOPLE, PARENTS, CARERS AND COMMUNITY PROFESSIONALS* IN 2016-17



120,435

CHILDREN AND YOUNG PEOPLE PARTICIPATING IN OUR PROGRAMS IN 2016-17

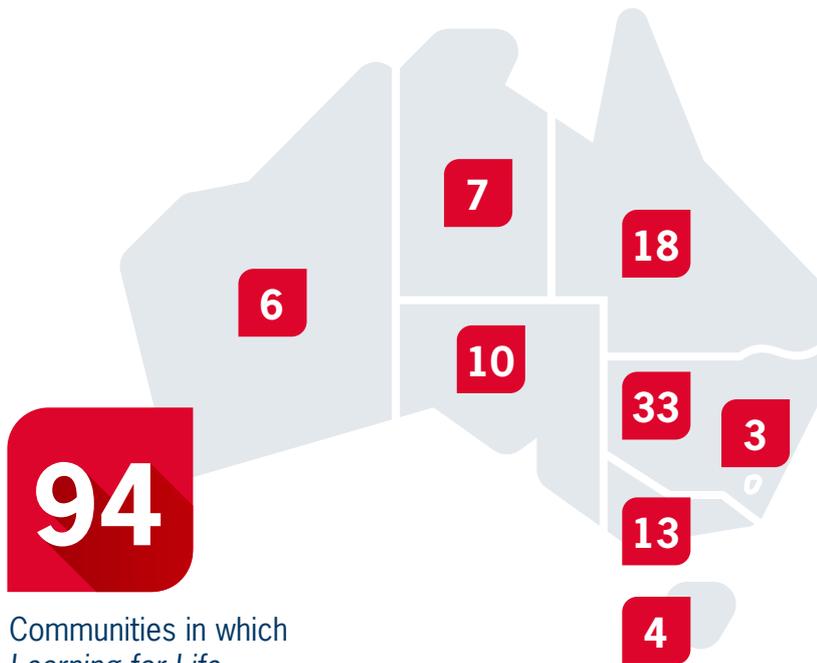
Funded by a mix of supporters including sponsors, donors, VIEW Clubs, universities, trusts and foundations, corporate partners and governments.

38,876

LEARNING FOR LIFE SPONSORSHIP RECIPIENTS IN 2016-17

* Community professionals (not Smith Family team members) include early-years educators and program facilitators in communities.

94 COMMUNITIES



Communities in which *Learning for Life* programs are delivered

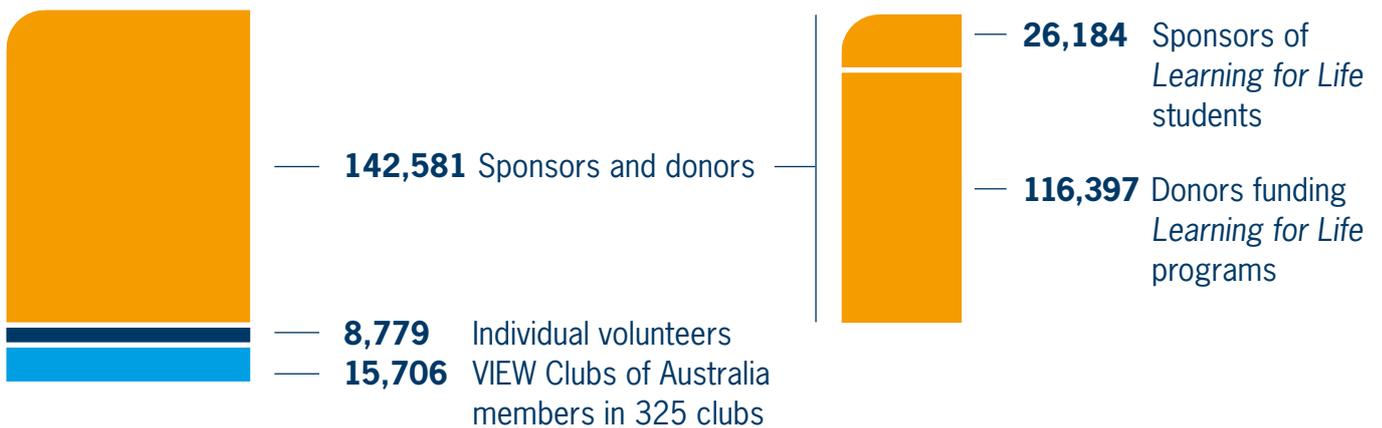
LEARNING FOR LIFE PARTICIPATION

19.6%

of students on sponsorship (7,609) in 2016–17 identified as Aboriginal and Torres Strait Islander peoples, up from 19% last year.

167,066 SUPPORTERS

UP FROM 155,453 SUPPORTERS LAST YEAR, A 7% INCREASE



PROPORTION OF FUNDS RAISED SPENT ON COMMUNITY PROGRAMS

Over the five years to June 2017, we spent an average of \$4 in every \$5 raised from individual supporters, corporate partners, universities, trusts and foundations, and bequests, as well as from VIEW Clubs of Australia and governments, on our Community Programs. The surplus from our Recycling Operation and other commercial activities (\$1.9 million in 2016–17) helps offset our infrastructure costs, ensuring that funds raised can be spent as much as possible on programs supporting children and young people in need.





Yasmin

GIVING STUDENTS CONFIDENCE TO REACH THEIR GOALS

“Because of The Smith Family, I can pursue my dreams.

“My family has been involved with the *Learning for Life* program since I was in Year 2. We have never looked back.

“Since I was a child, I've had crippling obsessive-compulsive disorder, which has been a financial burden on my family. In addition to the cost of medical specialists, the only thing that seemed to help me was singing and dancing, which were also expensive.

“The *Learning for Life* program meant that my family could afford the resources I needed for school and the cost of university. It meant [my disorder] became something that I didn't need to be insecure about.

“I am so thankful for the support my sponsor has given me so I can study music and get closer to reaching my dream of singing opera and performing in musical theatre.”

Yasmin, *Learning for Life Tertiary Scholarship* student

STRATEGIC PRIORITY 1
TO PROVIDE EFFECTIVE
SUPPORT THROUGH INNOVATIVE,
QUALITY PROGRAMS

WE ARE
MAKING A
DIFFERENCE

OUR APPROACH

We aim to give disadvantaged children the best chance at building a better future for themselves. Research shows that providing long-term targeted support is an effective way to improve educational outcomes.

In the early years, we support families and community providers to nurture and develop young children's literacy and numeracy skills before they start school. When a child enters primary school, our *Learning for Life* sponsorship program links their families to sponsors who provide financial assistance that helps cover the cost of the child's education-related expenses. The program also gives students access to additional personal support and learning programs. These help them keep up in class and stay motivated at school. Our support is long-term and continues as a student moves through secondary school, completes Year 12 and goes on to tertiary studies.

Our model also focuses on supporting parents' engagement with their child's learning. Research shows that children

with engaged parents – no matter their income or background – are more likely to do well at school, graduate and go on to higher education. Our support in this area targets aspects of parental engagement that matter most, such as parents' aspirations and expectations about education, reading to their child and talking to them about learning, creating a stimulating home environment and developing positive parent-teacher relationships.¹

We assess the benefits our support provides to students, which helps increase our effectiveness. We measure the progress of every student on the *Learning for Life* program against three key longer-term outcomes: school attendance; Year 12 completion; and post-school engagement in employment, education or training.

Analysis of this data helps us refine our approach to ensure we continue making a difference to the children and families we support.

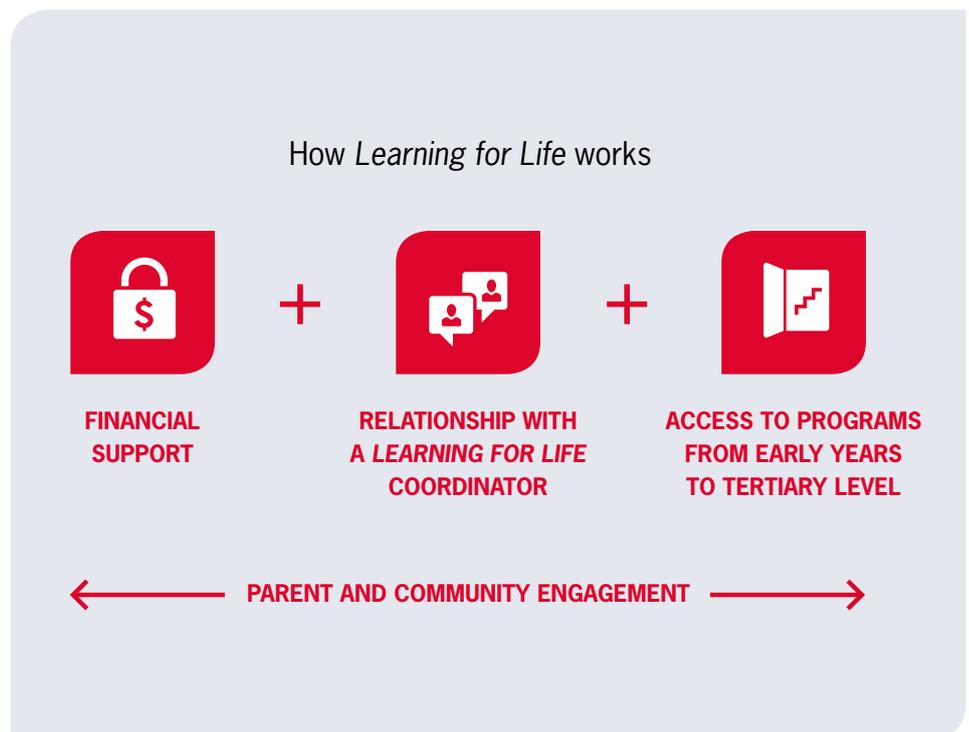
This year, we focused on developing additional supports to enable more young people to reach and complete Year 12. Challenges they face include limited access to technology and a lack of access to supportive networks or opportunities that help them understand career pathways and envision a better future.

¹ Fox S and Olsen A (2014) *Defining parental engagement*, ACT Department of Education and Training

LEARNING FOR LIFE PROGRAM

Our flagship *Learning for Life* program integrates three components that support disadvantaged students, helping them fully participate at school so they can achieve educationally. We provide:

- financial assistance from sponsors, to help families afford education costs such as uniforms, books and excursions;
- personal support from a Family Partnership Coordinator who supports the student's education journey and connects them and their family to local support and learning opportunities;
- practical support such as access to our out-of-school learning and mentoring programs, to build key skills, attitudes and behaviours.





Marion

CASE STUDY – PROGRAMS COORDINATOR

SHARING INSIGHTS FOR POSITIVE OUTCOMES

“I love that what I do has strong and tangible outcomes.

“As a Programs Coordinator, I work closely with our Family Partnership Coordinators and *Learning for Life* families, the schools we partner with and the broader community to facilitate educational support programs. Our aim is to provide the wraparound support *Learning for Life* families need.

“This year, I’m the Queensland representative for a practice group made up of team members from across Australia. This group meets monthly to

share our experiences and our passions for the work we do, reflect on the way we work and contribute towards the most effective practice methodology.

“At The Smith Family, we evaluate everything to ensure that we remain effective. In the group, we look for ways to improve our work effectiveness. We share our insights with the wider team and then within our state teams. Although we have good guidelines to work with, each community has its own set of unique challenges, so the ideas shared often give you other creative ways in which to work.

“To see young people who are struggling with their school life make incredible leaps and bounds is so fulfilling. I’ve seen children raise their reading levels and make valuable connections with mentors and tutors. I’ve had students go on from high school to further study and break that cycle of poverty in their lives. What we do is life-changing and it’s why I love our work.”

Marion, Programs Coordinator,
The Smith Family, Queensland

46,484

children aged under five participating in early-years programs

PROGRAM PARTICIPATION HIGHLIGHTS

20,996

children aged from birth to five years participating in *Let's Read*

19,646

children participating in *Let's Count*

4,079

children under five participating in *Communities for Children*

STRATEGIC PRIORITY 1

EARLY YEARS



One in three children from Australia's most disadvantaged communities does not meet one or more key developmental milestones in their first year of school. This compares to 16% of children from the most advantaged communities.¹

Research has shown that investing time, effort and resources in the early years of a child's life has significant impacts on their ongoing learning, behaviour, health and wellbeing. Supporting children's early development thus lays the basis for them growing up with the skills to succeed, bringing benefits for them and the community as a whole.²

THE CHALLENGE

If children can develop basic language, literacy, numeracy and cognitive skills, and a positive disposition to learning before they start school, it will enable positive educational outcomes later in life.

Yet one in three children from highly disadvantaged communities is not achieving key developmental milestones before beginning school. When a disadvantaged child starts school already behind their peers, they are more likely to struggle to catch up and stay motivated with their learning. Ensuring parents and carers have the skills and knowledge to engage positively and effectively in their child's learning and development from an early age is vital for improving educational outcomes.

1 Australian Government (2016), *Australian Early Development Census National Report 2015: A snapshot of early childhood development in Australia*, Department of Education and Training, Canberra.

2 Ibid.

CASE STUDY – CHILD AND PARENT CENTRE

SUPPORTING PARENTS, CHILDREN AND SCHOOLS

Bessy

Bessy and her grandsons at the *Child and Parent Centre*



"The staff at the *Child and Parent Centre* are very welcoming to me and my grandsons. Before Valon started school, we went to the Centre's playgroup. He and I enjoyed making friends and learning how to share and play together. Now we attend activities in the school holidays and I participate in activities for parents and carers.

"The staff have shown me respect and given me lots of help with other resources, such as access to *Learning for Life* scholarships and linking in with early learning programs. I really appreciate everything that The Smith Family and the Centre have supported me with."

Bessy, *Learning for Life* grandmother

"The *Child and Parent Centre* is a great asset to our school. The majority of our families visit, fully utilising the wraparound services provided. Parents find the staff friendly and helpful, often telling us how much they value the support.

"The school and the Centre work together to plan ways to help children improve their learning outcomes. The Centre supports our school community and helps to develop the capabilities of some of our families. This connection with parents is important because many of our families come from non-English speaking backgrounds or do not have family members to provide advice and assistance. Children who have accessed the Centre are starting school better prepared and less anxious.

"The co-location [at the Centre] of a community nurse, occupational therapists and speech pathologists enables a rich specialist service in a friendly setting. The Centre has been a great partnership with our school, demonstrating a professional approach to supporting families with health and education."

Louise Nielsen, Principal, Westminster Junior Primary School

HOW WE HELP

Beginning when children are young, our support aims to help them transition successfully to their first years of schooling. In the early years, we work mainly with families and community professionals to equip them with the skills, knowledge and confidence to support children effectively before they start school.

We focus on building vital foundational skills so that when disadvantaged children start school they have the skills and dispositions to help them thrive in the classroom. Through our early-years programs, *Let's Read* and *Let's Count*, we provide training and resources for early-childhood educators and other community professionals who work with parents, helping them develop literacy and maths skills in young children.

This year, funding from the Australian and Victorian governments enabled us to expand *Let's Count* to new communities, train over 1,000 early-years educators, and establish digital resources to ensure the program's sustainability.

Our corporate partner Orica provided additional funding for online training support for early-years educators. This digital delivery model will help us reach 150,000 children as we continue expanding over the next three years, in the communities where we currently work and beyond. Orica's funding has also allowed us to introduce the program to kindergarten teachers, Orica staff, and education department representatives in overseas communities where Orica works.

We continued our role as the Facilitating Partner in nine Australian Government *Communities for Children Facilitating Partner* sites. In this role, we work strategically with the local child and family service system to improve coordination and integration. We also facilitate programs that increase social connections and improve educational and life outcomes for children and their families.

We continued to run two *Child and Parent Centres* in Western Australia in partnership with schools and community professionals. The Centres are funded by the Western Australian Government and provide early-

learning programs as well as maternal and child health services for families with children aged up to eight.

HIGHLIGHT PROGRAMS

- *Child and Parent Centres*
- *Communities for Children*
- *Let's Count*
- *Let's Read*

PROGRAM OUTCOMES

- Parents have the skills and resources to support their children's early language, literacy and numeracy development

CASE STUDY – LET'S COUNT/LET'S READ

BUILDING MATHS SKILLS EARLY

"Prior to now, I thought that maths was just for kindy/school. Learning how simple it is to include [it] in our everyday life was eye-opening."

Parent participant in combined *Let's Count* and *Let's Read* training

Supporting parents as their child's first and most important teachers motivated early-childhood educators Nicole and Phyllis to offer combined *Let's Count* and *Let's Read* programs to parents at their centre.

The educators ran a 'Cookies and Counting' mathematics afternoon as an opportunity for parents to have fun with their preschoolers and to encourage more early-years maths activity at home. The entire parent cohort attended, with one saying: "My experiences with maths as a child were very bad...I am eager to teach it to my child so she doesn't have the same experiences I did."

Nicole and Phyllis are also keen to incorporate the key messages of *Let's Read* into their existing strategies to promote literacy-related activities at home.

"At the moment, we are using our 'Bookworm Bags' with a written invitation to share a favourite story, but books just aren't as popular as they used to be... a lot of families don't have a large personal collection," says Nicole.

Nicole and Phyllis hope that the addition to their centre of *Let's Read* resources, including quality picture books and information, will encourage parents to read to their children.

Let's Count was delivered in 80 communities this year. The program was developed by Professor Bob Perry from Charles Sturt University, Associate Professor Ann Gervasoni from Monash University, and The Smith Family, with the support of the Origin Foundation and BlackRock Investment Management (Australia) Limited.



Henry enjoys learning about maths when taking part in fun activities with the *Let's Count* program.

Henry

41,769

primary school students participating in programs

PROGRAM PARTICIPATION HIGHLIGHTS

18,114

primary school students sponsored through *Learning for Life*

13,909

primary school students participating in *Communities for Children*

3,456

primary school students participating at 276 Learning Clubs

1,275

primary school students participating in the *student2student* program, supported by 1,225 reading buddies

STRATEGIC PRIORITY 1

PRIMARY YEARS



Even when students from disadvantaged backgrounds have the same capabilities as those from advantaged backgrounds, they do not make the same progress as they move through school.

Of students with a strong Year 3 NAPLAN result, those from disadvantaged backgrounds will make one and three quarter years less progress by the time they reach Year 9, than their advantaged peers.¹

Only 59% of Year 5 students whose parents have not completed Year 12 or its equivalent achieve above the national minimum reading standard compared to 93% of Year 5 students whose parents have a university qualification.²

1 Goss P, Sonnemann J, Chisholm C, and Nelson L (2016), *Widening gaps: What NAPLAN tells us about student progress*, Grattan Institute, Melbourne.
2 ACARA (Australian Curriculum Assessment and Reporting Authority) (2016) *National Assessment Program Literacy and Numeracy*, ACARA: Sydney

THE CHALLENGE

When they start school, many children in disadvantaged families are behind in basic literacy and numeracy skills, lacking the essentials for participating fully in their education. Without the skills they need to keep up in class, these students can fall even further behind, making it more difficult for them to stay motivated at school.

Their home situation can also affect their ability to achieve positive educational outcomes. Circumstances such as parents experiencing long-term unemployment, earning a low income, having low education levels, a family member who is ill or has a disability, parental work commitments and the availability of learning resources, all affect children. Without the money to



(L-R) Ebony, Sandra and Alexis.

Sandra

CASE STUDY – LEARNING CLUB

EXTRA HELP TO KEEP UP

“I feel so proud and honoured that Ebony and Alexis are part of The Smith Family’s *Learning for Life* program and get to be in the local Learning Club.

“They are twins in Grade 5, and absolutely love going to Learning Club. They are really good with maths, but have struggled with the literacy side of things. They were a little bit behind, especially with reading, spelling and comprehension.

“It is difficult for me to spend time reading with them as I’m a single parent to the girls, and I’m also a foster mum to other children. But I try very hard to sit with them to read. I recently had the girls’ eyes tested, and got them new pairs of glasses.

“Now, with the glasses and Learning Club, they’re doing a lot better. I think being involved has really helped them catch up. The improvement in their reading and spelling is there and I think the longer they stay in the club, the more they will gain.

“The girls always talk about the games and activities they do at Learning Club, the friends they meet and the helpful volunteers. The Smith Family Programs Coordinator, Leslee, is amazing. She’s really on top of everything when it comes to education and helping kids to do their best at school.

“When the girls were in Grade 3, our principal connected us with The Smith Family and the *Learning for Life* program. It’s really important to me to have that support for the girls’ education.”

Sandra, guardian of *Learning for Life* students Ebony and Alexis

afford school uniforms, textbooks, a computer or internet access at home, disadvantaged primary school students may struggle at school and find it hard to fit in with their peers.

HOW WE HELP

Learning for Life sponsorship begins when a disadvantaged student starts school. Financial assistance from sponsors helps families pay for school essentials such as uniforms, books and excursions, so children can participate more fully in their education and fit in at school.

A Family Partnership Coordinator provides support to families, and connects students to learning and support programs that offer the extra help they need to boost their engagement at school. In this age group, our core programs are *student2student*, a reading program supported by major corporate partner Optus, that is highly effective in helping students who are behind in their reading skills to improve. We also offer Learning Clubs. These provide a supportive environment where students can obtain after-school learning support.

Research shows there is a clear connection between parental involvement in a child's learning and improved educational outcomes.

Regardless of income or background, children are more likely to do well at school when their parents or carers are more engaged with their learning. To support this, our Family Partnership Coordinators provide parents and carers with opportunities to gain skills, knowledge and confidence to effectively support their child's learning and engage positively in their education.

Moving from primary to secondary school is a key transition in a student's educational journey. This year, we launched *Passport to Success*, a pilot program that aims to enable the successful transition from Year 6 to a new learning environment in Year 7.

Working with one of our major corporate partners, SAP, we piloted the *Young ICT Explorers Accelerator Program* for students in Years 3 to 6 in 20 schools. This program gives teachers extra support so they can encourage disadvantaged students to explore technology and equip themselves with skills for the future. The program provides professional development, industry mentors and technology hardware to teachers and schools. In addition, students can participate in the *Young ICT Explorers* competition.

The *Communities for Children Facilitating Partner* initiative ran a broad range of evidence-based programs in local communities and schools to strengthen students' skills and provide opportunities for them to build positive connections and attitudes. An example is the *Respect* program, a school-based arts program for boys in Years 5 and 6 that promotes respectful attitudes and behaviour towards girls and women.

HIGHLIGHT PROGRAMS

- *Communities for Children*
- Learning Clubs
- *Passport to Success*
- *School Community Hubs*
- *student2student*
- *Young ICT Explorers Accelerator Program*

PROGRAM OUTCOMES

- Improved confidence, knowledge and understanding
- Improved literacy and numeracy skills

CASE STUDY – PASSPORT TO SUCCESS

TRANSITION TO HIGH SCHOOL

"We had the program [*Passport to Success*] every Tuesday. Kym and Cath came and showed us what you need to get ready for high school, like timetables, making new friends, how to plan homework, having new teachers, things like that.

"Kym and Cath also taught us how to deal with bullies, like what to say and how to respond to them, which was good to learn. They told us about [peer pressure] and how to say 'no' to things.

"Going into high school, I didn't know we get a timetable and have all these different lessons all day. We have to move around the school to our classes and it's really different, so I'm really happy I learned that from the program.

"I've enjoyed meeting new people in high school. Kym and Cath taught us to always be kind to other people and they will usually be kind to you. That was a really helpful thing to learn going into a big new school.

"If someone was going into high school, I would say 'go ahead and do the program' because they'll teach you what you need to know...and [Kym and Cath] are very sweet, lovely ladies."

Krystal, *Passport to Success* participant

Krystal

The *Passport to Success* program supported Krystal's progression into high school.



30,650

secondary school students participating in programs

PROGRAM PARTICIPATION HIGHLIGHTS

19,230

secondary school students sponsored through *Learning for Life*

5,284

secondary school students participating in post-school planning activities, including careers workshops and university experience days

1,397

secondary school students participating in *Work Inspiration*

913

secondary school students working with 341 tutors in 49 Learning Clubs

STRATEGIC PRIORITY 1

SECONDARY YEARS



About 60% of young people from the lowest socio-economic backgrounds complete Year 12 compared to about 90% for those from the highest socio-economic backgrounds.¹

Completion of a Year 12 qualification provides an indication of whether young people have developed the knowledge and skills for further study or participation in the workforce. Year 12 attainment is largely locked in by age 25 – if a person hasn't achieved it by then, they are unlikely to ever do so. This suggests there is a 'window of opportunity' for supporting young people to complete Year 12.²

THE CHALLENGE

Keeping students at school and engaged in learning so they complete Year 12 or its equivalent is the main aim of our work in this life stage. That's because each completed year of schooling enables better overall life outcomes and improves people's ability to contribute economically and socially in the community.

However, teenagers are influenced by a range of factors that can lead them to lose interest in school and drop out before reaching Year 12. For these early school leavers, the chances of building a better future for themselves is significantly reduced.

Factors influencing school completion and educational outcomes for secondary school students include family income, parental support, the presence of positive role models, early achievement, and students' motivation, mindset and ability to persevere. For a disadvantaged student, awareness of the financial

1 Lamb S, Jackson J, Walstab A, and Huo S (2016), *Educational opportunity in Australia 2016: Who succeeds and who misses out*, Centre for International Research on Education Systems, Victoria University, for the Mitchell Institute: Melbourne.

2 Lamb S and Huo S (2017) *Counting the costs of lost opportunity in Australian education*, Mitchell Institute, Report No 2/2017

3 Ibid.



Dalin participated in the *Work Inspiration* program.

Dalin

CASE STUDY – WORK INSPIRATION

BUILDING CAREER ASPIRATIONS

"*Work Inspiration* helped me get a clear picture of what I want to do in life and the pathways to get there.

"I wanted to participate in the *Work Inspiration* program with Audi because I'm interested in cars and wanted to get more information about cars. I wanted to see what a career looks like in that industry.

"We learnt about Audi and listened to some presentations. We sat in the cars and learnt how they work. We met sales representatives, mechanics and a variety of people from different departments within Audi. All the staff had different experiences and careers in life, but in their role, they all play a part in the success of Audi.

"Some of the skills and advice I gained at *Work Inspiration* were decision-making skills, teamwork skills and to work hard in whatever you do to succeed. I also learnt there are many different paths to achieve what I really want to do in the future.

"After school, I would like to go to university to study medicine and be a doctor or a paramedic. *Work Inspiration* has helped me gain skills to know how to work with many people from different backgrounds, listen to patients and work together with nurses, doctors and ambulance officers. I learnt that by solving problems, we can come together to help the world and other people.

"I think other students should do *Work Inspiration* because it is a cool experience."

Dalin, *Work Inspiration* participant and *Learning for Life* student

Work Inspiration gives students the opportunity to undertake meaningful and inspiring work experiences with a range of organisations, including Audi – our national partner for the program. Each year, with support from the Audi Foundation, we are delivering 150 *Work Inspiration* events for more than 2,000 students across Australia and 10 *Work Inspiration* programs at Audi dealerships.

strain that educational costs place on their already struggling family can lead some to choose low-cost elective subjects, regardless of their interest or academic ability, or opting not to attend school excursions. Limited or no access to technology, resources and a support network can also affect a student's motivation at school, leading to disengagement with learning, decreased self-esteem, and ultimately poorer educational outcomes.

The costs to individuals and Australia of young people not completing Year 12 are very high; at an average lifetime cost of around \$950,000 for each young person who does not complete Year 12 or its equivalent, compared to a student who does.³

HOW WE HELP

At secondary school level, our *Learning for Life* program focuses on supporting students to stay engaged in their learning and complete Year 12. We also help them to start thinking about subject choices for career pathways, going on to further studies or employment, and what's needed to achieve these aims.

To help students build positive plans for their future, Programs Coordinators connect them with opportunities that show the options

available to them after completing Year 12. These include opportunities that can provide meaningful work experience, nurture their creative talents and assist them to explore tertiary study options.

Our online mentoring program, *iTrack*, continues to be an effective initiative for students in Years 9–11 who are seeking support and advice about post-school career and study options. Over an 18-week period, the student chats online with a mentor about career options and pathways. An upgrade this year to the *iTrack* online platform has improved the collection and reporting of data.

University campus visits, experiential career days and our *Work Inspiration* program provide opportunities to visit universities and workplaces to help prepare students for the world of study and work beyond school. We also deliver a *Certificate I in Financial Services* program, teaching money management skills, including how to set and achieve financial goals.

We continue to explore ways for students and families from disadvantaged communities to access technology and gain digital skills, both increasingly important for achieving positive educational outcomes and securing

employment prospects. For example, through our partnership with SAP, we are supporting students from schools in disadvantaged communities by providing industry mentors for teachers, funds to buy hardware and software, and support for students to attend digital competition events.

HIGHLIGHT PROGRAMS

- Financial Literacy programs
- Girls at the Centre
- Indigenous Youth Leadership Project
- *iTrack*
- Learning Clubs
- School Community Hubs
- *SmArts*, including *Bella Art Workshops*
- *Work Inspiration*

PROGRAM OUTCOMES

- Improved literacy and numeracy
- Greater understanding of available career options
- Increased knowledge of pathways to further study and a career
- Improved knowledge and understanding of financial management

CASE STUDY – *iTRACK*

ADVICE FOR THE FUTURE

“My parents never went to uni, so it is good to have someone to talk to who has been to uni and gone through that whole process. My mentor is able to talk through it with me, and help me understand everything more.

“Before I did *iTrack*, I wasn't really certain of the other paths I could take if my marks weren't up to the standard they needed to be. Through *iTrack*, my mentor has helped me find out different pathways to do marine biology. We've talked about different options to [get to] uni, like TAFE, apprenticeships or even an internship at Sea World.

“The program being online is convenient. My session is on a Monday, so I go home from school and get on to the computer and start chatting to my mentor.

“Being with The Smith Family for both *Learning for Life* and *iTrack* has really helped me be able to go through school and do everything that everyone else has been able to do. I've been able to participate

more. Doing the *iTrack* program, especially, has opened up my eyes to the different paths I can take after school. I know there are other options out there now.

“I'm looking forward to being able to finally study something that I'm truly passionate about. School's good but they don't specialise in the stuff I'm really interested in. I can't wait to go to uni or TAFE soon and be around people who want to go down the same path I do.”

Ashley, *iTrack* participant and *Learning for Life* student

To ensure the time students and mentors spend together runs smoothly, Smith Family Program Specialists manage the implementation of *iTrack*, and support students, volunteer facilitators and mentors throughout the program.



Participating in *iTrack* helped Ashley explore career paths.

Ashley

1,532

tertiary students sponsored through *Learning for Life*

PROGRAM PARTICIPATION HIGHLIGHTS

365

members of the Young Leaders' Network

205

tertiary students in the *Tertiary Mentoring* program

STRATEGIC PRIORITY 1

POST-SCHOOL YEARS



Only 59% of 24-year-olds from the lowest socio-economic backgrounds are fully engaged in education, training or work. This compares to 83% of those from the highest socio-economic backgrounds.¹

The costs of not being in work or study are significant for young Australians and the nation as a whole. Average lifetime costs to the Australian community for each 24-year-old Australian who is not in full-time employment, education and/or training have been conservatively estimated at more than \$1.5 million.²

THE CHALLENGE

Young people from disadvantaged backgrounds who decide to pursue further education or training after Year 12 often need financial assistance and extra support to complete their higher education journey.

Many of our sponsored students are the first in their family to complete Year 12 and go on to tertiary study or university. The extra costs of travel, textbooks and other resources can place an additional financial strain on a disadvantaged family. The lack of adequate technology at home, such as internet access or a reliable computer, can also make it harder for these students to complete their studies. Without connections to professionals in the workforce or a supportive network to provide study and

1 Lamb S, Jackson J, Walstab A and Huo S (2016), *Educational opportunity in Australia 2016: Who succeeds and who misses out*, Centre for International Research on Education Systems, Victoria University, for the Mitchell Institute, Melbourne.
2 Lamb S and Huo S (2017) *Counting the costs of lost opportunity in Australian education*, Mitchell Institute Report No 2/2017.

CASE STUDY – TERTIARY SCHOLARSHIP

LIFE-CHANGING SUPPORT

Zachary, *Learning for Life Tertiary Scholarship* student.



“To be able to push through to Year 12 when I felt like dropping out is one of the best things I've done.

“When I was growing up, Mum was a single parent with two kids and we just didn't have enough money to get through day to day.

“Before The Smith Family's help, we borrowed a lot of things. I had to borrow a uniform from the school and return it at the end of the year, which left me to be bullied. Everyone would pick on you because you didn't have anything.

“When The Smith Family money came in, we were able to buy books and uniforms. Everything was better after that. I enjoyed going to school and the support made me want to try harder.

“I've now been involved with The Smith Family for 10 years. If I didn't have that support I honestly wouldn't be in university. I wouldn't be able to afford it. I would have had to drop out at Year 10, maybe even younger, to start a job and help my mum.

“To go to university from where I've come from is huge – not many people in our area even consider further education at all – and it's had a dramatic impact on my life.

“In the future, I want to sponsor a child because it's changed my life and I know there are more kids who need help.”

Zachary, *Learning for Life Tertiary Scholarship* recipient

Zachary

career advice, disadvantaged tertiary students can find it hard to manage the demands of university and grow networks to improve their career prospects.

Higher levels of graduate unemployment are placing further stress on university students, with disadvantaged students more at risk of failing to find work after graduating than their more advantaged peers.

HOW WE HELP

Our *Learning for Life Tertiary Scholarship* program supports disadvantaged young people to pursue tertiary studies at university or in vocational learning. We provide financial assistance with the help of sponsors. As part of the program, students can access more specialised support to help them overcome factors that may prevent them from completing their tertiary qualification. For example, we may provide a career mentor for a student in their final year of tertiary study to help guide their transition to work.

Throughout their studies, Tertiary Coordinators stay connected to students, linking them to opportunities to build their

confidence and stay engaged with their studies, and to gain skills to manage tertiary study and adult life.

With funding from the Queensland Government, we launched *Care2Achieve*, a new program to support young women aged over 18 who are leaving out-of-home care and wish to complete tertiary education. *Care2Achieve* provides specific financial, practical and personal support for this vulnerable group of young women.

Working with our corporate partners, we offer students opportunities to meet prospective employers and learn from others already working in their field of interest.

We entered an exciting new partnership this year with the Business Council of Australia (BCA) in which 50 *Learning for Life* students will receive four-year paid cadetships with a BCA member company.

Our informal Young Leaders' Network is another channel that current and former *Learning for Life* students can use to develop skills and participate in networking opportunities to help with their careers.

HIGHLIGHT PROGRAMS

- *Cadetship to Career*
- *Care2Achieve*
- *Financial Literacy* programs
- *Learning for Life Tertiary Scholarship*
- Young Leaders' Network

PROGRAM OUTCOMES

- Enhanced networks and relationships
- Improved employability skills

CASE STUDY – CADETSHIP TO CAREER

SUPPORTING NEW CAREERS

"I wouldn't be where I am if it wasn't for The Smith Family. They've given me so many opportunities. It's been such a big help, especially with the transition to uni. I'm currently studying my first year of a Bachelor of Business, majoring in marketing.

"My parents have always been very supportive of my education. They came from war-torn countries, which meant they had no chance to study; they just had to survive. They didn't have the opportunities I've been given through The Smith Family and, because of that, they are always encouraging me to do good things and finish my education. They are very hardworking people and that's inspired me.

"The best thing about being involved in the *Cadetship to Career* program so far is the networking aspect, getting to know people in the business community, even just seeing the types of jobs other people do. I've met so many people already through this program.

"I've learnt how to use LinkedIn so I could follow the business people I've met and it's really opened up networks for me. Once I gain a lot more experience, I want to start my own business, so having those connections will really help."

Henok, *Tertiary Scholarship* recipient and *Cadetship to Career* participant

Henok

Cadetship to Career was launched this year in partnership with the BCA and the Australian Government Department of Employment to give disadvantaged tertiary students the best chance to transition successfully into the workforce. Each year of their studies, students undertake paid work experience with a BCA member company and take part in networking and skills development opportunities.

Henok, *Cadetship to Career* program participant.



25,477

parents/carers/adults
participating in programs

PROGRAM PARTICIPATION HIGHLIGHTS

10,340

parents and carers
participating in *Let's Count*

2,133

parents and carers
participating in *Saver Plus*

2,373

parents and carers participating
in *School Community Hubs*

616

parents and carers participating
in the *Home Tutor Scheme*

STRATEGIC PRIORITY 1

PARENTS AND CARERS



Parental engagement is a major influence on a child's orientation to learning, including their motivation, engagement, confidence and beliefs about learning. Parents influence their child's beliefs about the importance of education and the extent to which they believe they can influence their academic progress through hard work.

Parents also influence their child's acquisition of early reading and maths skills, problem-solving abilities, development as an independent learner, and ability to link learning at school to everyday life.¹

THE CHALLENGE

Parental engagement is a key influence on a child's educational outcomes. Yet many parents from disadvantaged backgrounds may lack the specific knowledge, skills and confidence to positively participate in their child's education, including promoting learning at home.

If a parent had a negative experience of school, or did not complete Year 12, it can influence the way they support their child's learning. When these factors are combined with financial hardship, low levels of literacy and numeracy, and work and caring commitments, it can be hard for low-income parents to provide a supportive learning environment at home.

For disadvantaged families, a lack of access to a computer and the internet at home, as well as limited technology skills, makes it

¹ Fox S and Olsen A (2014), *Defining parental engagement*, ACT Department of Education and Training: Canberra.



Connie with her children.

CASE STUDY – DONATE YOUR DATA

GIVING DISADVANTAGED FAMILIES DIGITAL ACCESS

"I am fighting breast cancer so I haven't worked for about a year. My husband's the only one who works, and with four kids and rent each week, money has been tight.

"We became involved with the *Learning for Life* program through my kids' school, and the support has been such a big help to the family.

"Through The Smith Family's *Donate Your Data* program with Optus, we get unused data donated to us and, wow, it's been a load off my mind.

"I used to buy \$30 of prepaid credit per month but now I only spend \$15 per month, so I'm saving money.

"Having donated data while I was in hospital was very important to me. Every time, I would be there for nine to 13 days at least, and not many family members could come and see me. My husband was working and

the kids were at school. But I could just give them a call on their lunch breaks through Messenger, so it was like they were by my side even though they weren't.

"I don't know what I would have done without The Smith Family. We have struggled big time, but I'm a fighter. And I like to think I've shown the kids how to fight."

Connie, *Learning for Life* parent

One in three children from Australia's most disadvantaged communities does not have internet access at home. Through *Donate Your Data*, Optus's prepaid customers donate leftover data, which Optus matches, and the data is provided to support the online needs of disadvantaged children and their families.

Connie

increasingly difficult to support their child's education away from the classroom and to engage with schools.

HOW WE HELP

Our *Learning for Life* program recognises the central role parents play in supporting their child's education. To obtain *Learning for Life* support, the family must enter into a Partnership Agreement with The Smith Family which acknowledges the shared goal of supporting their child's long-term participation in education and the importance of parental engagement in helping achieve this.

Our Family Partnership Coordinators build strong relationships with parents and carers, helping them to be more involved in their child's learning. Through their close relationships with families, our Coordinators can recognise gaps and identify programs that will most benefit the families they support.

We run programs that connect parents to educational opportunities in their community and at their child's school. Early-years educators deliver our *Let's Read* and *Let's Count* programs, targeting parents of younger children so they can support their

child's early learning and development before starting school. To teach parents basic money management skills, we run financial literacy programs *Saver Plus* and *MoneyMinded*. We also train community professionals who work with parents and children in other settings so they too can support parents to have the skills and confidence to assist their child.

During the year, we completed a review of our long-running *Tech Packs* program, which provides our families and students with access to a computer and the internet at home, to assist with their education. The review looked at the current offering and costs, the changing needs of our families and wider developments in this area. As a result of the review's recommendations, we developed a more targeted and tailored program to replace *Tech Packs*. Our new *Digital Access Program* aims to support *Learning for Life* families, helping them attain the skills and knowledge needed to use digital technology, and access affordable low-cost internet, computers, and technical support.

HIGHLIGHT PROGRAMS

- *Home Tutor Scheme*
- *Let's Count*
- *Let's Read*
- *Engaging Parents and Community*
- *Ready Set Go Project*
- *Saver Plus*
- *School Community Hubs*
- *Tech Packs*

PROGRAM OUTCOMES

- Increased confidence
- Enhanced networks and relationships
- Improved skills and knowledge

CASE STUDY – SAVER PLUS

MONEY-SAVING SKILLS FOR PARENTS

"It feels a lot better to be in control of my money, and it's good to know that I'm heading in the right direction. Just knowing that I've put that money away and I've had the support to add extra to it...it's a big weight lifted off my chest.

"I've got three children and my eldest daughter goes to high school next year. She feels really good about having some nice new uniforms, a decent laptop and the right school equipment.

"Before *Saver Plus*, I was basically living week to week on my pay cheques ... only putting a little bit aside. Then something would happen and it would be gobbled up. I was a good spender; not much of a saver.

"Now, I've learned about keeping down expenditures and I'm not leaving things until the last minute. I'm keeping a diary and I divide the weeks up and work out what I can put away and what might pop up in between.

"I look at our food shopping and say: 'Is it a porterhouse night or a schnitzel night tonight?'

"I've managed to open another savings account too. I put in a little bit each week, so that when it's Christmas time, I won't be swamped with how I'm going to afford presents.

"I'm starting [to teach] my eldest daughter [about saving] too. She's looking at the long-term goals of money management.

"The *Saver Plus* program has shown me where money can be saved, and where you can spend it on extra things. The future is looking really good now."

Paul, *Saver Plus* participant

Paul

Saver Plus is a matched savings and financial education program, helping participants to develop positive money-management skills and save towards their own, or their child's, educational goals. It is an initiative of the Brotherhood of St Laurence and ANZ, and is funded by ANZ and the Australian Government Department of Social Services. *Saver Plus* is delivered in partnership with Berry Street, the Benevolent Society, The Smith Family and other local community agencies.

Saver Plus helped Paul to save.



41,876

participants supported through government funding for community programs

PROGRAM PARTICIPATION HIGHLIGHTS

9

Communities for Children Facilitating Partner sites in New South Wales, the Northern Territory, Queensland, Victoria and Western Australia supporting 17,988 children aged from birth to 12 years; 528 aged 13 to 17 years; 8,592 parents and 1,847 community professionals

9,451

participants in School Community Hubs, made up of 1,165 children, 5,218 students, 2,373 parents and 695 community professionals

STRATEGIC PRIORITY 1

WORKING WITH COMMUNITY

Attitudes, relationships and decisions in the wider community have a powerful influence on what students get from education and which resources a school can access. Building stronger relationships with the communities that surround schools leads to higher student achievement.¹

THE CHALLENGE

In Australia's most disadvantaged communities, low levels of education, high unemployment rates, poor infrastructure, a lack of facilities and limited job prospects make it difficult for young people to believe they have a chance to build a better future for themselves. Disadvantage is often entrenched in families over many generations, and a young person growing up in such an environment needs to overcome a huge range of family and social issues to break the cycle.

In disadvantaged communities where there are fewer educational and employment opportunities, young people need extra help and resources to motivate them to go to school and complete Year 12. This includes support from their family, the community,

¹ Bentley T and Cazaly C (2016), *The Standard Work of Learning: Lifting educational achievement through collaboration*, Mitchell Institute Research Report No. 01/2016.

CASE STUDY – INDIGENOUS ADVANCEMENT STRATEGY PROGRAM, GUNGAHLIN (ACT)

GROWING HEALTHY FAMILIES

Bailey enjoys attending the *Deadly Bubs* playgroup.



“At *Deadly Bubs* playgroup, my grandchildren learn about their Aboriginal culture and who they are as traditional owners of Canberra.

“Levi knows that he goes every Tuesday and it’s his night and day, it really is. Once a week isn’t enough for him. He absolutely loves it, as does his brother Bailey when he gets the opportunity to come along.

“It’s about networking with other Aboriginal families and learning. The kids do all sorts of different activities that encourage their development in certain areas, like coordination, listening skills and teamwork. They’re taught how to dance, they play their clap sticks and sing. It really helps Levi to develop his identity and it’s given him a real respect for his culture.

“Then there are service offerings available to the adults, like speech pathologists, and information about dental care, hearing and first aid. It’s always a really good atmosphere – there’s no negativity.

“The Smith Family has offered other opportunities as well and put on events, and given us things to take home, like reading programs.”

Josephine, grandmother to Levi and Bailey

The *Deadly Bubs* playgroup is part of the *Growing Healthy Families* initiative, which focuses on early childhood development programs for Aboriginal children.

Josephine

local businesses and community services to mitigate these challenges. Research shows that where services and people are connected and working together, young people have a better chance of achieving improved educational and life outcomes.

HOW WE HELP

We forge strong partnerships with families, schools and community professionals in the communities where we deliver our programs and support. Our team members work on the ground, connecting and interacting with children, families, teachers, schools, other organisations, local businesses and community members.

Our work in the community begins in the early years before a disadvantaged child starts school. For our early-years programs *Let's Count* and *Let's Read*, we train educators and others working in the services that families regularly visit and use, to teach parents and carers how to develop their child's early numeracy and literacy skills. When a child starts school, we support disadvantaged students by providing the *Learning for Life* program. We work with teachers to connect

students – and their parents – to extra out-of-school help, including our own programs, so that students attend school regularly and keep up with their peers.

Our *School Community Hubs* and *Child and Parent Centres* help develop deeper connections between families, primary and secondary schools, local agencies and community services so there is more effective support for parents to positively influence children's educational outcomes.

In nine *Communities for Children* sites, we facilitate whole-of-community responses, working with local organisations to deliver programs that respond to community need and help improve outcomes for children aged from birth to 12, and their families. At each site we have developed plans, backed by evidence, to address specific challenges identified in the community. We have worked with our community partners since 2015 to collect data on outcomes and report results to the Australian Government Department of Social Services to inform future practice and policy.

HIGHLIGHT PROGRAMS

- *Child and Parent Centres*
- *Communities for Children*
- *Engaging Parents and Community*
- *School Community Hubs*

PROGRAM OUTCOMES

- Improved service collaboration and integration
- Increased access to and use of community resources
- Enhanced cross-sectoral partnerships

CASE STUDY – COMMUNITIES FOR CHILDREN

SUPPORTING COMMUNITY AND CULTURE

"The best thing about *Tree of Life* is learning my culture's language and dance," says one young participant.

Tree of Life is an Aboriginal cultural project in Mirrabooka, Western Australia, run by the Wadjak Northside Aboriginal Resource Centre in partnership with Sudbury Community House Association Inc. and the Department for Child Protection and Family Support. Two local Aboriginal leaders developed the project to help Aboriginal children aged 8 to 12 develop a connection to their culture and community by learning about culture and the Noongar language.

"*Tree of Life* is a culturally safe space for children. It is about shared respect and meaning, shared learning and listening, and being heard and valued. Being taught and mentored by Aboriginal people helps

young people know that they too can achieve success in their lives as Aboriginal leaders," says Jacquie Mayne, who manages the project.

"We hope young Aboriginal people will have a stronger sense of belonging and identity that will keep them stable and confident."

Through *Communities for Children*, The Smith Family has been working in Mirrabooka, which has a rich Aboriginal culture, since 2004. Mirrabooka is a very culturally diverse community that includes newly arrived immigrants and refugees. The Smith Family has supported *Tree of Life* since 2013, with an initial eight participants, subsequently growing to 53 in the last year.

The project is highly valued in the community. "We see how important *Tree of Life* is to our son, and how it is not just another after-school activity," says the foster mother of one participant.



Learning about Aboriginal culture at *Tree of Life*.

17,178

participants in programs who identify as Aboriginal and Torres Strait Islander peoples

PROGRAM PARTICIPATION HIGHLIGHTS

7,609

students sponsored through *Learning for Life* who identify as Aboriginal and Torres Strait Islander peoples

4,645

Aboriginal and Torres Strait Islander participants in *Communities for Children*

203

participants in the *Indigenous Youth Leadership Project*

STRATEGIC PRIORITY 1

OUR WORK WITH ABORIGINAL AND TORRES STRAIT ISLANDER CHILDREN AND YOUNG PEOPLE

In 2016, the average school attendance rate for Aboriginal and Torres Strait Islander students was 83.4% compared to 93.1% for non-Aboriginal and Torres Strait Islander students.¹

At age 15, Aboriginal and Torres Strait Islander students are, on average, about two-and-a-third years behind non-Aboriginal and Torres Strait Islander students in reading and maths.²

In 2015, the apparent retention rate from Years 7–12 for Aboriginal and Torres Strait Islander students was 59.4% compared to 85.2% for non-Aboriginal and Torres Strait Islander students.³

THE CHALLENGE

Aboriginal and Torres Strait Islander children and young people face a range of complex social issues that can make it harder for them to succeed at school – and poorer educational outcomes affect their ability to improve their life outcomes.

When they start school, many Aboriginal and Torres Strait Islander students can be behind their peers in basic skills, and as a result can struggle to stay motivated to attend school regularly. When students face additional challenges at home and in their community, they find it very hard to stay motivated to reach Year 12.

Young Aboriginal and Torres Strait Islander women, in particular, face significant factors

1 Australian Government (2017) *Closing the Gap: Prime Minister's Report 2017*, Department of the Prime Minister and Cabinet.
2 Ibid.
3 SCRGSP (Steering Committee for the Review of Government Services Provision) 2017 *Report on Government Services 2017*, Productivity Commission

CASE STUDY – GIRLS AT THE CENTRE

TARGETED SUPPORT FOR ABORIGINAL AND TORRES STRAIT ISLANDER GIRLS

Sharna

Year 12 student Sharna is part of the *Girls at the Centre* program.



“The *Girls at the Centre* program helps me with whatever I need so I can be happy at school and also with my life in general. I love going to our Girls Room, which is a stress- and judgement-free space.

“I’ve been part of the program since it launched last year and I’m also a *Learning for Life* student.

“Year 12 has been stressful and at times overwhelming, but as part of *Girls at the Centre*, we have inspiring mentors from our community who come to speak with us and, when our assessments pile up, we have tutors who can help us one on one.

“All of us girls have formed friendships with each other and with our coaches, Casey and Maxine. The junior girls especially rely on our coaches and they are really supportive with whatever we have going on in our lives. They are even helping me with getting my Ps.

“A program highlight for me was our trip to Wollongong last year, which was a reward for good behaviour and doing well at school.

“Right now, I’m just counting down the weeks until I finish Year 12. Next year, I hope to study social work at university or follow my love of dance at Aboriginal dance college NAISDA [National Aboriginal Islander Skills Development Association]. Either way, I’m excited for the future.”

Sharna, *Girls at the Centre* participant and *Learning for Life* student

in their home life that can affect their engagement with school. These factors include poverty and caring responsibilities.

HOW WE HELP

We are committed to working collaboratively with Aboriginal and Torres Strait Islander children and their families to help close the gap in educational outcomes. Almost 20% (7,609) of the *Learning for Life* students we support are from Aboriginal and/or Torres Strait Islander backgrounds. We support these students by providing tailored assistance, including targeted learning and mentoring programs that help them stay motivated at school and keep up with their peers. We also provide opportunities for students to participate in activities outside their local communities so they can learn about options beyond their own experiences and aspire to a better future.

Our approach is underpinned by our 2017–20 Reconciliation Action Plan (RAP), through which we aim to address inequities experienced by Aboriginal and Torres Strait Islander children and young people.

This year, our Advisory Group on Issues Concerning Aboriginal and Torres Strait Islander Peoples continued to provide advice

and feedback to ensure that our work is culturally informed and appropriate.

In the coming year, we will implement our third RAP (our second Stretch RAP), which sets out plans for the next four years. This RAP includes a commitment to ensuring that a minimum of 15% of newly recruited students to the *Learning for Life* program are of Aboriginal or Torres Strait Islander backgrounds.

Our work includes facilitating the *Indigenous Youth Leadership Project* (IYLP), funded under the Department of Prime Minister and Cabinet's Indigenous Advancement Strategy. IYLP supports secondary students from remote communities to attend high-performing academic schools. Through IYLP, students can access opportunities and experiences that teach them about career pathways and help them aspire to a better future.

Our *Girls at the Centre* program works with young Aboriginal and Torres Strait Islander women as they move through high school. This program helps keep the girls motivated at school and provides wraparound support, including mentors, to encourage them to complete school to Year 12 and move on to post-school employment and education.

We also collaborate with communities and families to ensure the support we provide makes a long-term difference. For example, *Ready Set Go* takes a collective impact approach to improving school readiness and success for Aboriginal children by increasing the capabilities of those involved in a child's life, such as families, schools and local services.

HIGHLIGHT PROGRAMS

- *Borroloola Intensive Support Playgroup*
- *Engaging Parents and Community*
- *Girls at the Centre*
- *Growing Healthy Families*
- *Indigenous Youth Leadership Project*
- *Learning for Life*
- *Ready Set Go Project*

PROGRAM OUTCOMES

- Improved confidence, skills, knowledge and understanding
- Improved school attendance
- School completion
- Post-school engagement in work and/or further study

CASE STUDY – INDIGENOUS YOUTH LEADERSHIP PROJECT

INSPIRING ABORIGINAL STUDENTS TO PURSUE THEIR DREAMS

"Through the *Indigenous Youth Leadership Project*, I was able to go to a really good school in Sydney, and now study medicine at university.

"The educational opportunities at home were basic [compared] to what I've had through IYLP. It's pretty isolated at home and away from everyone.

"My parents never finished Year 12. They left school and became farmers. It was my sister who was the first in the family to go to university. She's been a role model for me, seeing her step out of her comfort zone has motivated me to step out as well.

"The whole IYLP experience has been great. A highlight for me was playing the didgeridoo at my school's NAIDOC [National Aboriginal and Islander Day Observance Committee]

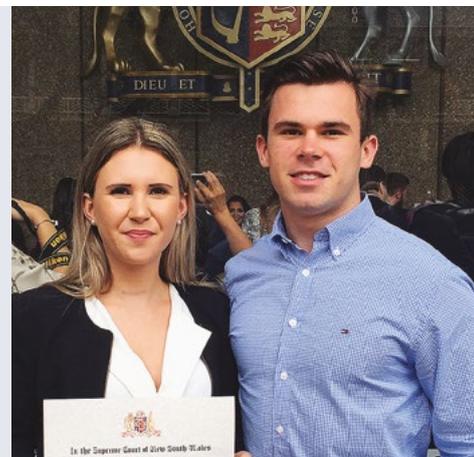
event, and travelling to Darwin in Year 12 to meet everyone else in the project. Showing other people my culture is something I'm really proud of.

"Without the scholarship, I probably wouldn't have gone to university. Having the scholarship and a good education has dared me to push further and pursue my dreams.

"The first year of uni was really, really tough, but knowing that I received the IYLP scholarship, and received so much support, I really wanted to push through and do my best to achieve my goals.

"Once I finish my degree, I'm hoping to become a GP. Growing up around my community, there were so many health problems among my Elders. I want to become a doctor so I can work within [the] community. I also would like to go out to a rural or remote community and work out there."

Steven, *Indigenous Youth Leadership Project* participant



Steven, and his sister Danielle

Steven



Edwije

BUILDING AND SUPPORTING DREAMS

“My family came from Burundi in the time of civil war and I was born in a Tanzanian refugee camp. Schooling in my country was hard and expensive. It was rare to find a person who had completed high school.

“We arrived in Australia when I was six. I had to learn a new language and adapt into a completely new environment. My father worked ridiculous hours in a factory so he could pay the bills, but the money was not enough for a family of eight.

“In 2011, we joined The Smith Family. They supported us through times of need and it meant I was able to have the best education. I was involved in a few programs, including *student2student*, which helped my reading.

“The Smith Family’s support meant I have had a life-changing opportunity to attend a technical college to complete high school. I am currently focusing on completing a Certificate II in Construction.

“I feel quite confident entering a workforce that is male-dominated. It will give me an opportunity to empower and encourage women that stereotypes are barriers we must learn to overcome.

“One day, I would like to have my own company and employ young people. I want to be able to help the community as it has so generously helped me.”

Edwije, *Learning for Life* student

STRATEGIC PRIORITY 2
TO BE AN INFLUENTIAL ADVOCATE FOR
DISADVANTAGED YOUNG AUSTRALIANS

**OUR EVIDENCE-BASED
PRACTICE ENSURES
WE MAKE AN IMPACT**

RESEARCH

Our practices are informed by in-depth, data-led analysis.

We are committed to ensuring that the programs and support we provide respond to the needs of disadvantaged students and their families, lead to improved educational outcomes and, ultimately, help these young people to achieve better life outcomes.

Insights from our research and evaluation inform our approach, ongoing program development and advocacy. Our research also allows us to demonstrate to stakeholders the effectiveness of what we do and its impact on young Australians in need.

Over the last five years, we have been tracking three longer-term outcomes for all students participating in our largest program, *Learning for Life*. These outcomes are school attendance, school completion, and post-school engagement in employment and/or study. We chose these outcomes because research shows their importance for positive long-term educational and life outcomes.

By analysing student outcomes data alongside the demographic characteristics of our students (such as parental education, and health and disability issues), and administrative data (such as length of time on the program), we are refining our understanding of which students and families may need additional educational support. We are also beginning to understand at what stage of the education journey groups of students may need this extra support.

This research is unique in Australia as we are tracking the progress of a large number of young people, all from disadvantaged backgrounds, who are participating in a targeted educational support program over a long period. Our results are providing valuable insights on progression through school and

beyond, and informing our program delivery and advocacy. Analysis is helping inform program refinements, including how we can better support students transitioning to high school or senior secondary school, and in developing career pathways.

This year, we began evaluating the new *Care2Achieve* program, which aims to support young women who are leaving out-of-home care and wish to gain a tertiary qualification. Research shows that young people in out-of-home care generally have very poor life outcomes, so our work with the Queensland Government Department of Communities, Child Safety and Disability Services has the potential to significantly improve the educational and post-school outcomes of highly disadvantaged young Australians. Currently, more than 1,800 young people living in out-of-home care (the majority residing with their grandparents) are participating in our *Learning for Life* program, so this is an area of interest for research, policy and practice.

We have also continued our involvement in five Australian Research Council Linkage grants, working collaboratively with a range of academic, government and non-government partners. These large, long-term, nationally significant research projects all focus on improving the wellbeing of disadvantaged children and young people. A significant amount of data has been collected and analysed for all five projects this year. This data includes a survey of high school students in NSW and *Learning for Life* students, to identify what they see as 'essential' for all young people, and to assess the extent to which they have these essentials. We expect that analysis of this data will provide an indication of the extent to which some young Australians are experiencing material deprivation and social exclusion.

ADVOCACY

We use our evidence-based knowledge and insights to be an influential advocate on behalf of disadvantaged young Australians.

Over a number of years, The Smith Family has been advocating for the importance of parental engagement in a child's learning and the need to develop practice and policy initiatives that support such engagement. We were delighted to co-host the Parent Engagement Conference in partnership with the Australian Research Alliance for Children and Youth (ARACY) in Melbourne in June 2016. More than 600 people attended to discuss and share the latest research on parental engagement.

Parental engagement and the positive impact of long-term support on educational outcomes for disadvantaged young Australians have been at the core of our advocacy to government. We were therefore delighted with the Australian Government's policy initiative to support an additional 24,000 participants on our *Learning for Life* program by 2020, given that the program is underpinned by the principles of parental engagement and long-term support. The growth of the program will also enhance our long-term research agenda, which aims to identify how to better assist disadvantaged young people to achieve positive educational and post-school outcomes.

We also partnered with ARACY to establish the Middle Years Network, an initiative focused on improving outcomes for young people aged 8–14. This is a critical stage of young people's development that is sometimes overlooked. The network focuses on strengthening the connection between research and practice for those working in this area. More information is available at aracy.org.au/the-nest-in-action/middle-years-network.

This year, we made 15 public policy submissions on a range of topics. These topics included the development of a national education evidence base to improve Australia's educational performance, national and state education legislation, and the delivery of human services and education and training opportunities for young people from Aboriginal and Torres Strait Islander backgrounds. We also made pre-budget submissions to a range of governments.

In addition, we gave 27 presentations at a range of national and international events and conferences (see page 18).

We won the Mathematics Education Research Group of Australasia's (MERGA) *Beth Southwell Practical Implications Award 2016*, with Professors Bob Perry and Ann Gervasoni, for our combined work on *Let's Count*. The award was presented at MERGA's conference.

Throughout the year, we generated extensive media coverage on issues such as the impact of disadvantage on a child's educational outcomes, the costs to the community of young people not finishing Year 12 and the critical role of parents in a child's learning. Coverage included opinion pieces on topics such as the importance of providing early literacy and numeracy support to ensure children are school-ready, and the need for a stronger policy and program focus on parental engagement to improve educational outcomes.

CASE STUDY – 2017 PARENT ENGAGEMENT CONFERENCE

LANDMARK CONFERENCE ON PARENTAL ENGAGEMENT TO SUPPORT CHILDREN'S EDUCATION

National and global researchers, policymakers, practitioners and parents came together in June 2017 for one of the biggest conferences on parental engagement to be held in Australia.

Jointly hosted by The Smith Family and ARACY, the three-day event explored the best ways for parents to support a child's learning.

"Parent engagement is far more than parent-teacher interviews or volunteering for the school canteen. It is about parents working as a team with educators to encourage and support children's learning," said ARACY Chief Executive Officer Stephen Bartos, who welcomed conference attendees. "The key question is how parent engagement can work better so as to improve student outcomes."

Team members from The Smith Family presented two papers and two posters at the conference, which was supported by the Australian Government Department of Education and Training.

Christine Johnson, Smith Family team member and proud Gunaikurnai woman, presented a paper on innovative engagement strategies to support the education of Aboriginal and Torres Strait Islander children. The Smith Family's Research and Advocacy team members Gillian Considine and Catherine O'Byrne drew on research we conducted with students and families on our *Learning for Life* program. The paper explored the importance of parents' aspirations and expectations on their child's achievement and participation in further education.

Delivering the closing address, Smith Family Chief Executive Officer Dr Lisa O'Brien said the evidence clearly shows that children with engaged parents perform much better at school, regardless of their family's income or background. "We know school is important – we can all remember a teacher we loved and the impact they had – but we can't expect schools to do it all, particularly in our most



(L-R) Smith Family team members Susan Scarr and Christine Johnson at the conference.

disadvantaged communities," said Dr O'Brien. "It is vital that we continue to build awareness and understanding of parent engagement in Australia, and identify new ways to support parents in this crucial role."



Patrick

INVESTING FOR POSITIVE IMPACT

“I want to see a more equitable society, whatever it takes.

“Helping people break out of their impoverished upbringing is very important to me. But it’s not just about giving them access to education; it’s empowering them with a sense of self-belief. By giving them access to programs and mentors, suddenly they’re no longer disconnected, they feel like they’re a part of things.

“I grew up as one of seven children and money was always tight. By the time I hit my late teens, I was very aware of how hard it was on my parents. We were loved and well cared for, but they made sacrifices.

“I see how parents can find it hard to break out of their impoverishment, but with the right help it’s possible to make a difference to their children’s lives and ultimately make a difference to society. I really value The Smith Family’s philosophy – investing now to positively impact the future. It’s also really important to me to know that as much of every dollar as possible that I give goes directly to the cause.

“I’m particularly inspired by Lisa O’Brien’s connectedness with the right people and her ability to engage with policymakers to effect change. The Smith Family isn’t just throwing money at the problem, but really working to change the system to support the people who need it most.”

Patrick Versace, Ophthalmologist Patrick Versace has been a major supporter of The Smith Family for more than a decade. In addition to his regular generous contributions, Patrick pledges the fees received from his worldwide speaking engagements to The Smith Family.

STRATEGIC PRIORITY 3
TO CONNECT THE AUSTRALIAN COMMUNITY
WITH THE PLIGHT OF DISADVANTAGED
YOUNG AUSTRALIANS AND ENGAGE THEM
TO SUPPORT OUR MISSION

A COMMUNITY
OF SUPPORTERS
BELIEVING IN
OUR WORK

THANK YOU TO

167,066

total individual supporters

116,397

donors

26,184

sponsors

15,706

VIEW Clubs of Australia members

8,779

volunteers

STRATEGIC PRIORITY 3

ENGAGING SUPPORTERS

To achieve our vision of a better future for young Australians in need, The Smith Family needs a strong and highly engaged network of support.

Our work is made possible by the generous contributions of our myriad supporters. The assistance we get from sponsors, donors and volunteers, as well as our corporate, philanthropic, university and government partners, is much valued. It enables us to achieve our mission to create opportunities that help disadvantaged students participate fully in their education.

In connecting the broader community with our mission, we ask people to engage with the purpose of our work: stopping poor children from becoming poor adults.

By informing people about our program outcomes, we help them understand the lasting impact our work has on participants. And our transparent reporting shows how we use our funds efficiently, with the majority of donations going towards our Community Programs.

Now more than ever our supporters are vital for our success. We need ongoing whole-of-community support to achieve our goal of offering long-term educational support to even more disadvantaged young Australians.

This year, we took positive steps towards reaching more people by increasing the number of sponsors. We launched a marketing campaign that attracted more than 11,000 new sponsorships. The Australian Government's support for our *Learning for Life* program contributed to this record result.

CASE STUDY – SPONSOR

OPPORTUNITY THROUGH EDUCATION

John

John, *Learning for Life* sponsor for 25 years.



"Every kid deserves a good education, and that means having money to buy the right uniform, [and] go on excursions and camps with their schoolmates.

"I've sponsored four students over the last 25 years, all the way through their education to the point where they no longer need support. It feels good to give, to know you're helping someone.

"I like that in sponsoring a student's education I'm also helping that child's parents by reducing the emotional burden they may otherwise carry.

"Invariably, these families aren't in this situation through any fault of their own. It might be family illness, separation or any number of things that have led them to where they are, but, regardless, their children shouldn't have to suffer any disadvantage.

"When I was at school, I saw kids who missed out because their parents didn't have the money to buy them decent shoes and they really suffered. I believe all kids should have every opportunity to get a decent education.

"Education is essential for your self-esteem. Going to school helps you feel like you're part of a team and it goes beyond learning the three Rs – you learn values and lessons about appropriate behavior that you'll want to employ throughout your life."

John Coleman, sponsor

Our work strengthening our digital communications – using video and personalised content, and improving our website – has made it easier for people to donate online. We had a 58% increase in donations and sponsorships through the website compared with the previous year.

As we enter a period of significant growth, it is pleasing to see that our fundraising and communications initiatives are helping raise our profile among charity-givers. We are also seeing year-on-year growth (up 3% this year) in terms of the proportion of charity-givers considering The Smith Family as a charity worthy of their support.

SPONSORS

The number of people sponsoring *Learning for Life* students grew by 16% this year. More than 26,000 Australians enabled the sponsorship of 38,876 children across the year, and their ongoing support ensures our organisation's sustainability.

Every year, *Learning for Life* students write their profile, sharing information with their sponsor, such as their hobbies, favourite subjects at school and what they want to do when they grow up. This correspondence is a poignant communication that reinforces the personal connection between the pair.

This year, to support our growth ambitions, we used a range of advertising channels to attract new sponsors, including direct-response television, telemarketing and digital activity.

Registrations for our *My Smith Family* online portal for supporters reached almost 18,000 by the end of the financial year, up from 10,000 in 2015–16.

DONORS

This financial year, our donor base grew to just over 116,000 individuals, up from 108,000 in 2015–16. We attracted 12,541 new cash donors, showing that our messages about the positive impact of our work are resonating with the wider community.

Overall, individual cash donations made through appeals contributed more than \$9 million. Of our three appeals (Back to School, Winter and Christmas), the Winter Appeal was the most successful, receiving 1,000 more donations than in 2016.

Charities value the long-term engagement of people who give monthly donations, and this year we were delighted to welcome more than 8,000 new such donors to support our programs.

We were the grateful beneficiary of bequests from 98 generous individuals who chose to leave The Smith Family a gift in their will. These legacies brought in more than \$8 million for our work.

We acknowledge the significant support of our corporate partners ANZ and Officeworks for promoting our appeals to their staff and customers, Quantum for providing data insights and oOh!media for its ongoing media support.

MAJOR DONORS

We greatly value the very generous contributions we receive from philanthropists and major donors who share our vision of a better future for young Australians in need.

We invest time and effort developing meaningful relationships with our major donors to ensure that we can help them achieve their goals effectively. Knowing a donor's interests and motivations allows us to link them with aspects of our work that most inspire them.

Strong engagement is built on long-term relationships and trust that come through delivering on our promises over time. About 10% of our major donors have given to The Smith Family for more than two decades, supporting the sustainability of our programs and our organisation overall.

In recent years, we have taken a more strategic approach to working with major donors, particularly given the long-term nature of our program support. This year, we were pleased to record an 18% increase in income from major donors.

In response to our strategic objective – to have long-term, stable and growing sources of funding – we established the Children's Future Education Fund in 2015–16. This endowment fund for large donations supports our existing activities and will help us achieve future growth plans. This year, we received \$3.1 million from supporters whose substantial gifts will assist with educating disadvantaged children and reducing the effects of intergenerational poverty in Australia.

CORPORATE PARTNERS, TRUSTS AND FOUNDATIONS, AND UNIVERSITIES

The support we receive from Australia's corporate sector, trusts and foundations and universities is crucial to our work. We greatly value the contributions from these partners, who share our vision of a better future for young Australians in need.

The meaningful partnerships we form are mutually beneficial, with our partners reaping the societal and economic value that comes from helping disadvantaged students and young people to achieve better educational outcomes. Partners engage with us in many different ways, contributing their time and skills to assist with delivering and improving programs, sustaining our

organisation, and supporting growth and innovation. We aim to collaborate with our high-value (both financial and in-kind) long-term corporate partners to deliver reportable social impacts.

This year, we were delighted to establish new partnerships with the Audi Foundation, AECOM, Aurora Energy, Brumby's Bakery, Clinique, The Coal Miners Welfare Board, Domino's Pizza Enterprises, General Mills, Hydro Tasmania, Interflow, MyState, Rodan + Fields, PEACH and TransAlta Energy.

We were particularly pleased to welcome the Audi Foundation as national partner for the *Work Inspiration* program, which provides opportunities for students to visit workplaces and learn about career opportunities and pathways. Through the support of the Audi Foundation, The Smith Family will deliver more than 150 *Work Inspiration* events for more than 2,000 students across Australia each year.

Our strategic approach to working with a partner begins with having a deep understanding about why they choose to

support our work and how the partnership can add value to their business.

This approach has enhanced many of our existing partnerships. For example, we have strengthened our partnerships with SAP and the Commonwealth Bank to support the *Young ICT Explorers Accelerator Program*, enabling teachers and disadvantaged students to explore technology and boost their digital literacy skills.

We have also continued to evolve our partnership with Optus, our major corporate partner for the *student2student* reading program. In addition to continuing to provide Optus mobile phones, SIM cards, call credit and access to the Optus network to deliver the program, the company introduced a new *Donate Your Data* initiative for *Learning for Life* students and families. Through the initiative, prepaid mobile customers can donate their unused data each month to The Smith Family. Optus collects the donated data and matches the amount, sharing it among *Learning for Life* students and families who are prepaid customers, helping to reduce the digital divide.

CASE STUDY – CORPORATE PARTNERS

INVESTING IN A BETTER FUTURE

(L-R) Smith Family team member Leigh Bartlett with Sharon Collins and Mark Hamilton from Commonwealth Bank of Australia.

“Commonwealth Bank is committed to driving positive change through education, to help children and families develop skills, and build a pipeline of talent for the workforce of the future.

“We're proud to be in our third year of a successful partnership with The Smith Family, which is helping us achieve this goal.

“Our partnership is focused on addressing the digital skills gap between higher income and lower income households, through initiatives like the *student2student* reading program and the *Young ICT Explorers Accelerator Program*.”

“Encouraging students to get involved in science, technology, engineering and mathematics is important to our national economic future. The *Young ICT Explorers Accelerator Program* provides schools from low socio-economic communities with access to specialised teacher training and resources in these fields. This includes things like robotics and coding training, financial contributions to attend technology-focused education events, and a range of IT hardware to support student projects. Acting as mentors to boost the teacher's learning and abilities, is something our employees are proud to be part of.”

Sharon Collins, Head of Future Talent, Community and Inclusion at Commonwealth Bank

The Young ICT Explorers Accelerator Program is a joint initiative of SAP, Commonwealth Bank of Australia, and The Smith Family.



This year, a number of long-term corporate partners reached significant milestones with us. King & Wood Mallesons, a corporate partner since 2002, reached \$1 million in donations through its workplace giving program. We are grateful to all the firm's employees who choose to support The Smith Family through this initiative.

We are also grateful to the corporate partners who support our fundraising and clothing donation initiatives. In particular, we would like to acknowledge Officeworks, which achieved a record fundraising amount for our Back to School Appeal; Flight Centre, which supported our Christmas campaign; Mirvac, which collected donated pairs of shoes at its shopping centres for our *Share My Shoes* campaign; and David Jones for its Smith Family-branded Christmas gift card initiative, donating 10% of the value of each gift card sold.

During the year we received generous support from partner organisations who donated goods and services. The estimated value of this support was \$1.65 million.

80 trusts and foundations also supported our work in 2016–17. These philanthropic partners contributed to various programs and projects, including important capacity-building activities that enable The Smith Family to be more efficient and effective. We were delighted to welcome new partners during the year, including the Fidelity International Foundation and the Donald and Joan Wilson Foundation. We are also grateful for the ongoing strong support we receive from many long-term partners, such as Perpetual Trustees.

We maintained strong partnerships with 22 universities, which helped us to create opportunities for students to engage in education and post-school studies. These opportunities included campus visits, mentoring opportunities, and extracurricular programs to assist disadvantaged students to discover their passions and build their skills and confidence. In recent years, we have also developed strong research collaborations with a number of our university partners, which inform our practice and advocacy.

EVENT PARTICIPANTS

Our thanks go to everyone who participated in a community fundraising event for us this year.



AROUND THE BAY

More than 700 cyclists fundraised for us in Melbourne's annual *Around the Bay* bike ride in October 2016. For 23 years The Smith Family has been the official charity partner for this Bicycle Network event, raising nearly \$10 million in that time. In 2016, the event raised close to \$1 million. We give an enormous thanks to all riders, volunteers and event staff, and to those who donated to support The Smith Family. A special mention goes to John West (Simplot Australia), whose team of 152 riders led by ambassador Olympic gold medallist Steve Hooker, raised \$43,000.



THE SMITH FAMILY CHALLENGE

The 10th Smith Family Challenge was a record-breaking event, raising \$836,000, the largest amount recorded for a single Challenge event. In March 2017, 60 challengers ran, cycled and kayaked in the two-day off-road adventure held in the Kangaroo Valley in NSW. This year's success takes the total raised since the event began to an incredible \$4.2 million. Congratulations to the dedicated and dynamic committee, ably led by Smith Family Board director Tony Davis, to all the participants and to everyone else who helped make this event a huge success.



TOY AND BOOK APPEAL

Our annual Toy and Book Appeal ensured thousands of Australian children who take part in our *Learning for Life* program could experience the joy of Christmas. We are grateful to the thousands of volunteers who helped us to continue this tradition. This year, 1,741 generous Australians packed 14,401 toy and book packs and delivered them to 6,647 families across the country. We thank all supporters who made a financial donation towards the Toy and Book Appeal, bought new toys or books online, or collected new books and toys in workplaces or communities.



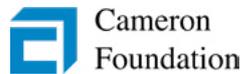
Sarah Harris with *Learning for Life* students at the Graduation Ceremony in Sydney.

AMBASSADOR THANK YOU!

Our Ambassador Sarah Harris, co-host of Network Ten's *Studio 10*, took part in a range of profiling opportunities this year, helping us to reach new audiences across Australia. At our *Learning for Life* student graduation events in Sydney and Brisbane, Sarah inspired the students by sharing her own post-school journey and speaking of her strong connection to our work. Her involvement promoting Mirvac's inaugural *Share My Shoes* campaign also helped us collect 12,000 pairs of donated shoes for sale in our retail stores, with the proceeds benefitting our programs. We warmly thank Sarah for her ongoing support.

THANK YOU

to all our partners for working with us to help improve the educational outcomes of disadvantaged young Australians.





8,779

individual volunteers supported The Smith Family in every state and territory in 2016–17

93%

of surveyed volunteers said they would talk positively to friends, family and colleagues about their volunteering experience at The Smith Family

4,910

volunteers supported programs

464,614

total hours of donated service

53

average hours contributed by each volunteer

STRATEGIC PRIORITY 3

VOLUNTEERS

An extraordinary community of 8,779 volunteers shares our commitment to supporting disadvantaged students.

We are extremely grateful to our volunteers for the 464,614 hours – valued at the equivalent of \$13.9 million – they gave this year to support our mission.

Without this contribution, we would not be able to deliver our learning and support programs around Australia.

Despite the national trend showing a declining rate in volunteering for not-for-profit organisations, our volunteer numbers grew this year.

During the year we worked hard to understand how external influences and changes in the volunteering sector, such as increased competition for volunteer time, are affecting our work. We introduced strategies to attract and retain volunteers, including developing collateral recognising their talents and acknowledging how much we value them.

CASE STUDY – VOLUNTEERING

A SHARED MISSION

“I started volunteering with The Smith Family’s Volunteer Coordination Unit (VCU) five years ago. I have a professional background in international education and scholarship management with non-government organisations based in the US.

“When I came to Australia and read about The Smith Family’s mission, it sounded perfect for me. Supporting a child’s education is something I really believe in. I find it motivating to read about the successes The Smith Family has had with disadvantaged children.

“As a customer service volunteer, I’m responsible for enrolling and screening applicants for volunteer roles Australia-wide. I also train new VCU volunteers, which I enjoy. I also find it rewarding to recruit volunteers to help with packing gifts or delivering books and toys to disadvantaged kids at Christmas. It’s a great link to The Smith Family’s history.

“Even though my role is an admin support role, I find it deeply satisfying to help the organisation’s mission. Seeing The Smith Family’s positive values around education instilled in young Australians is gratifying.

“There are so many benefits to being part of such an impressive and innovative organisation. The Smith Family has a very solid track record and I think that’s something people would want to be part of. It’s also a training ground for younger volunteers who seek experience or want to learn office skills. For others, they can contribute their time and their talents for a very good cause. Then, after all that, you have great camaraderie with like-minded people – that’s the icing on the cake for me.”

Anita Reichert,
Smith Family volunteer



Anita, a Smith Family volunteer for more than five years.

Anita

PREPARING FOR GROWTH

Growing our pool of volunteers will be vital for supporting the increased numbers of families and students we will help in the coming years. This year, we reviewed our volunteer recruitment and screening process to identify how we could efficiently increase our number of volunteers. As part of the review, Optus provided pro bono training for our Volunteering Managers in continuous improvement methodology. Recommendations from the review have already enabled us to cut our volunteer screening time by 29%, leading to a far smoother experience for prospective volunteers, while still ensuring the wellbeing of children and young people through our child protection policy and framework.

VOLUNTEER SATISFACTION

In our annual survey, 93% of volunteers said they would talk positively about The Smith Family to friends and family and are very satisfied with their volunteering experiences overall.

To connect volunteers with the broader organisation, we celebrated National Volunteer Week around the country, highlighting the stories and faces of some of those who support our work in programs, projects and in-house administration.

We also produced new video content and a newsletter to show volunteers how their contribution is making a sustainable difference to young people in need.

INCREASING OUR TEAM MEMBERS' SKILLS

The volunteering sector is becoming increasingly professionalised, with people expecting more from the organisations they donate their time to. This development means we have to upskill our team members to become specialists in volunteer management and support.

We organised skills training and tools for team members who work directly with volunteers to engage effectively with this key group.

Members of our team who oversee volunteers also attended state-based peak body workshops and networking events. These activities helped them update their knowledge of national and international trends in the sector, and develop new ideas to support our team members and growing volunteer base.

For more information on volunteering opportunities, go to thesmithfamily.com.au.



Strategies were introduced to attract and retain volunteers, including developing collateral recognising their talents and acknowledging how much we value them.

15,706

members in 2016–17

1,209

Learning for Life students sponsored by VIEW Club members

STRATEGIC PRIORITY 3

VIEW CLUBS OF AUSTRALIA

VIEW (Voice, Interests and Education of Women) is a national women's organisation that exclusively supports The Smith Family. The organisation's 15,700 dedicated women come from 320 communities around Australia and share our commitment to providing long-term educational support for disadvantaged students and young people. VIEW Club members sponsor students, volunteer, fundraise in their local communities, and advocate for our cause.

A greatly valued part of The Smith Family since 1960, VIEW is our largest community sponsor of *Learning for Life* children, contributing more than \$1 million each year in sponsorships and donations to our programs.

The Smith Family sincerely thanks all VIEW Club members for their ongoing dedication and commitment to our *Learning for Life* program. More than ever, their support makes a difference to our work, ensuring we reach more students and families in need.

SPONSORSHIPS

This year, VIEW reached a significant milestone, sponsoring 1,209 disadvantaged children and young people. VIEW Club members understand that our *Learning for Life* program enables better life outcomes for these students.

CASE STUDY – VIEW CLUB MEMBER

SPONSORING, FUNDRAISING, VOLUNTEERING AND MAKING FRIENDS

VIEW Club member Val shares a book with a student at Learning Club.



"About two years ago, a friend told me about VIEW because I'd moved interstate and needed to make new friends.

"At my first meeting the women were all so welcoming. I felt that I could fit in well and I became a member that night. Now we are a club of 26 members. We have really good friendships among us and we sponsor two primary school students through the *Learning for Life* program.

"One of the students we sponsor is the same age as my granddaughter, so I feel an affinity with her. As a Club we love sponsoring students and receiving the student profile updates. We are proud to claim that we sponsored our first student on our first club birthday and our second student on our second club birthday.

val

"Our club recently hosted a fundraising event at a local winery with afternoon tea, a fashion parade with community stalls, which raised \$1,800 for The Smith Family. We run many different activities, including an historic walk every month [and] regular outings to the movies, and a group of us even went on a holiday together back to my hometown. At each activity, we ask for a gold coin donation for The Smith Family.

"I also volunteer with The Smith Family as a Learning Club volunteer tutor which has been really rewarding. The children are always eager to learn and seem to love to be there. We just focus on doing learning activities that they enjoy. Sometimes the children rush up and say: 'Will you read to me? Sit with me?' It makes it all worthwhile."

Val Maroney, The Vines Evening VIEW Club member



VIEW Club members celebrate sponsoring 1,202 *Learning for Life* students at an event during the year.

ADVOCACY

VIEW's reach extends to 320 communities where it has a presence. Its powerful national voice is vital for informing more Australians about the importance of providing educational support for disadvantaged students.

This year, VIEW members continued to hold events in their local communities, and met local and state politicians to discuss our work. We are grateful for this support and recognise their importance in attracting new sponsors for the *Learning for Life* program.

DEVELOPING VIEW

Keeping VIEW Clubs vibrant and active will help to grow membership. This year, the VIEW Executive focused on developing the skills of members, strategies to grow membership numbers, and activities that enable members to connect with young people in need. It also continued the tradition of having fun and socialising. Highlights included the Western Australian Development Conference and the Hahndorf Gala Getaway in South Australia. These events provided opportunities for members to attend information sessions and hear from *Learning for Life* students.

A new initiative this year was the 'Making a Difference Award' to acknowledge VIEW members living the VIEW values and guiding principles. 77 nominations were received, reflecting the myriad of ways individuals contribute to their clubs and The Smith Family.

NEW CLUBS

Four new clubs were established in 2016–17: Oaklands VIEW Club in South Australia, Woollahra VIEW Club in NSW, Dingley Cheltenham VIEW Club in Victoria, and the Capes VIEW Club in Dunsborough in Western Australia.

CLOTHING DONATIONS

VIEW members continued to build their connection with our Recycling Operation, hosting clothing collection drives and volunteering in The Smith Family's retail stores.

This year, VIEW Clubs ran *One, Two, Band Your Shoes*, a campaign that encouraged members to declutter their wardrobes of unwanted clothing and footwear. The campaign collected 225 kilograms of goods for recycling.

MEDIA ACTIVITIES

VIEW publicity in national and local media increased significantly, as more clubs developed relationships with local radio and print media outlets. VIEW members also improved their use of social media channels to promote their clubs and their support for the cause. New collateral was produced such as three short films that featured members and *Learning for Life* students.

COMMUNITY ACTIVITIES

The organisation's ongoing partnership with women's boutique Blue Illusion led to another successful National Shopping Day in November 2016, which raised more than \$32,000. VIEW also continued to support the People's Choice Community Lottery, raising almost \$20,000 for our *student2student* reading program.

To raise the profile of VIEW, its Speakers Bureau expanded to the NSW regions of the Shoalhaven, Illawarra, Sydney and the Central Coast. Members spoke about VIEW and its connection with The Smith Family to community organisations, local businesses and councils.



Safeer

Safeer has been sponsored through *Learning for Life* since 2015.

BUILDING A BETTER FUTURE

"I came to Australia from Pakistan with my family when I was eight. Our lives and home were at risk in Pakistan so we moved to Australia where we could be safe.

"In Pakistan my Dad was a doctor but his qualifications are not recognised here. This has impacted our family financially.

"The *Learning for Life* program helps me in many ways. I have the things I need like a uniform and books.

"I didn't know that much English and had to learn quickly for school. I've been doing *student2student* [an outside-of-school reading program] for two years now because it's fun and makes reading easier. I also go to Learning Club to get help with my homework.

"When I finish school, I want to be a building engineer or architect. I know I need to be good at maths to be an architect so I do lots of maths at Learning Club.

"Kimberley (*Learning for Life* Programs Coordinator) tells my family about opportunities and programs. She checks in to see how I'm doing at school.

"I know the support from *Learning for Life* is helping me to get there. My family and I are really grateful for all the help The Smith Family has given me to have the best education possible."

Safeer, Year 6 *Learning for Life* student

STRATEGIC PRIORITY 4
TO BUILD A HIGH-PERFORMING
AND SUSTAINABLE ORGANISATION

WE ARE
PLANNING FOR
OUR FUTURE

OUR PEOPLE

657

team members, with 520 employed in Community Programs and 137 employed in the Recycling Operation

Our dedicated team members work in every Australian state and territory to achieve our vision of a better future for young Australians in need. We greatly value each person's commitment to helping us reach our goal of supporting the education of even more disadvantaged students.

In this year of 'leveraging', we continued to focus on becoming a high-performing organisation, with people who feel supported and have the right skills, capabilities and capacity to improve our impact and effectiveness. We have focused on culture, innovation and enabling team members, as we introduce new systems, processes and frameworks to support a growing organisation.

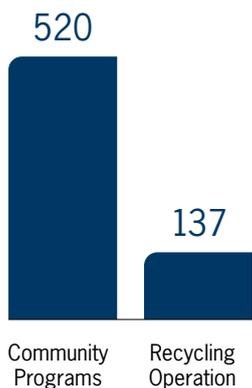
WORK HEALTH, SAFETY AND WELLBEING

The safety and wellbeing of our team members are paramount. This year, we increased leadership involvement in our work health, safety and wellbeing initiatives to embed an even stronger safety culture across the organisation. We also increased our educational and awareness activities around these areas to ensure our positive messages reach our team members effectively. In addition, we improved a number of processes, policies and systems to address gaps identified last year in an audit of our work health and safety management system.

TEAM MEMBERS

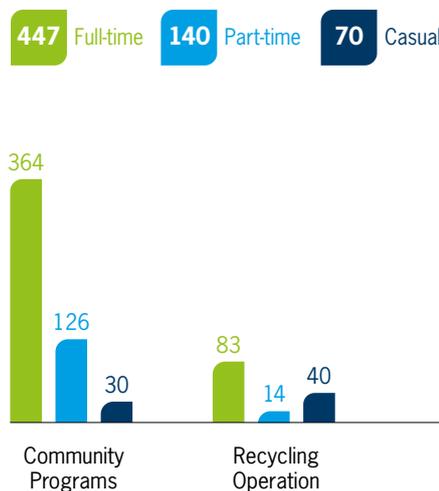
as at 30 June 2017

657



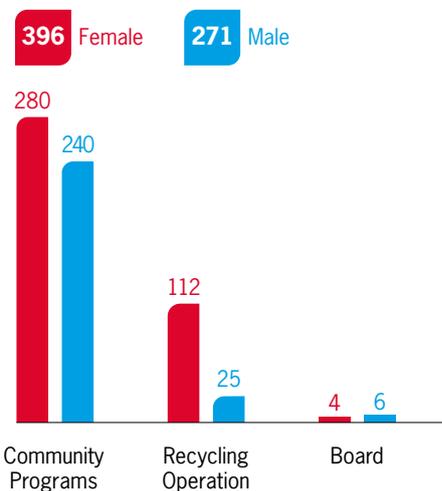
EMPLOYMENT STATUS

as at 30 June 2017



GENDER COMPOSITION (including Board of Directors) as at 30 June 2017

as at 30 June 2017



SUPPORTING CULTURE CHANGE AND INNOVATION

To support the ongoing transformation of our culture ‘from good to great’, we held workshops for leaders and team members on cultivating a stronger culture. These workshops identified four priority areas for achieving the desired culture for our next Five-Year Strategy. We also delivered Mastering Change workshops for new leaders, to support the implementation of our change management framework.

This year, we developed an Innovation Strategy and a framework for fostering and enhancing our innovation mindset and culture. We launched the *Spark Innovation Program* to develop skills in innovation across the organisation. Fifteen Innovation Champions (or ‘Sparkies’) were recruited internally, trained in our best-practice approach and then applied innovation tools to address key strategic priorities.

LEARNING AND DEVELOPMENT

We continued to focus on assisting team members to improve their skills. For example, we updated our learning management system to improve organisation-wide compliance training. To support the development of our team members, we created resources including job shadowing and mentoring guidelines. To ensure team members understand and use our systems and technology (such as our databases and intranet) effectively, we rolled out new online training resources.

ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYMENT AND RETENTION STRATEGY

The Smith Family has developed an Aboriginal and Torres Strait Islander Employment Strategy to increase the percentage of employees from Aboriginal and Torres Strait Islander backgrounds. This strategy will help us attract and retain these team members, and continue our efforts to build an inclusive and enabling environment at work.

WORKPLACE GIVING PROGRAM

We partnered with Good2Give, a not-for-profit organisation specialising in workplace giving, to introduce a program for team members wishing to donate to their preferred charities through payroll deductions.

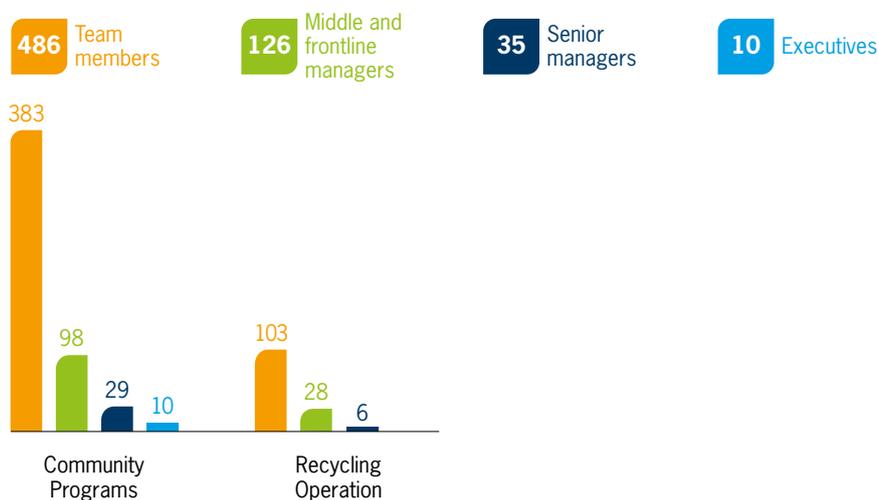
EMPLOYMENT RELATIONS

Following positive negotiations, the Fair Work Commission approved two new enterprise agreements for our team members: the 2016 Villawood Enterprise Agreement and the 2016 Community Programs Enterprise Agreement.

In this year of ‘leveraging’, we continued to focus on becoming a high-performing organisation, with people who feel supported and have the right skills, capabilities and capacity to improve our impact and effectiveness.

BREAKDOWN OF ROLES

as at 30 June 2017



OUR SYSTEMS AND PROCESSES

By strengthening our internal systems and processes, we improve our effectiveness and efficiency, and reduce our costs.

SYSTEMS

We implemented a new learning management system for more efficient and effective online delivery of our programs. Our mentoring program, *iTrack*, was the first program to move to this new platform.

To strengthen our information security, we established a new data centre in a secure off-site facility and implemented data backup in the cloud. We introduced tighter controls for accessing data and security incident management. Our Information Systems Advisory Group oversees improvements to our information security.

ENHANCING OUR WORK WITH FAMILIES AND SUPPORTERS

To address the growing digital divide low-income families face, we continued working on ways to give our students and families access to digital tools and resources. We created opportunities for them to learn digital and technology skills, which are vital in an increasingly digitised world. Our work in this area also helps us develop digital tools and channels to work more efficiently with families.

This year, we developed the *Digital Access Program* that assists families to have affordable low-cost internet and devices, learn digital skills, and get technical support as required.

As part of our Digital Futures for Families and Students project, we developed an online game to improve school attendance. We also worked with the Queensland University of Technology on an evidence-based digital literacy skills program for students. In addition, we upgraded the chat functionality in our online mentoring program, *iTrack*, to improve the experience for participants and enable better data collection and reporting to inform practice.

OUR RECYCLING OPERATION

In 2016–17, the Recycling Operation generated \$17.2 million in revenue, yielding a surplus of \$1.5 million, up from \$1.2 million for the previous year. This contribution helps offset our organisational costs, meaning that we can spend more of our donated funds on programs that benefit disadvantaged children and young people.

Our clothing recycling business now has 20 retail stores and 925 clothing collection bins across NSW and the ACT. The retail arm of our business collects, sorts and sells new and recycled donated clothing and accessories. Partnerships with major retailers are becoming an increasingly important source of donated good-quality clothes for our stores.

Our efforts this year to stock high-quality clothing, introduce a cost-effective pricing structure and modernise our stores, enabled us to maintain a competitive position in the domestic market.

We continued to upgrade existing stores with modern technology and a fresh new look to better promote The Smith Family's mission. The revamped stores provide a better shopping experience and environment for customers. We also launched a loyalty card program to improve customer engagement, and opened a new store in Kempsey in NSW in February.

This year, we improved our local operations, increasing our bin collection network from 800 to 925 bins, and worked closely with our council partners to ensure additional sources of goods.

We now export clothing to 22 countries, spreading our reach into different geographic areas. In the export market, factors such as currency fluctuations, political issues, and climate or geographical conditions can affect our operations. This year, we reviewed the export market and identified ways to mitigate risks.

The review highlighted the need to improve our communication flow with overseas customers, and as a result we adopted digital channels such as Facebook to make connecting easier and more efficient.

At our processing centre in Villawood in NSW, we set new safety records by improving work practices and providing more training. In 2016–17, there were no lost-time injuries or injuries that required medical treatment. An upgrade to our weighbridge and other processing equipment ensured greater accuracy in sorting and managing clothes, and resulted in significant cost savings. Enhanced on-site security and safety systems also reduced costs.

Reducing our impact on the environment remains a key priority. This year, 70% of all material collected was reused in some way. This equates to diverting about 8 million kilograms of textiles from landfill, which is consistent with last year. A capital investment in new equipment to improve our handling of waste has reduced our waste costs.

Stewart House, a longstanding partner, has continued to be a significant source of good-quality clothing donations. We are grateful for the support of more than 600 school communities that participate in this program. Through this partnership, we receive about 140,000 kilograms of donated clothes each year.



\$1.5m

Recycling Operation surplus in 2016–17 goes toward meeting infrastructure costs

925

clothing collection bins

20

business partners donating good-quality clothing

20

retail stores in NSW and the ACT, selling new and recycled clothing and accessories

8 million

kilograms of material diverted from landfill in 2016–17, and reused or on-sold through our retail, wholesale and export channels



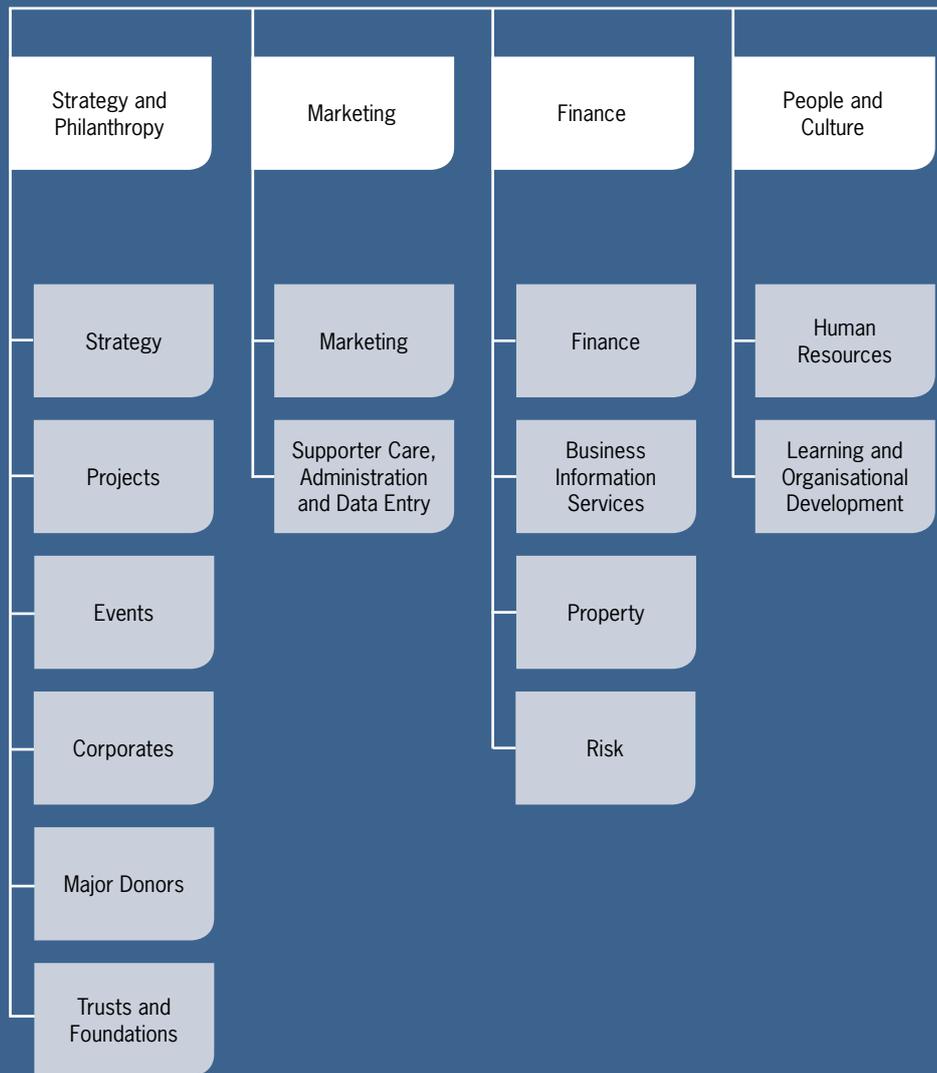
Our network of retail stores in NSW and ACT sells new and recycled donated clothing and accessories.

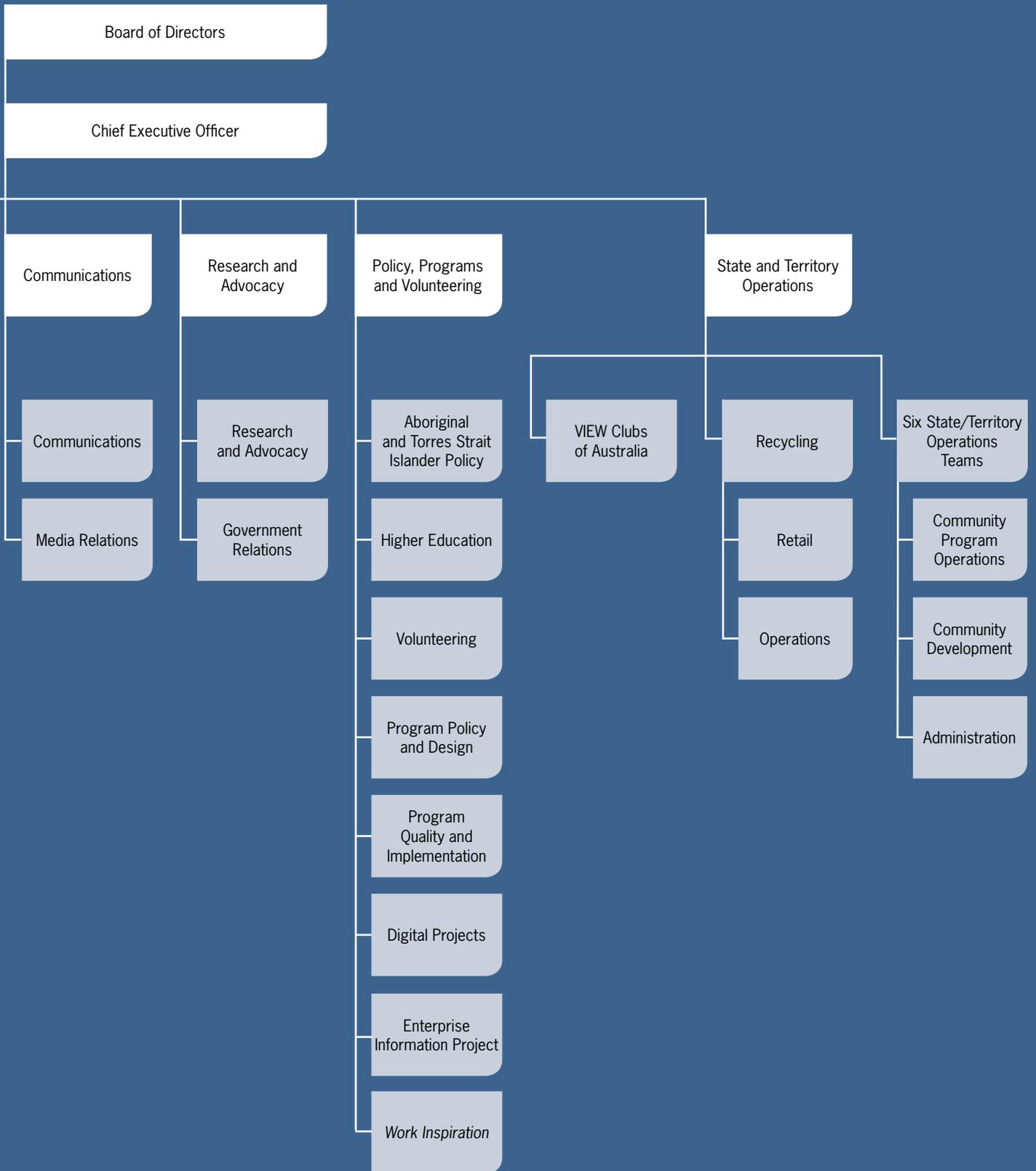
AWARDS THIS YEAR



OUR ORGANISATION

The Smith Family employs 657 team members, 520 in Community Programs and 137 in the Recycling Operation.





BOARD OF DIRECTORS



CHRISTINE N. BARTLETT BSc MAICD

Chairman since May 2016 and Non-executive Director since 2007. Non-executive Director of Mirvac Limited, Sigma Pharmaceuticals, GBST Limited, TAL Life Limited and Clayton Utz; Member, UNSW Australia Business School Advisory Council; former Director of PropertyLook and National Nominees Limited; former Deputy Chairman of the Australian Custodial Services Association; extensive management experience with IBM, Jones Lang LaSalle and National Australia Bank.



ARUN K. ABEY BEc BA (Hons) FFSIA

Non-executive Director since 2007. Co-founder and Chairman of ipac securities limited and Walsh Bay Partners Pty Ltd; Strategy Consultant; former General Manager of Strategy and Corporate Social Responsibility for AXA Asia Pacific Group; extensive experience in investment and economic market research; written extensively on investment matters in the media and academic journals; co-author of a number of books about money and wellbeing.



LEAH M. ARMSTRONG Adv Dip in Community Management

Non-executive Director since 2016. Director of Wollotuka Institute; Chairperson of Supply Nation and Member of the CSIRO Indigenous Advisory Council; Former Member of the Prime Minister's Indigenous Advisory Council; Fellow of the University of Sydney Senate in 2013–16; Chairperson of the Aboriginal Housing Office in NSW; Chief Executive Officer of Reconciliation Australia in 2010–14; Co-founder of Yarnteen Limited, a successful Indigenous enterprise operating several commercial and social ventures; recognised in the inaugural 2012 *The Australian Financial Review*/Westpac 100 Women of Influence Awards.



CHRISTINE CAWSEY AM, BA DipEd MEd (Admin)

Non-executive Director since 2013. Principal of Rooty Hill High School and past President of the NSW Secondary Principals' Council; former Member of the Premier's Council for Women; Member of the GWS Giants board and ACEL board; co-author of *Learning for Leadership – Building a School of Professional Practice*.



S.A. (TONY) DAVIS

Non-executive Director since 2016. Founding Director and Non-executive Chairman of Quantum, a global leader in applied data analytics and technology; background in large corporate and high-growth enterprises; Non-executive Director and adviser to a range of blue-chip and early-stage ventures; former Chairman and Director of peak marketing industry body ADMA (now AADL).



DR JEFFREY A. HARMER AO, BA (Hons) DipEd PhD FAIM FIPAA FANZSOG

Non-executive Director since 2013. Chair of the Private Health Ministerial Advisory Committee; Director of Capital Health Network in the ACT; Director of the Australian Housing and Urban Research Institute; Secretary of the Department of Families, Housing, Community Services and Indigenous Affairs in 2004–11, and of the Department of Education, Science and Training in 2003–04; Managing Director of the Health Insurance Commission in 1998–2003.



MARK G. JOHNSON BComm FCA CPA FAICD

Non-executive Director since 2012. Non-executive Director of Westfield Corporation, Coca-Cola Amatil Ltd, the Hospitals Contribution Fund of Australia Ltd, Aurecon Group Pty Ltd and G8 Education Ltd; Chairman of MH Premium Farms Holdings Limited; Chief Executive Officer of PwC in Australia in 2008–12, a former Chairman of the PwC Foundation, and for 15 years held senior roles managing PwC's Assurance and Business Advisory Services, Consumer and Industrial Products team, and Audit, Technical, Risk and Quality groups; Member of the UNSW Australia Business School Advisory Council.



ADRIAN J. KLOEDEN MSc (Business Studies) BSc (Hons – Forestry) Hon. PhD FAICD

Non-executive Director since April 2016. Chairman of Hancock Victorian Plantations Holdings Pty Ltd, Aquasure Pty Ltd, Infrastructure Partnerships Australia Ltd and Serco Asia Pacific Advisory Board; extensive experience in senior management roles in companies in Australia and overseas involved in agribusiness, manufacturing, distribution, retail, technology and transport.



JEREMY C. R. MAYCOCK BEng (Hons) FAICD FIPENZ

Non-executive Director since 2013. Chairman of Port of Brisbane Pty Ltd; former Chairman and Non-executive Director of AGL Energy Ltd and former Non-executive Director of Nuplex Ltd; former Non-executive Chairman and Director of Arrium Ltd; Managing Director and Chief Executive Officer of CSR Ltd in 2007–10; inaugural Chairman of Cement Australia Pty Ltd; former Member of the UNSW Australia Business School Advisory Council.



DR LISA J. O'BRIEN MBBS (Hons) MBA MHRM&C FRACMA GAICD

Executive Director since 2011. Non-executive Director of the Community Council for Australia Limited and BUPA ANZ; Member of the Panel for the Review to Achieve Educational Excellence in Australian Schools; medical practitioner registered in NSW; Fellow of the Royal Australasian College of Medical Administrators; former Chief Executive Officer Skin & Cancer Foundation of Australia; founding member of Lou's Place, a drop-in centre providing respite and support for women in need; more than 25 years' experience in health care, community services, bio-medical and information technology sectors.



ROSA STORELLI BEd Grad Dip Stud Welf MEd Studies AACE FACEL AFAM MAICD

Non-executive Director since April 2016. Adjunct Professor in the School of Education, LaTrobe University; former Deputy Chancellor and Council Member of the University of Melbourne; former Director of Ormond College and the Invergowrie and Jean Chambers foundations; former Vice-President of Girls Sport Victoria; independent consultant at the Queensland Education Leadership Institute; Educational Advisor at Cashtivity; extensive experience in the education sector over many years, including 15 years as Principal of Methodist Ladies College, Melbourne, and leadership roles at Wesley College and Geelong Church of England Grammar School.

CORPORATE GOVERNANCE

COUNCIL OF GOVERNING MEMBERS

The Council of Governing Members consults with the Board of Directors on the operations of The Smith Family, ensuring that they are in line with the objects stated in our constitution.

The Council forms the voting membership of the organisation and is responsible for electing directors and approving the annual accounts. In addition to the Directors of the Company, the members of the Council are The Hon. Bruce Baird AM; Barbara Cail AM; Cindy Carpenter; Brian France AM; Professor Ross Griffith; Jane Hemstritch; Tim Holden; John Kelly AM; Chris Leptos AM; James Millar AM; Christine McLoughlin; Linda Bardo Nicholls AO; Greg Ruddock; Richard Turner AM; Terry Walsh; Richard Warburton AO; Emeritus Professor Ken Wiltshire AO; Geoff Willmott and Gwen Wilton.

BOARD OF DIRECTORS

The Board of Directors is the decision-making body of The Smith Family, responsible for governance and management. The Board assumes the company's fiduciary and legal obligations. Its roles and responsibilities are governed by the constitution and a comprehensive Board charter.

The Board comprises up to 10 honorary non-executive directors and the Chief Executive Officer, each offering a range of skills in addition to their Board-level experience in various sectors.

Leah Armstrong and Tony Davis joined the Board in December 2016 and there were no retirements during the year. Christine Cawsey, Jeffrey Harmer and Jeremy Maycock were re-elected as Directors for a second four-year term, at the Annual General Meeting in December 2016.

Management conducts a detailed induction process for new directors to ensure they have a comprehensive understanding of our organisation, strategy and programs. This enables each director to contribute fully from the outset.

In March 2017, a Board evaluation was conducted with the assistance of the Australian Institute of Company Directors. We conduct evaluations periodically to ensure that the Board continues to meet its responsibilities.

Directors and members of the Executive Team completed an online survey, which included governance statements and supplementary questions, seeking suggestions for improving Board effectiveness and proposals for discussion topics for our review. The assessments were generally favourable, with more than 95% judging our organisation to be either 'mature' or 'sound'.

A key area identified for improvement was our risk management framework, which the Board will address in 2017–18.

MEETINGS HELD AND MEETINGS ATTENDED

| Director | Board of Directors | | Corporate Governance | | Finance, Audit and Risk | | People and Culture | | Endowment Fund | |
|------------------|--------------------|-----------------|----------------------|-----------------|-------------------------|-----------------|--------------------|-----------------|----------------|-----------------|
| | Number held | Number attended | Number held | Number attended | Number held | Number attended | Number held | Number attended | Number held | Number attended |
| A. K. Abey | 7 | 7 | | | 3 | 3 | | | 1 | 1 |
| L. M. Armstrong | 5 | 4 | | | | | | | | |
| C. N. Bartlett | 7 | 7 | 4 | 4 | 3 | 3 | 2 | 2 | 1 | 1 |
| C. Cawsey | 7 | 6 | | | | | | | | |
| S. A. Davis | 5 | 5 | | | | | | | | |
| J. A. Harmer | 7 | 5 | 4 | 4 | | | | | | |
| M. G. Johnson | 7 | 4 | | | 3 | 2 | | | 1 | 1 |
| A. Kloeden | 7 | 6 | | | | | 2 | 2 | | |
| J. C. R. Maycock | 7 | 7 | 4 | 4 | | | | | | |
| L. J. O'Brien | 7 | 7 | 4 | 4 | | | | | | |
| R. Storelli | 7 | 6 | | | | | 2 | 2 | | |

BOARD COMMITTEES

The following outlines the functions of the Board's sub-committees in 2016–17.

The **Corporate Governance Committee** conducted a recruitment process to fill two Board vacancies with candidates who broadened the skills base and diversified the composition of the Board.

The **Endowment Fund Committee** was established in 2016 to oversee the investment policy and mandate for the newly established Children's Future Education Fund. Over time, earnings will provide a secure revenue stream to fund student scholarships and community work in *Learning for Life*.

The **Finance, Audit and Risk Committee** continued to focus on enhancing The Smith Family's investment policy and mandate to ensure that financial resources are safeguarded while earning acceptable returns, and that sufficient funds are available to meet requirements. The committee monitored risk identification and management throughout the year, particularly in the areas of child protection and cyber security.

The **People and Culture Committee** provided advice on remuneration policies and practices, and ensured compliance with statutory and regulatory requirements, emphasising work health and safety requirements. It also reviewed progress on strategies to ensure a high-performing organisation.

OTHER GROUPS

In addition to the formal committees of the Board, several other groups operate within the organisation.

The **National Council of VIEW** leads the overall development of VIEW and administers policy development. The National President is Gwen Wilton, whose two-year term ends in December 2017. She is supported by two National Vice-Presidents, Toni Thomas and Gloria Walter.

The National Councillors are Cecilia Bayliss, Patricia Brooks, Barbara Cameron, Jeanette Cassidy, Kathie Diskin, Elizabeth Doorey, Ellen Gray, Barbara Gullotta, Eila Harding, Barbara Hyslop, Lynette Masters, Patricia McRae, Jan Roberts, Annette Schlafrig, Annette Thiedeke, Sunnie Watts and Yvonne White.

ADVISORY GROUPS

The following advisory groups advise the Chief Executive Officer and senior management on particular issues and projects.

The **Advisory Group on Issues Concerning Aboriginal and Torres Strait Islander Peoples** is chaired by John Rawnsley. Its members are Pauline Brown, Shawn Davis-Abra, Peter Farmer, Jayde Geia, Dr Jeff Harmer, Leanne Smith and Lidia Thorpe. Leah Armstrong, Emily Knights, April Long and Jason Masters stepped down from the group during the year. We thank them for their support.

The **Digital Futures for Families and Students Expert Advisory Group** is chaired by Wendy Field. Its members are Colin Cardwell, Dr Philippa Collin, Associate Professor Michael Dezuanni, Martin Egan, Stella Galanis, Warren Havemann, Perry Manross, David Spriggs and Kate Stevens. Professor Peter Radoll stepped down from the group during the year and we thank him for his support.

The **Information Systems Advisory Group** is chaired by Doug Snedden. Its members are David Boyle, Ray Fleming, David Isaacs, Richard McLaren and Julian Wee.

The **Let's Count Project Advisory Group** is chaired by Wendy Field. Its members are Sean Barrett, Deborah Durie, Associate Professor Ann Gervasoni, Anne Hampshire, Penny Markham, Carl McCamish, Janey McGoldrick, Will Morony, Samantha Page, Professor Bob Perry and Sue West.

The **Principals Advisory Group** is chaired by Smith Family director Christine Cawsey. Its members are Anne Denham, Norm Hart, Rob Knight, Rob Nairn, Monique Pflugst, Anthony Rodaughan, Rebekah Stapleton, Shireen Thomas, Lorna Woodley and Dennis Yarrington. Tammy Anderson stepped down from the group this year. We thank her for her support.

The **Retail Advisory Group** is chaired by Rick Mulhall. Its members are Karen Hope and Greg Ruddock.

The **Strategic Advisory Group** is chaired by Dr Lisa O'Brien. Its members are Arun Abey, Chris Adams, Christine Bartlett, Warwick Bray, Thomas Carlsen, Tony Davis, Adam Lewis and Peter Stumbles.

The Smith Family is a company limited by guarantee. Its ABN is 28 000 030 179.

Its status as a Public Benevolent Institution was confirmed in July 2005 by the Australian Taxation Office as part of its registration requirements for all non-profit entities, as was the organisation's status as an Income Tax Exempt Charity and a Deductible Gift Recipient. The organisation enjoys certain other tax concessions and exemptions consistent with its status as a PBI, which relate to Goods and Services Tax and Fringe Benefits Tax.

The Smith Family is registered with the Australian Charities and Not-for-Profits Commission (ACNC), and as required by law in the following states and territory, where it raises funds:

New South Wales

Registration number CFN 11049 – renewable in 2019

Queensland

Registration number CP 4163 – registration is ongoing subject to meeting certain annual financial reporting requirements

South Australia

Registration number 778 – ongoing subject to continued registration with the ACNC

Tasmania

Registration number 170 – registration is ongoing

Victoria

Registration number 10290 – renewable in 2018

Western Australia

Registration number 20352 – renewable annually

Australian Capital Territory

Registration number L19000133 – renewable in 2020

FIVE-YEAR FINANCIAL SUMMARY

(Figures in \$'000s)

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|---------------------------------------------------------------|---------------|----------------|----------------|----------------|----------------|
| Total income including | | | | | |
| Commercial activities and VIEW Clubs net contributions | 94,670 | 100,847 | 106,274 | 107,856 | 118,945 |
| INCOME | | | | | |
| Fundraising | | | | | |
| Donations and corporate support | 41,510 | 43,618 | 46,692 | 52,349 | 56,189 |
| Bequests | 3,741 | 3,366 | 4,813 | 11,131 | 8,262 |
| VIEW Clubs of Australia net contribution | 783 | 1,099 | 1,028 | 1,198 | 1,123 |
| Government funding | 24,376 | 26,138 | 22,589 | 19,367 | 26,474 |
| Children's Future Education Fund | | | | | 3,090 |
| Commercial activities net contribution | 2,886 | 3,295 | 2,425 | 1,403 | 1,872 |
| Investment and other income | 2,504 | 3,386 | 9,239 | 2,170 | 2,441 |
| Total Income | 75,800 | 80,902 | 86,786 | 87,618 | 99,451 |

EXPENDITURE

| | | | | | |
|--------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Policy and programs | (60,655) | (61,896) | (61,760) | (61,383) | (65,922) |
| Fundraising | (10,499) | (13,032) | (16,585) | (17,770) | (23,377) |
| Promotion and profiling | (2,460) | (2,131) | (1,806) | (2,309) | (2,305) |
| Administration | (1,887) | (1,681) | (1,725) | (1,870) | (1,865) |
| Total Expenditure | (75,501) | (78,740) | (81,876) | (83,332) | (93,469) |
| Surplus/(Deficit) | 299 | 2,162 | 4,910 | 4,286 | 5,982 |

OTHER RESULTS AND INDICES

| | | | | | |
|-----------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Recycling Operation and other commercial activities | | | | | |
| Sales and other revenue | 17,210 | 19,091 | 17,357 | 17,911 | 17,354 |
| Expenditure | (14,324) | (15,796) | (14,932) | (16,508) | (15,482) |
| Commercial activities net contribution | 2,886 | 3,295 | 2,425 | 1,403 | 1,872 |
| VIEW Clubs of Australia | | | | | |
| Revenue | 5,329 | 5,248 | 5,583 | 4,928 | 5,135 |
| Expenditure | (4,546) | (4,149) | (4,555) | (3,730) | (4,012) |
| VIEW Clubs of Australia net contribution | 783 | 1,099 | 1,028 | 1,198 | 1,123 |

The net contribution from The Smith Family's Recycling Operation contributes towards offsetting administration costs.

VOLUNTEERING

The Smith Family receives substantial contributions by way of pro bono support from corporate partners and volunteers, the value of which is not reflected in the financial statements. Volunteering contributions are valued based on the level of skill required by various volunteering positions.

| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|------------------------------------|---------|---------|---------|---------|---------|
| Volunteer hours | 417,603 | 463,853 | 516,750 | 398,978 | 464,614 |
| Value of volunteering contribution | \$12.2m | \$13.4m | \$14.8m | \$11.9m | \$13.9m |

FIVE-YEAR FINANCIAL PERFORMANCE COMPARISON

INCOME

Since 2012–13, net operating income has grown by an average of 7.0% annually, rising from \$75.8 million to \$99.5 million in 2016–17.

| | |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Donations and corporate support | In 2012–13, income from individual donations and corporate support was \$41.5 million. By 2016–17, it had risen to \$56.2 million, representing average annual growth of 7.9%. |
| Government funding | The Smith Family received \$24.4 million in government funding in 2012–13. In 2016–17, it received \$26.5 million, representing average annual growth of 2.1%. |
| Children's Future Education Fund | In 2016–17 The Smith Family received \$3.1 million into its newly-established Children's Future Education Fund. |

EXPENDITURE

Overall expenditure has risen from \$75.5 million in 2012–13 to \$93.5 million in 2016–17.

| | |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Policy and programs | Over the years as our revenue has grown, we have been able to extend the reach of our work. Expenditure on community programs increased on average by 2.1% per year, rising from \$60.7 million in 2012–13 to \$65.9 million in 2016–17. |
| Fundraising | Fundraising expenditure increased from \$10.5 million in 2012–13 to \$23.4 million in 2016–17. The underlying increase in expenditure reflects our investment in regular giving initiatives and our digital, corporate and major donor fundraising activities. |
| Administration | Expenditure of \$1.9 million on administration support in 2016–17 was consistent with the previous years. |

OTHER RESULTS AND INDICES

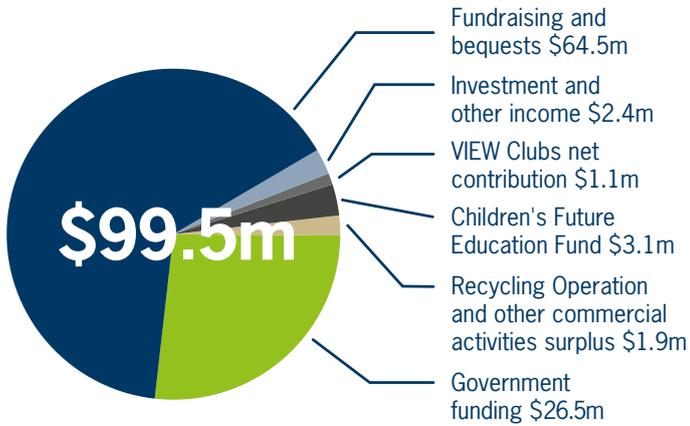
| | |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recycling Operation and other commercial activities | Revenue from our recycling and other commercial activities has grown by an average of 0.2% per year, from \$17.2 million in 2012–13 to \$17.4 million in 2016–17. Net contribution was \$1.9 million, up from \$1.4 million in 2015–16. |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

VOLUNTEERING

| | |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Estimated value of volunteering contribution | The estimated value of the contribution of volunteers in 2016–17 was \$13.9 million compared to \$12.2 million in 2012–13. |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|

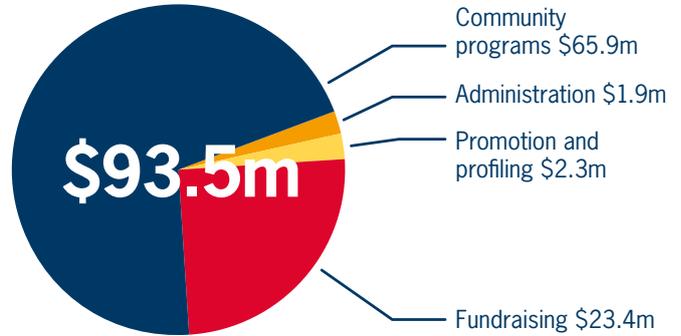
WHERE WE OBTAINED OUR FINANCIAL RESOURCES

2016–17

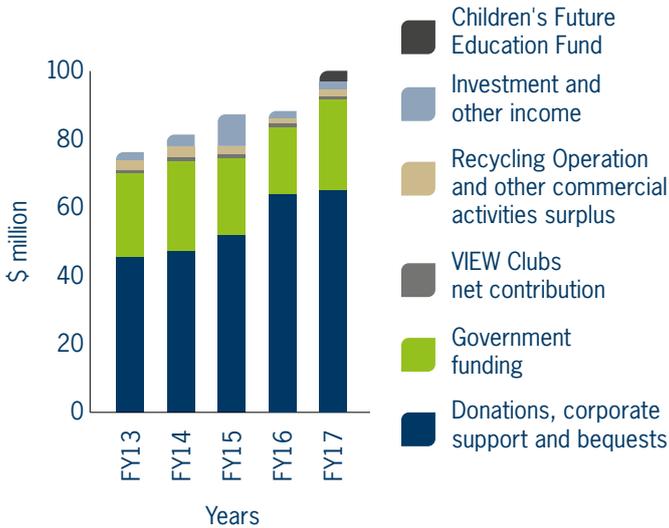


HOW WE APPLIED OUR FINANCIAL RESOURCES

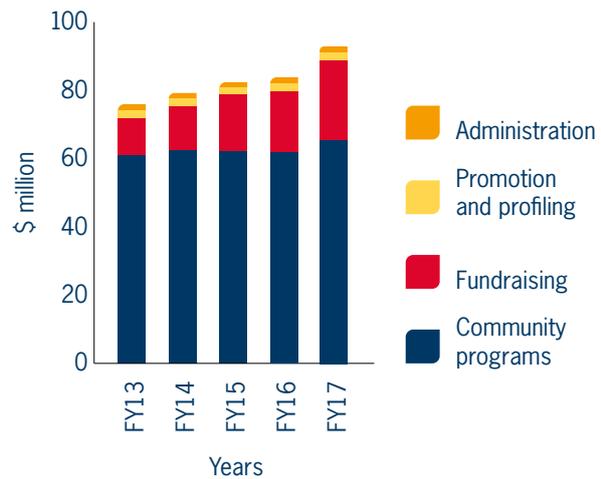
2016–17



Five-year comparison



Five-year comparison



KEY INCOME STREAMS

Fundraising

\$44.5m

from individuals through public contributions

\$12.1m

from corporate partners, universities, and trusts and foundations

\$1.1m

net contribution from VIEW Clubs of Australia

Other

\$2.4m

from investment and other income

\$26.5m

from government support

\$11.0m

from bequests

\$1.9m

from our Recycling Operation and other commercial activities

CONTACT DETAILS

GENERAL ENQUIRIES

GPO Box 10500
Sydney NSW 2001
Website thesmithfamily.com.au
T Freecall 1800 024 069
E tsfmktg@thesmithfamily.com.au

Volunteer Co-ordination Unit
T 1300 397 730

NATIONAL OFFICE

Level 9, 117 Clarence Street
Sydney NSW 2000
T 02 9085 7222 **F** 02 9085 7299
E tsfmktg@thesmithfamily.com.au

RECYCLING OPERATION

2 Birmingham Avenue
Villawood NSW 2163
T 02 9754 6300 **F** 02 9728 3381
E customerservice@thesmithfamily.com.au

VIEW CLUBS OF AUSTRALIA

Level 8, 117 Clarence Street
Sydney NSW 2000
T 02 9085 7178
1800 805 366
F 02 9085 7294
E view@thesmithfamily.com.au

THE SMITH FAMILY LOCATIONS

Australian Capital Territory

Canberra
Corner Launceston and Easty Streets
Woden ACT 2606
T 02 6283 7600 **F** 02 6282 1725
Belconnen | Gungahlin | Tuggeranong

New South Wales

Level 3, 17–21 Hunter Street
Parramatta NSW 2150
T 02 9895 1233 **F** 02 9633 9867
Alexandria | Ashmont | Auburn | Blue Haven
Buninyong | Chester Hill | Claymore
Coffs Harbour | Cranebrook | Dapto | Dubbo
Fairfield | Goulburn | Jesmond | Lithgow
Macquarie Fields | Miller | Mount Druitt
Nowra | Orange | Raymond Terrace & Karuah
Seven Hills | Shellharbour
Southern Wollongong | Springfield
Tamworth | Taree | Tarrawanna | Tolland
Tuggerah Lakes | Wiley Park | Windale
Wyong

Northern Territory

Darwin
Level 1, 6 Pavonia Place
Nightcliff NT 0810
T 08 8985 6841
Alice Springs | Borroloola | Darwin | Katherine
Palmerston | Ramingining | Tiwi Islands

Queensland

Brisbane
Level 13, 340 Adelaide St,
Brisbane, QLD 4000
T 07 3115 6200 **F** 07 3337 6424
Brighton | Brisbane | Caboolture | Cairns
Cape York | Coolangatta | Coomera | Inala
Ipswich | Logan | Mackay | Maroochydore
Redlands | Rockhampton | Southport
Toowoomba | Torres Strait | Townsville

South Australia

Adelaide
Ground Floor, 97 Pirie Street
Adelaide SA 5000
T 08 8224 1400 **F** 08 8223 4421
Christie Downs | Elizabeth Downs
Elizabeth Vale | Hackham | Morphett Vale
Port Adelaide Enfield | Port Augusta
Salisbury North | Smithfield Plains | Whyalla

Tasmania

Hobart
Level 2, 47 Salamanca Place
Hobart TAS 7000
T 03 6223 2627 **F** 03 6223 8912
Bridgewater/Gagebrook | Burnie/Wynyard
Chigwell/Claremont | North-East Launceston

Victoria

Melbourne
Level 7, 50 Queen Street
Melbourne VIC 3000
T 03 9473 4300
Bairnsdale | Ballarat | Bendigo | Brimbank
Broadmeadows | Collingwood | Dandenong
Epping | Geelong | Lakes Entrance | Morwell
Shepparton | Werribee

Western Australia

Perth
Level 8, 14–16 Victoria Avenue
Perth WA 6000
T 08 9265 5555
Collie | Gosnells | Kwinana | Midland
Mirrabooka | Pilbara

RETAIL STORES NEW SOUTH WALES

| | | | | | |
|--------------------|--------------|-------------------|--------------|---------------------|--------------|
| Bankstown..... | 02 9796 3412 | Dubbo..... | 02 6884 2311 | Penrith..... | 02 4731 3011 |
| Bateau Bay..... | 02 4334 7844 | Fairfield..... | 02 9727 7251 | Port Macquarie..... | 02 6583 4230 |
| Blacktown..... | 02 9671 6899 | Goulburn..... | 02 4822 2450 | Rockdale..... | 02 9567 5615 |
| Bowral..... | 02 4861 1383 | Hurstville..... | 02 9586 4996 | Toronto..... | 02 4950 5099 |
| Burwood..... | 02 9715 7406 | Kempsey..... | 02 6562 4985 | Wollongong..... | 02 4227 6936 |
| Campsie..... | 02 9787 3954 | Liverpool..... | 02 9600 6853 | Woden (ACT)..... | 02 6232 5374 |
| Coffs Harbour..... | 02 6652 9460 | Marrickville..... | 02 9569 8219 | | |

GRADUATION CELEBRATIONS

Congratulations to our Year 12 and tertiary *Learning for Life* graduating students. Each year we celebrate this milestone event in the lives of our students at our graduation ceremonies held around Australia. The achievements of these remarkable students are a reflection of their hard work and commitment to their education. Here are some highlights from our 2017 graduation events.





A BETTER FUTURE

“To our sponsors, I would just like to thank you so much for what you’ve given my children. You may never meet them, but I hope that you know that you’ve contributed to their lives, to their futures, to making them better people, and to helping them follow their dreams, and that’s all that any person ever wants for their children, so thank you very much.”

Natalie

Learning for Life parent

“The most important thing about The Smith Family for me has been that background knowledge that there’s someone out there – an organisation out there – who believes in me, who believes in my education and who believes in the worth of my education. I’ve come to realise that education really is power, and with having that power you can break your cycle of disadvantage.”

Amy

Learning for Life graduate

“I wouldn’t have gotten through high school without The Smith Family and I would never have seen the doors to a university. For me, establishing the pathway to get to university and break my family’s cycle of disadvantage was entirely a result of the support from The Smith Family.”

Ashlee

Learning for Life graduate

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