

DIOCESAN SCHOOLS BUILDING FUND

January to December 2013



A Message from Bishop Bill

There is much that leads to great satisfaction in this comprehensive report.

The progress made in the construction and provision of new facilities, the opportunities these offer, and the confidence they demonstrate are all sources of great encouragement.

I have taken particular interest and if I may, a certain pride, in the project that is becoming St Aloysius, a two-stream primary school at Chisholm. The challenge here will be to present in engaging ways the rich tradition of Catholic teaching against a backdrop of 'state of the art' facilities and teachers using the latest classroom approaches.

It seems to me that a new school is always evidence of a conviction that Catholic education will continue to speak to the Catholic, and wider, community.

Of course, the challenge in every school is to present in engaging ways the rich tradition of Catholic teaching, and while the facilities are ultimately secondary to that enterprise, they

certainly make a difference, literally and in terms of student and teacher morale.

Meanwhile, this report provides evidence of enhanced facilities at existing schools and the commitment to provide for future developments, especially in areas of population growth.

Parents, teachers, principals and the wider community can have every confidence that Catholic schools and all associated with them are being well served and that their investment is paying dividends – particularly in terms of educating the next generation.



Most Reverend William Wright
Bishop of Maitland-Newcastle

Director's Message

The Diocesan Schools Building Fund (DSBF) is a reporting structure for all income and expenditure related to building capital works and land acquisition for diocesan school purposes. The Diocesan Family & Schools Building Levy (DF&SBL) is collected from families of students attending catholic schools of the Diocese of Maitland – Newcastle. The levy contributes to the total income of the DSBF and to the funding of diocesan pastoral activities. Other sources of income for the DSBF include government capital grants, the NSW state government interest subsidy scheme, the Catholic Schools Office (CSO), parishes, school communities and Catholic Development Fund (CDF) loans.

The DSBF, which is managed and administered by the CSO (commenced January 2013) exists to ensure the diocese is able to meet past, present and future commitments. The CSO provides financial reports, and proposes school facilities plans and budgets to the Diocesan Finance Council and the Catholic Schools Council, which are advisory councils to Bishop William Wright.

This annual report accounts for and communicates the projects, activities and financial reporting for the DSBF from January to December 2013. Reporting for 2013 DF&SBL funded diocesan pastoral activities occurs in a separate diocesan publication.

In the last decade or so, approximately \$215m has been invested in the construction and refurbishment of our diocesan schools. At the end of 2013, approximately \$37m worth of projects were committed to, underway or completed. As you can see in this report, projects included extensions and refurbishment of existing schools, and construction of a new school. In addition, land has been purchased to improve existing schools and prepare for new schools.

We gratefully acknowledge the support of politicians of all persuasions who have and continue to ensure, in justice, that government funding has been available to Catholic schools. We also acknowledge the support and contribution of parents, schools and parish communities as well as the diocese.



Ray Collins, Director of Schools

Building Projects and Land Acquisition

Capital projects, planning and development in our diocesan schools made for another busy year in 2013. With significant funding directed to capital projects in primary schools during the government Building Education Revolution (BER) initiative, focus is now on developing and refurbishing secondary schools. Through the general Commonwealth capital grants program, the diocese has secured competitive funding towards a number of secondary school projects. The government capital grants provide at least half of the overall cost of most major projects, with the balance funded by the DSBF.

Committed, planned or projects underway in 2013 included:-

- 1 St. Joseph's High School, Aberdeen** – major project commenced to transform the school's overall design by providing an information and learning centre, music centre and flexible learning facility with operable walls and spaces for teachers and students to engage.
- 2 St. Pius X High School, Adamstown** – a second stage development commenced to refurbish and reorganise the science, technical and applied studies facilities. In addition, financial acquittal of previous major stage one project and planning commenced to replace the Sr. Marie Hall destroyed by fire.
- 3 St. Paul's High School, Booragul** – major project to provide an information and learning centre, classrooms, administration and covered outdoor areas. The proposed project will focus on contemporary learning with integrated outdoor spaces.
- 4 St. Aloysius Catholic Primary School, Chisholm** – the acquisition of the site and commencement of a new two stream primary school. The project will continue in construction through 2014 and be ready for opening at the commencement of 2015. The design of this school, elected through an architectural competition has provided a new opportunity to construct contemporary learning spaces for a new and exciting model of teaching and learning.
- 5 St. Mary's High School, Gateshead** – commencement of a project to install a lift for students with accessibility
- 6 St. Francis Xavier's College, Hamilton** – a project to refurbish and reorganise the music area and aspects of the science areas has been submitted several of times for government funding. If government funding support is unsuccessful there is a commitment to proceed with a revised scope and reduced budget to be fully funded by the DSBF. Additionally, 2013 saw completion of a major accessibility upgrade project.
- 7 All Saints College, St. Joseph's Campus, Lochinvar** – completion of new buildings has provided a much needed new entry point and administration area to the school, staff area, a modern information and learning centre, classrooms and state of the art trade training centre and technical and applied studies facilities.
- 8 All Saints College, St. Peter's Campus, Maitland** – a second and significant stage of development was completed at the school to construct and refurbish music, technical and applied studies, administration, staff and classroom facilities. In addition a house was purchased in Free Church Street to be demolished to allow the school to expand the open space to accommodate the large student population.
- 9 St. Clare's High School, Taree** – completion of project to refurbish and update technical and applied studies and art classrooms.
- 10 Our Lady of Lourdes, Primary School, Tarro** – acquisition of adjacent land to relieve the site constraint being experienced with large enrolments.
- 11 Temporary buildings** – were required at several schools to meet the growing enrolments. Financial reporting overlaps years with project planning, site establishment occurring later in a year and project finalisation occurring at the commencement of the following year.

School Planning and Development

The School Planning and Development Committee (SPDC) charter is to propose strategic plans and associated project planning to Bishop William Wright for the development and sustainability of existing and new school facilities. In addition to the capital projects reported in this report, the SPDC has facilitated detailed demographic and facilities assessment reports for all schools.

The demographic studies forecast strong enrolment growth in the Maitland and Newcastle regions. In response to the studies and subsequent recommendations, the diocese is constructing the new St Aloysius Primary School, Chisholm to open in 2015, acquiring land and planning for proposed new secondary schools at Chisholm and Medowie.

requirements to upper levels of the school. In addition, financial acquittal of previous science classrooms project.

In 2013 the Catholic Schools Office, on behalf of Bishop William Wright, commissioned a study into the provision of secondary education in the Diocese of Maitland-Newcastle. The purpose of the study is to explore capacity issues and demographic pressures identified on existing schools.

The demographic, facilities and provision of secondary education studies will be synthesised into a strategic development plan which will provide a framework for priorities, timing and resourcing for development of school facilities.

Summarised Financial Reporting – Year Ended 31 December 2013

Diocesan Schools Building Fund - Financial Highlights for 2013

		NOTES
Income	\$	1
DF&SBL	5,626,421	
Government grants	5,975,691	
NSW interest subsidy	1,118,350	
Other income	98,520	
Total income	12,818,982	

Expenses	\$	2
Depreciation	5,134,264	
Interest expenses	2,777,069	
Other expenses	42,787	
Total Expenses	7,954,120	

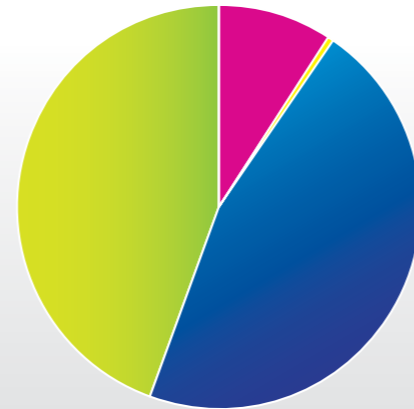
Loan Portfolio	\$	3
Land loans - non subsidised	3,327,737	
School building loans - subsidised	15,855,530	
School building loans - non subsidised	16,138,699	
Total Loans Unpaid 31.12.13	35,321,966	

Loans financed for/from:	\$	4
Loans advanced for projects	13,980,200	
Interest for loan portfolio	2,777,069	
Sub total - financed for	16,757,269	
Less:		
Loan repayments	22,669,195	
Total Loan Reduction For 2013	5,911,926	

Diocesan Family & School Building Levy	\$	5
<i>Sourced from:</i>		
DF&SBL collected from families in current year	5,668,488	
Prior year surplus*	957,932	
<i>Applied to:</i>		
Loan servicing for principal and interest	5,080,408	
Capital expenditure not financed by loans	546,012	
Monies provided to diocese for pastoral care	1,000,000	

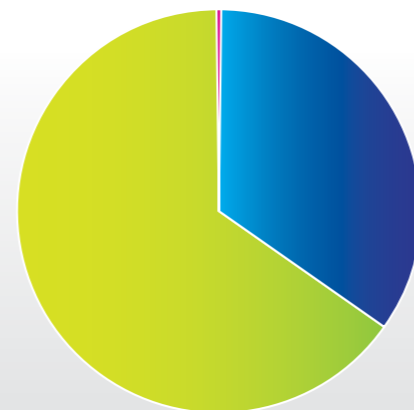
*Remaining surplus of \$3,846,506 will be carried forward for use in future years.

Income - total \$12.8m for the year ended 31 December 2013



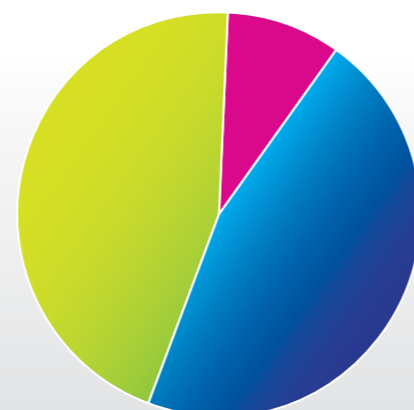
Government grants	46%
Diocesan School Building Levy	44%
NSW interest subsidy	9%
Other income	1%
Total Income	100.0%

Expenses - total \$7.9m for the year ended 31 December 2013



Depreciation	65%
Interest expenses	35%
Other expenses	0%
Total Income	100.0%

Loan Portfolio - total unpaid \$35.3m as at 31 December 2013



Land loans - non subsidised	9%
School building loans - subsidised	45%
School building loans - non subsidised	46%
Total Unpaid	100.0%

Notes

- Income is sourced mainly from:
 - Diocesan Family & School Building Levy (DF&SBL)
 - Government capital grants
 - Interest Subsidy from NSW Government
- Expenditure is incurred for interest on loans, depreciation of school buildings and associated infrastructure.
 - School buildings are depreciated over a 50 year life with lesser useful life for temporary buildings, and fixture assets.
 - Interest expenses are representative of gross interest related to the calendar year. NSW government Interest Subsidy scheme assists in the repayment of interest incurred on a significant portion of some building loans.
- The loan portfolio consists of three categories. All loans are contracted with the Catholic Development Fund for a term of generally 20 years. As the NSW Interest Subsidy scheme has ceased to fund additional loans, all future loans will be classified as non-subsidised.
- This item indicates that during 2013 the loan portfolio reduced by \$5,911,926 due to retirement of debt from direct Catholic Schools Office contributions.
- The DF&SBL is collected from families of students attending diocesan catholic schools. It contributes to the income of the DSBF and to funding diocesan pastoral activities.
The DF&SBL is collected, accumulated and applied to building and land projects that vary in frequency and duration across years. Accordingly it is applied annually on a needs basis.

Special Note: Financial Highlights for 2013 is a correct summary based on the financial statements for the Diocesan Schools Building Fund, Diocese of Maitland-Newcastle for the year ended 31 December 2013 to which an unqualified audit report was issued.

School Buildings and Land

Completed projects for the year ended 31 December 2013

SCHOOL	DESCRIPTION	DF&SBL AND OTHER CONTRIBUTION \$	GOVERNMENT GRANT \$	FINAL COSTS \$	FORECASTED COMPLETION
ADAMSTOWN St. Pius X High School	Stage 1 - Refurbishment of classrooms, administration and performing arts centre	3,081,200	2,488,706	5,569,906	Mar 2013
GATESHEAD St. Mary's High School	Science rooms refurbishment	702,209	-	702,209	Nov 2013
LOCHINVAR All Saints College, St. Joseph's Campus	Stage 1 - Construction of administration, staff, library, classrooms, technical and applied studies workshops	4,990,389	5,012,012	10,002,401	Nov 2013
MAITLAND All Saints College, St. Peter's Campus	Stage 1 - Construction of new library, refurbishment of science rooms	1,929,275	3,200,000	5,129,275	Dec 2013
TAREE St. Clare's High School	Refurbishment of technical and applied studies and art classrooms	481,287	714,347	1,195,634	Nov 2013
MAITLAND 33-36 Free Church St	Land purchase	580,722	-	580,722	Dec 2013
TOTALS		\$11,765,082	\$11,415,065	\$23,180,147	

Committed projects as at the year ended 31 December 2013

SCHOOL	DESCRIPTION	DF&SBL AND OTHER CONTRIBUTION \$	GOVERNMENT GRANT \$	FINAL COSTS \$	FINAL COMPLETION (ACQUITTAL DATE)
ABERDEEN St. Joseph's High School	Construction of library, classrooms and staff facilities	3,400,000	3,500,000	6,900,000	Aug 2014
ADAMSTOWN St. Pius X High School	Stage 2 - Refurbishment of science, technical and applied studies classrooms	2,000,000	1,583,189	3,583,189	Aug 2014
BOORAGUL St. Paul's High School	Construction of classrooms, specialised library area, administration and outdoor learning area	2,834,934	2,691,850	5,526,784	Jun 2015
MAITLAND All Saints College, St. Peter's Campus	Stage 2 - Construction and refurbishment of music, technical and applied studies, administration, staff and classrooms	2,926,320	3,295,738	6,222,058	Jun 2014
CHISHOLM St. Aloysius Catholic Primary School	Stage 1 - Construction of new primary school	4,675,000	3,015,341	7,690,341	Mar 2015
HAMILTON St. Francis Xavier's College	Refurbishment of science laboratories, music area	870,000	-	870,000	Feb 2015
ADAMSTOWN St. Pius X High School	Replace Sr Marie Hall destroyed by fire	980,132	-	980,132	Sept 2014
GATESHEAD St. Mary's High School	Installation of lift - accessibility requirement	150,000	150,000	300,000	Jun 2014
Temporary buildings	Demountable classrooms - various locations	1,070,565	-	1,070,565	Jun 2014
MAITLAND 33-36 Free Church St	Demolition costs	60,000	-	60,000	Aug 2014
CHISHOLM St. Aloysius Catholic Primary School	Land purchase	3,617,647	-	3,617,647	Jan 2014
TARRO Our Lady of Lourdes Primary School	Land purchase	220,000	-	220,000	Jun 2014
TOTALS		\$22,804,598	\$14,236,118	\$37,040,716	



MAITLAND All Saints College, St. Peter's Campus - New Library



**Catholic
Schools Office**
DIOCESE OF MAITLAND-NEWCASTLE

(02) 4979 1200
841 Hunter Street Newcastle West 2300
NSW Australia
www.mn.catholic.edu.au