

# DIOCESAN SCHOOLS BUILDING FUND

January to December 2014

2014

SERVICE † LEADERSHIP † JUSTICE  
*Together in Christ*





# A Message from Bishop Bill

## A MESSAGE FROM BISHOP BILL

After the heady days of Building the Education Revolution (BER), which saw significant construction in many of our schools, I imagined we would have to settle down and 'rest on our laurels' for a while. Not so.

When visiting schools throughout the diocese, I am impressed by the on-going developments that are apparent. These include support positions, new teaching programs and resources, sustainability provisions and commitments to community groups like St Vincent de Paul Conferences and local aged care facilities. The most visible developments, however, are new or refurbished buildings. I am sure that being able to work and play in great surroundings must contribute significantly to students' learning, self-respect and social development.

While I acknowledge that government support plays a significant part here, it's also important to acknowledge that without the regular contribution of the Diocesan Family & School Building Levy, these developments and improvements would not be possible.

Schools are dynamic places. The best school communities honour their tradition, are proud of their present way of being, but know that their business is building the future - in fact, the Kingdom! Thus the 'already but not yet' nature of our Catholic

lives is reflected in schools, since they exist to bring to life the gospel injunction, "I have come that they may have life, and have it to the full." (John 10:10).

The Diocesan Schools Building Fund is one of the pillars that enables our schools to support our young people, their teachers, families and parish communities. I thank all of you, parents and carers, for the contribution you continue to make.



Most Reverend William Wright,  
Bishop of Maitland-Newcastle

# Director's Message

Supported by the Catholic community of which they are a vital part, Catholic schools invite students and their families into a faith-filled educational experience. Historically and to this day, schools in the Diocese of Maitland-Newcastle owe much to the commitment of parents and carers and to the selfless generosity of parishioners, priests and religious congregations who contributed to the construction of school buildings which help facilitate this unique educational experience. The support of government has also contributed substantially, particularly in recent years, towards diocesan facilities. Together, over the past 10 years, approximately \$240 million has been invested in the construction and refurbishment of our diocesan schools. At the end of 2014, approximately \$18 million worth of projects were completed. As you will see in this report, projects included extensions and the refurbishment of existing schools as well as the construction of a new school, St Aloysius Catholic Primary School, Chisholm. In addition, land has been purchased to improve existing schools and to prepare for the possibility of new schools.

On behalf of the Catholic Schools Office, I gratefully acknowledge the support and contribution from all parents, schools, parishes, religious congregations, the diocese and from Members of Parliament of all persuasions who have ensured, and continue to ensure, in justice, that government funding has been available to

Catholic schools. As a valued contributor to Catholic education in the Diocese of Maitland-Newcastle, I encourage you to review this report and have confidence that your contribution to the Diocesan Schools Building Fund is supporting better educational outcomes for students and future generations.



Ray Collins,  
Director of Schools

# Introduction to the Diocesan Schools Building Fund

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. A levy is collected from families of students attending Catholic schools in the Diocese of Maitland-Newcastle called the Diocesan Family & School Building Levy (DF&SBL). This levy contributes to the total income of the DSBF and therefore towards the cost of buildings, facilities, land and in addition, 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 Bill Wright.

This report accounts for, and communicates, the projects, activities and financial reporting for the DSBF from January to December 2014.

# Building Projects and Land Acquisition

2014 was another busy year for capital works projects, planning and development in our schools. With significant funding directed to capital projects in primary schools during the government's Building Education Revolution (BER) initiative, the focus is now on developing and refurbishing secondary schools. Through the general Commonwealth capital grants and NSW State building grants assistance scheme, the diocese has secured competitive funding for 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 and/or local schools and the CSO.

Completed, committed, planned and 'in progress' projects included:-

- 1 St Joseph's High School, Aberdeen** – Major works were completed, transforming the school's overall design by providing an information and learning centre, music centre and flexible learning facility and spaces for teachers and students to engage. A large shaded verandah area with views over the Hunter River provides students with an inspiring outdoor learning space. Construction of a car park was commenced.
- 2 St Pius X High School, Adamstown** – Construction of Stage 2, with the refurbishment of science, Technical and Applied Studies (TAS) facilities, including wood and metal classrooms continued. Works commenced to replace the Sr Marie Hall that was destroyed by fire in 2012.
- 3 St Paul's High School, Booragul** – This major project is creating contemporary learning with integrated outdoor spaces including the construction of classrooms and specialised library, administration and outdoor learning areas. The new 'iCentre' will provide additional space in this growing

school with a contemporary and exciting new double storey learning centre which also links the two levels of the school with an integrated access lift.

- 4 St Aloysius Catholic Primary School, Chisholm** – Stage 1 of the diocese's first new primary school to be built in over 30 years commenced in preparation for its official opening in 2015. Stage 2 design works, including the construction of administration, staff and classroom areas, also commenced.
- 5 St Mary's High School, Gateshead** – Works to install a lift to the upper levels of the school were completed.
- 6 St Francis Xavier's College, Hamilton** – Refurbishment works and re-organising the science laboratories and music area commenced.
- 7 All Saints College, St Joseph's Campus, Lochinvar** – Design works commenced for Stage 3 which includes the construction of multi-purpose hall and Technical and Applied Studies (TAS) facilities.
- 8 All Saints College, St Peter's Campus, Maitland** – The large Stage 2 project was completed in this period. The works included the construction and refurbishment of music, Technical and Applied Studies (TAS), administration, staff and classrooms facilities.
- 9 All Saints College, St Mary's Campus, Maitland** – Design works for a school hall commenced.
- 10 St Patrick's Primary School, Cessnock** – Acquisition of land to enhance the playground space.
- 11 Our Lady of Lourdes, Primary School, Tarro** – Acquisition of land to facilitate existing school use.
- 12 Medowie** – Acquisition of land for future school planning.

# School Planning and Development

The Schools Planning and Development Committee (SPDC) charter is to propose strategic plans and oversight associated project planning to Bishop Bill Wright for the development and sustainability of existing and new school facilities. In addition to the capital projects reported in this report, the SPDC continues to work on a program to renew and improve school facilities, consider demographic data and key indicators for future provisioning of schools in the diocese.

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 Catholic Primary School, Chisholm to open in 2015,

acquiring land and planning for proposed new secondary schools at both Chisholm and Medowie.

In 2013 the CSO, on behalf of Bishop Bill Wright, commissioned a Study into the Provision of Secondary Education in the Diocese of Maitland-Newcastle. The reasons for this study are many but include capacity issues and demographic pressures identified in the studies mentioned previously. The findings and approved recommendations from this study will be communicated in 2015.

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 2014

Diocesan Schools Building Fund - Financial Highlights for the year ended 31 December 2014

Income sourced from:		Note
	\$	1
DF&SBL	4,993,370	
Government Grants	7,135,506	
NSW Interest Subsidy	974,375	
Other Income	740,220	
<b>Total income</b>	<b>13,843,471</b>	

Expenses incurred for:		2
	\$	
Depreciation	5,412,898	
Interest Expenses	2,475,164	
Other Expenses	310,771	
<b>Total Expenses</b>	<b>8,198,833</b>	

Loan Portfolio:		3
	\$	
Land Loans - non subsidised	8,333,522	
School Building Loans - subsidised	14,223,796	
School Building Loans - non subsidised	23,385,225	
<b>Total Loans Unpaid 31.12.14</b>	<b>45,942,543</b>	

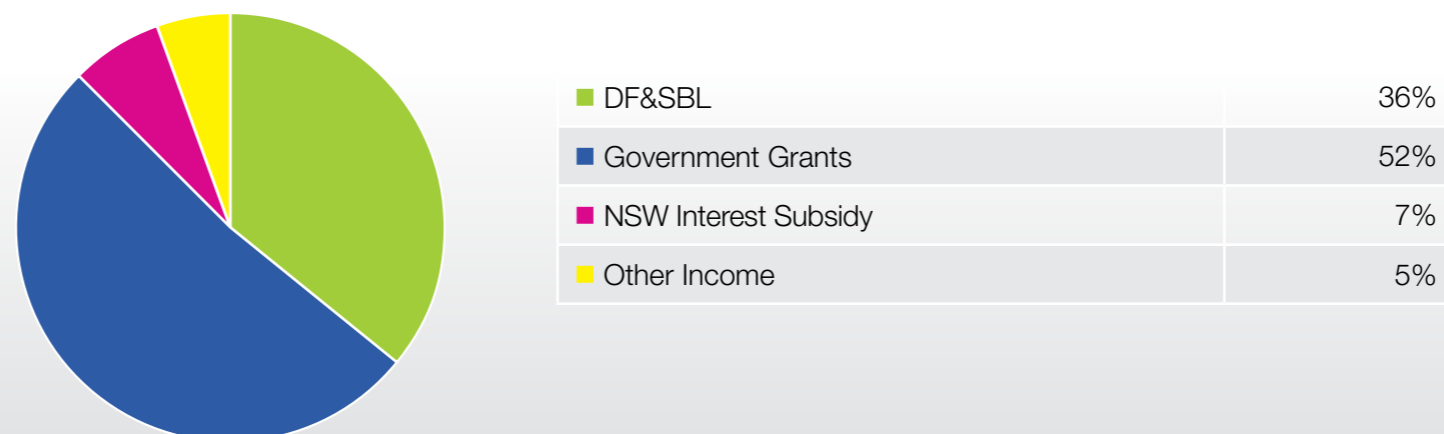
Loans Financed for/from:		4
	\$	
Loans Advanced for Projects	20,558,295	
Interest for Loan Portfolio	2,475,164	
Sub Total - Financed for	23,033,459	
Less:		
Loan Repayments	12,412,882	
<b>Total Loan Increase for 2014</b>	<b>10,620,577</b>	

Diocesan Family & School Building Levy		5
	\$	
<i>Sourced from:</i>		
DF&SBL collected from families in current year	5,985,583	
Prior year surplus*	7,787	
<i>Applied to:</i>		
Loan Servicing for Principal and Interest	4,251,822	
Capital Expenditure Not Financed by Loans	741,548	
Monies Provided to diocese for pastoral care	1,000,000	

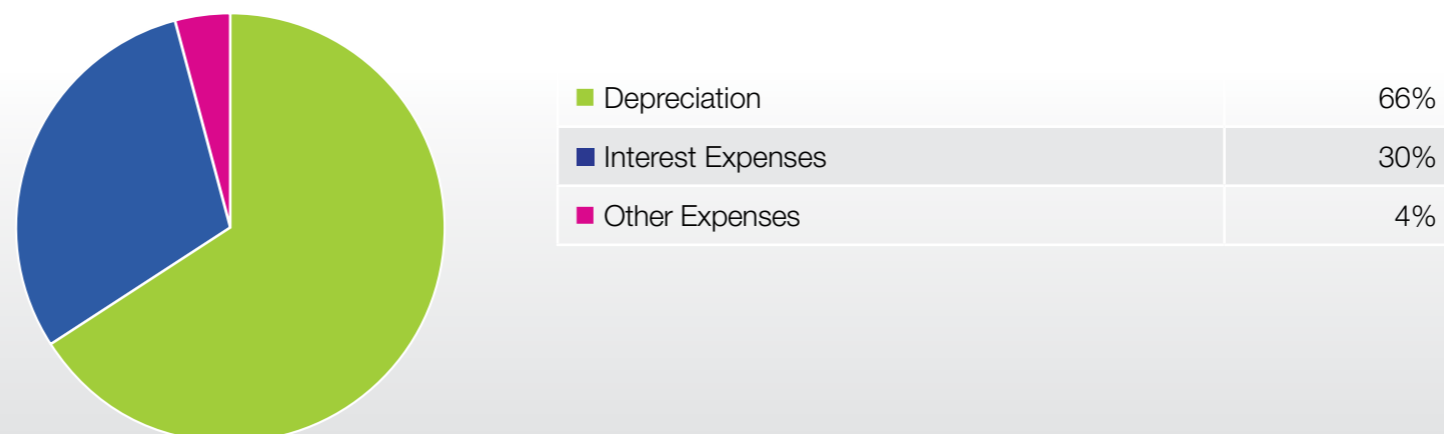
\* Remaining surplus \$3,838,719 will be carried forward for use in future years.

Special Note: Summarised financial report for 2014 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 2014 to which an unqualified audit report was issued.

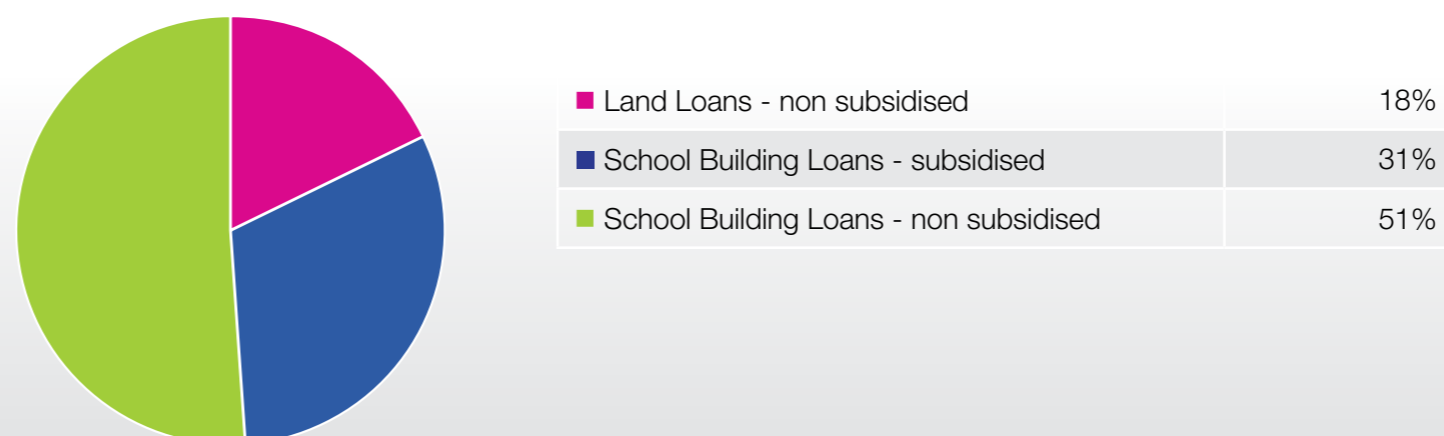
**Income - total \$13.8m** for the year ended 31 December 2014



**Expenses - total \$8.2m** for the year ended 31 December 2014



**Loan Portfolio - total unpaid \$45.9m** as at 31 December 2014



## Notes

- Income is sourced predominantly from:
  - Diocesan Family & School Building Levy (DF&SBL)
  - Capital Grants from both State and Commonwealth Governments
  - Interest Subsidy from NSW Government

This income is allocated on a basis of allocation to repay loans and/or attracted to specific building projects.
- Expenditure is incurred for interest on loan repayments, 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.
  - Income attributable from the NSW Government Interest Subsidy Scheme assists in the repayment of interest incurred on a significant portion of building loans.
- The loan portfolio consists of three categories. All loans are contracted with the Catholic Development Fund (CDF) for a term of 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 2014 the loan portfolio increased by \$10,620,577 predominantly for funding the new St Aloysius Catholic Primary School, Chisholm and additions to existing school buildings.
- 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.



# Capital Project Summary

Completed projects as at the year ended December 2014

SCHOOL	PROJECT	CONSTRUCTION STAGE/ FORECAST COMPLETION	GOVERNMENT GRANT	LOCAL CONTRIBUTION	PROJECT COST
ABERDEEN St Joseph's High School	Technical and Applied Studies (TAS), creative and performing arts, staff work areas, general learning areas. Construction of library, classrooms and staff facilities.	Completed in 2014	\$3,500,000	\$3,661,354	\$7,161,354
CHISHOLM, St Aloysius Catholic Primary School	Land purchases.	Completed in 2014	\$-	\$3,820,180	\$3,820,180
GATESHEAD St Mary's High School	Installation of lift - accessibility requirement.	Completed in 2014	\$158,000	\$88,773	\$246,773
MAITLAND All Saints College - St Peter's Campus	Stage 2 - Construction and refurbishment of music, Technical and Applied Studies (TAS), administration, staff and classrooms facilities.	Completed in 2014	\$3,295,738	\$2,926,320	\$6,222,058
MAITLAND 33-36 Free Church Street	Demolition costs.	Completed in 2014	\$-	\$59,648	\$59,648
TARRO Our Lady of Lourdes Primary School	Land purchases.	Completed in 2014	\$-	\$219,116	\$219,116
CESSNOCK	Land purchases.	Completed in 2014	\$-	\$560,000	\$560,000
MEDOWIE	Land purchases.	Completed in 2014	\$-	\$2,719,342	\$2,719,342



Committed projects as at the year ended 31 December 2014

SCHOOL	PROJECT	CONSTRUCTION STAGE/ FORECAST COMPLETION	GOVERNMENT GRANT	LOCAL CONTRIBUTION	PROJECT COST/ BUDGET
ABERDEEN St Joseph's High School	Construction of car park.	Under Construction	\$-	\$360,000	\$360,000
ADAMSTOWN St Pius X High School	Stage 2 - Refurbishment of science, Technical and Applied Studies (TAS) classrooms.	Under Construction	\$1,583,189	\$2,000,000	\$3,583,189
ADAMSTOWN St Pius X High School	Replace Sr Marie Hall destroyed by fire.	Under Construction	\$-	\$980,132	\$980,132
BOORAGUL St Paul's High School	Construction of classrooms, specialised library area, administration and outdoor learning area.	Under Construction	\$2,691,850	\$2,884,934	\$5,576,784
CHISHOLM St Aloysius Catholic Primary School	Stage 1 - Construction of new primary school.	Under Construction	\$3,015,341	\$5,045,766	\$8,061,107
CHISHOLM St Aloysius Catholic Primary School	Stage 2 - Construction of administration, staff and classrooms.	In Design	\$2,500,000	\$2,547,190	\$5,047,190
HAMILTON St Francis Xavier's College	Refurbishment of science laboratories and music area.	Under Construction	\$-	\$1,000,000	\$1,000,000
LOCHINVAR All Saints College - St Joseph's Campus	Stage 3 - Construction of a multi-purpose hall and Technical and Applied Studies (TAS) facilities.	In Design	\$2,432,896	\$1,621,931	\$4,054,827
MAITLAND All Saints College - St Mary's Campus	Construction of new school hall commenced.	In Design	\$1,131,372	\$484,873	\$1,616,245
Temporary Buildings	Demountable classrooms - various locations.	Ongoing	\$-	\$1,061,533	\$1,061,533





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