



ANNUAL REPORT
2015-16

ACKNOWLEDGEMENTS



CAGES Foundation would like to acknowledge the traditional custodians of the land on which we work and pay our respect to the elders past, present and future for they hold the stories, the knowledge, the traditions, the culture and hopes of Aboriginal Australia

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FROM OUR CHAIRMAN



In 2006 Sandra and I founded CAGES Foundation with the intention of creating a vehicle through which we could formalise our giving and encourage our children to be involved with our family's philanthropy.



Paul Salteri AM
Chairman

In 2006 Sandra and I founded CAGES Foundation with the intention of creating a vehicle through which we could formalise our giving and encourage our children to be involved with our family's philanthropy. We had an idea that we could be more thoughtful and effective in how we gave and we wanted our children to determine the extent to which they engaged in the work of our foundation.

I am often asked about the joys and challenges of intergenerational philanthropy and how we, as a family, navigate working together around complex issues. I believe that having multiple generations around the table allow us a greater perspective and the negotiations that occur create both innovation and balance. We are able to look at problems through different lenses and through listening to each other we often arrive at ways forward that neither party brought to the table.

In an effort to embed intergenerational giving into the Foundation we introduced the Family Funding Stream in 2014, which gives every family member the opportunity to nominate an organisation operating outside of our primary focus for the Board to consider for funding.

We come together and talk about what has motivated the recommendations and it gives me such joy to hear about the amazing organisations that are put forward for consideration every year.

From the outset our intention was to be effective funders. To become this we had to bring in consultants and external expertise but I am proud of the internal capabilities CAGES Foundation has now built. We have thorough and complete due diligence processes, an enhanced ability to find community led solutions that lead to real outcomes and a deeper understanding of how to sensitively yet effectively fund community led solutions. In 2016, 42% of the value of the gifts we made were directly to organisations that define themselves as Aboriginal organisations, this represents a significant leap from our first few years when less than 5% of our granting was directly to Aboriginal organisations.

I am proud to share the 2016 Annual Report with you and to highlight some of the great work that our partners are achieving.

FROM OUR **EXECUTIVE DIRECTOR**



Gemma Salteri
Executive Director

The 2016 Closing the Gap Report released by Department of Prime Minister and Cabinet showed that while there has been progress made on some of the key targets of the Close the Gap Campaign, notably declining infant mortality rates and improvements in year 12 attainment levels, there is still a lot more to be done to ensure that every Indigenous child has the opportunity to reach their potential.

There has been a revised renewed target to increase participation in quality early childhood programs for Indigenous and Torres Strait Islander Children in the year before school commences. For this target to be successfully achieved it is crucial that there are both thriving independent Indigenous owned community preschools and mainstream early childhood programs which are culturally sensitive and accessible to Indigenous children. That is why Foundation directly supports Aboriginal owned and operated pre-schools such as Dalaigur Pre-school and organisations like Ngroo Education which provide programs that work to ensure mainstream services are culturally safe for Indigenous children.

The report also highlighted that little progress has been made towards closing the unemployment gap with the unemployment rate for Indigenous Australians being 47.5% in 2012/2013¹. We know that Indigenous owned and controlled business employ more than 30x the proportion of Indigenous people than other businesses² which is why CAGES Foundation is reviewing its Impact Investing strategy to ensure that there is a focus on mission aligned investments. In 2016 we were excited to make our first grant to Indigenous-led First Australians Capital to help fund the work they are doing to build capacity and provide sources of capital for Indigenous businesses.

¹ Commonwealth of Australia, Department of the Prime Minister and Cabinet, Closing the Gap Prime Minister's Report 2016.

² Supply Nation, The Sleeping Giant A Social Return on Investment Report on Supply Nation Certified Suppliers, Robin Burton and Emma Tomkin, 18 September, 2015.



FROM OUR EXECUTIVE DIRECTOR (CONT)

At CAGES Foundation, we always take the approach that communities know best how to address the challenges they face and we look to fund community led solutions.

We have been working on our strategic plan over the past few months and a significant component of our time has been spent thinking about how we can formalise and articulate how we engage with community to ensure that we have the best chance of listening to community and identifying community led initiatives. It is still a work in progress but we are looking forward to sharing our engagement strategy with you in the coming months and invite feedback from the communities and organisations we fund on what we do well and what we could be doing better.

While I have been privileged to be involved in CAGES Foundation from the outset, 2016 was my first year in the role of Executive Director and I have found it both a challenging and a rewarding year. It has been a big year

for CAGES Foundation, we moved offices, reached nearly \$7 Million dollars in gifts since inception, implemented a number of operational changes in response to feedback from our partners and increased transparency by launching our new website.

I am constantly learning and am grateful to all of our partners for the amazing work that they do, to Rachel Kerry, our CEO who has been instrumental in shaping how we operate at CAGES Foundation and to our incredible board and advisors for their guidance, support and trust. There are significant challenges to be overcome to ensure that every Indigenous child has the opportunity they deserve but there are also so many capable, passionate and inspiring people working in community to make this a reality.



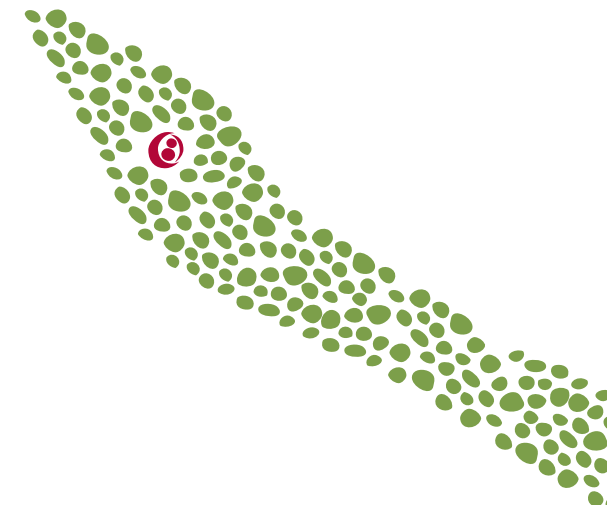
FUNDING THE EARLY YEARS

A child will have the best chance of accessing the best opportunities if they are living in healthy and empowered communities.

CAGES Foundation enters into long term funding arrangements with our partners and makes funding decisions guided by two key principles, we intentionally seek to fund organisations with a high level of **Aboriginal leadership, participation, influence and identity** and we look for organisations with a dedication to **building capacity** in community.

We strive to be effective funders that build open and honest relationships with the organisations we fund and adapt to their often changing needs.

In 2016 CAGES Foundation made **13 gifts** to organisations working with Indigenous Children in the early years



Capacity Building in the Macleay Valley

Australian Literacy and Numeracy Foundation

\$1,102,775

TOTAL
FUNDING

6 years

MULTI YEAR
FUNDING

\$170,000

2016 GRANT

"The Australian Literacy and Numeracy Foundation's (ALNF) Early Language & Literacy (EL&L) Macleay Valley Project empowers community members to teach their own children vital pre-literacy skills and break the cycle of illiteracy.

The Project has been funded since 2011 by the CAGES Foundation, who recognised the community's desire for a program that allowed them to lead the way in creating systemic change in their own community.

The ALNF's whole of community approach builds the capacity of the existing assets in the Macleay Valley, including teachers, educators, parents and community members. This has proved to be a sustainable model which has had a significant impact on both the results of children and the confidence and skill sets of the adults around them.

"The ALNF have put in a lot of work following up and supporting the teachers, even outside of the scope of their work. There is a very high level of literacy issues in our community and in our smaller Aboriginal community.

The ALNF have supported families and staff to give them the skills to help their children. It's one of the best, if not the best, literacy program I've seen."

Juli Morris, Director of Dalaigur Preschool, is a passionate advocate for the EL&L program and how it is transforming the Macleay Valley.

CAGES Foundation funding has made possible the expansion of the EL&L program from three to 30 sites on the mid-North coast of NSW since its inception."

Community Led Solutions

Maari Ma Health Aboriginal Corporation

\$535,875

TOTAL FUNDING

5 years

MULTI YEAR
FUNDING

\$100,000

2016 GRANT

CAGES Foundation started funding the establishment of the Maari Ma Healthy Start Playgroup in Broken Hill helping to engage families in their role as first teacher and providing access to visiting specialists such as paediatricians and perinatal/child psychiatrist and in 2016 funded part of the Maari Ma early childhood strategy.

"Maari Ma has been thrilled to see our relationship with CAGES continue to evolve this year. CAGES have afforded Maari Ma a number of opportunities we would not otherwise have had through their terrific range of contacts with some impressive thinkers in the area of Indigenous child and maternal health and community development.

It's good to know that CAGES are looking out for us, steering us in the direction of interesting programs happening elsewhere in Australia, sharing ideas and opportunities, and pointing people in our direction as well where they think we can help. A great partnership."

Cathy Dyer, Director, Corporate Services Maari Ma

Funding crucial administrative support

Ngroo Education

\$468,775

TOTAL
FUNDING

4 years

MULTI YEAR
FUNDING

\$72,000

2016 GRANT

"The philanthropic support CAGES Foundation gives Ngroo enhances the value of our work. It is a partnership based on trust where each partner understands their role in achieving the shared vision and can have open and honest discussion on how to get there without pre-determined limits.

CAGES seeks to make sustainable social change in early childhood education for Aboriginal children and Ngroo has an evidence-based model Walking Together that will deliver if the organisation is administratively well supported.

The outstanding outcomes of the Walking Together program are due to this partnership proving that the change we want can often be hidden within the approach we take ourselves."

Jan Wright – Executive Director, Ngroo Education

OUR 2016 PARTNERS



- 43% of funds gifted to Aboriginal Organisations
- 42% of funds gifted to organisations working in partnerships with Aboriginal organisations
- 11 of the 15 gifts made are multi year commitments

Aboriginal Legal Service FY16 \$121,500

Supports the early childhood component of the community led Maranguka Initiative (also known as the Bourke justice reinvestment project) working to better support vulnerable children and families and creates a safe and supported community.

Australian Literacy and Numeracy Foundation FY16 \$170,275 Total Funding \$1,102,775

Supports the work of ALNF to equip the teachers, parents and community members of Kempsey to work with their own children to develop foundational language and literacy skills.

Barnardo's FY16 \$81,400 Total \$212,800

Supports the work of Barnardo's in building the capacity of accredited Aboriginal agencies operating in child protection.

Dalrigga Preschool FY16 \$15,275 Total \$127,075

Supports the training and facilitation of Aboriginal workers at the Dalrigga Playgroup.

Family Funding Stream FY16 \$60,275

First Australians Capital FY16 \$50,000

General operational support to help fund the early stage development of First Australian's Capital, an organisation committed to empowering First Australians to create and drive their own economic prosperity.

Literacy for Life Foundation FY16 \$10,000

General donation.

Maari Ma Aboriginal Health Corporation FY16 \$100,275 Total \$535,875

Supports the development and implementation of the Early Childhood Strategy for Broken Hill.

Marninwarntikura Fitzroy Women's Resource Centre FY16 \$30,000

General Donation.

Nangala Project FY16 \$70,275 Total \$400,275

Consolidation of the Indi Kindi program which, supports children in early literacy and numeracy development in Borroloola.

Ngroo Education FY16 \$72,275 Total \$468,775

Operational support to help the expansion of their program that increases the participation of Aboriginal children in mainstream early childhood education.

Shine for Kids FY16 \$75,000 Total \$275,000

Supports the employment of an Aboriginal worker to provide support for children with a parent in the criminal justice system.

SNALCC FY16 \$50,000 Total \$180,000

Internal capacity building for the peak body representing Aboriginal and Torres Strait Islander children and families.

Sydney Story Factory FY16 \$100,000 Total \$200,000

The employment of an Indigenous Story Teller.

Telethon Institute FY16 \$100,000 Total \$575,500

Provided funding for the expansion of the Maralu Clinic, which offers a holistic approach to deliver the best possible clinical diagnostic assessment and therapy services to children and young people in remote communities.

University of NSW, Buhundidi Gudaga FY16 \$160,000 Total \$320,000

Supports research and services in Tharawal to ensure that Aboriginal infants, children, and their mothers have access to appropriate healthcare.

CATALYZING **IMPACT** INVESTING



- 22% of our corpus invested for impact
- 2 mission aligned investments
- First grant to catalyse the impact sector

Since making its first impact investment in 2013 CAGES Foundation has made 15 Impact Investments, two of which have been mission aligned investments. We are now thinking about how we can make more meaningful mission aligned impact investments and build the capacity of businesses to deliver social outcomes that align with our foundations mission. We made our first impact investment grant to First Australians Capital in 2016 an organisation that aims to alleviate the poverty and disadvantage in life outcomes experienced by Indigenous Australians by building on the strengths and assets of Australia's first peoples.

FINANCE AND INVESTMENT REPORT



The corpus of the CAGES Foundation is managed carefully to minimize risk while maximizing returns for our beneficiaries. Frank Clune and Sons audit the accounts for CAGES Foundation.

	2015/16	2014/15
Portfolio Market Value	\$26.72M	\$23.24M
Investment Gain/(Loss)	\$1.86M	\$2.27M
Contributed Capital	\$3.00M	\$5.00M
Distributions	\$1.22M	\$1.057M
Cumulative Distributions	\$6.85M	\$5.635M
Operating Expense as a % of Net Assets	0.67%	0.40%





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