



# BGA Capital Grants Program

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## Funding for 2012

We are pleased to announce that the NSW Department of Education and Communities (DEC) has provided funding through the Building Grants Assistance Scheme for 2012 and has advised indicative appropriations through to 2015. This funding will be aggregated with the Commonwealth Government's (DEEWR) Capital Grants Program which the BGA already administers, with the result that for the 2012 round we anticipate a combined funding allocation of approximately \$20 million being 33% larger than that available for 2011.

In the interests of keeping the administration of the program as simple as possible, the BGA will determine whether successful schools are allocated a grant from either DEC or DEEWR funds. Schools will only be able to obtain funding from one Government capital grants funding scheme. For example, if a school is successful in obtaining a grant allocated from the State Government funding, they will be ineligible for a grant from the Commonwealth Government funding, and vice versa. Grant funding from both sources will be administered in a similar fashion by the BGA but the recognition requirements may vary and schools will be advised which Government needs to be acknowledged in any recognition obligations.

## Applications for 2012

We anticipate opening the application website during January and closing applications on Friday 30<sup>th</sup> March. This will allow schools sufficient time to submit project proposal information and financial data. More information regarding accessing the online application form will be communicated early in 2012.

## Change in Process - Expression of Interest

To assist schools make the most of the Capital Grants Program, we have made a change to the 2012 application process. If it is your school's intention to apply for a BGA grant in the 2012 round, **you must lodge an Expression of Interest by 16<sup>th</sup> December 2011** which includes the following information:

1. a brief description of the project
2. the approximate project cost
3. the anticipated school contribution to the project
4. the requested grant
5. timing / summary of any progress towards DA, if one is required.

These expressions of interest should be no more than one page in length and will be assessed by the BGA prior to the online application form becoming available. Where we feel a school's expectations of funding may be in excess of what the BGA can realistically recommend, or it is apparent you intend applying for a project that is ineligible, we will advise you to amend your application accordingly.

To download a copy of the Expression of Interest form, please [click here](#).

## Land Acquisition

As for the 2011 application round, grants for purchases of land will only be available in special circumstances. If you believe your school has a good case for land acquisition, please note this in the Expression of Interest (mentioned above) and you will be provided with the Land Acquisition Pre-Application Submission form which will include the criteria for land acquisition.

## Briefing Sessions 2012

As in previous years, we will be holding a briefing session in Sydney and another in Coffs Harbour during February. This will be your opportunity to ask questions specific to the application form, the information we will require at the visit, financial information, or the BGA processes in general. If there is sufficient demand we may hold a similar briefing in Albury or Wagga. If you are interested in attending a regional seminar please advise the BGA team so these can be arranged as soon as possible. From 2013, attendance at a briefing session will be compulsory.

## Committee Visits in 2012

Once you have submitted your application and the application submission period has closed, the BGA will arrange a visit to your school by two members of the Capital Grants Assessment Committee. The documents that the school must have available are:

1. a signed copy of the audited financial statements for the year ending 31<sup>st</sup> December 2011
2. the school's asset maintenance plan
3. the school's master plan, and
4. the school's strategic plan [optional in 2012 but mandatory from the 2013 round onwards].

Committee visits will be held on Mondays only during 2012. Although there maybe some slight changes to the dates shown below, the scheduled dates currently are:

23<sup>rd</sup> April  
21<sup>st</sup> May  
25<sup>th</sup> June  
23<sup>rd</sup> July  
20<sup>th</sup> August

Please note that a visit to your school will occur on only one of these dates. However, we encourage you to ensure that the appropriate people from your school are available on each of the above dates until the full visiting schedule is finalised and the BGA can confirm which of the dates has been allocated for the committee visit to your school.

We would normally expect the attendance of the Principal and Business Manager to be mandatory while the attendance of the architect and school chairperson is desirable.

### Financial Data

The 2012 application form will collect actual data from the school's financial statements for the year ending 31<sup>st</sup> December 2011. It is essential that your 2011 column data aligns with your financial statements. If you think you will have difficulty with this, please attend one of the BGA briefing sessions and we will try to assist. The application form also includes the 2012 budgeted data + 2 years (2013 & 2014) of projected financial data. We encourage you to assess this information very carefully to ensure your school is showing accurate results otherwise this could impact upon the success of your application. This projected data is as critical as the actual data when the BGA Financial Assessment Committee (FAC) reviews the school's finances, and the FAC can only make a recommendation based on the data that has been submitted. The determination of financial need is a compulsory criterion established by both the Commonwealth and State Governments with respect to their Capital Grants Programs.

### Financial Statement Format

The BGA needs to make an accurate and equitable assessment of your school's finances and for this purpose prefers General Purpose Financial Statements. However, we acknowledge that in July 2010 the Australian Accounting Standards Board (AASB) introduced a revised differential reporting framework known as the Reduced Disclosure Regime, allowing some entities to adopt changes to their financial statements that reduce the reporting and disclosure burden. However, not all schools can take advantage of this so to ensure the process is fair, the BGA requires certain minimum disclosures before it will assess your application in 2012. The following notes to the accounts are mandatory:

AASB 101: Presentation of Financial Statements

AASB 107: Cash Flow Statements

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 110: Events after the Balance Sheet Date

AASB 1031: Materiality

The BGA also requires the following to be included:

AASB 117: Leases

AASB 118: Revenue

AASB 124: Related Party Disclosure

AASB 137: Provisions, Contingent Liabilities<sup>#</sup> and Contingent Assets

<sup>#</sup> If you have previously received Commonwealth grants for capital projects (eg BER, CGP), it is likely you have a contingent liability with respect to the repayment of those grants should your school cease to operate, or the funded building is no longer used. It doesn't matter what the likelihood of these events actually occurring is, this liability must still be reflected in your financial statements. Further to AASB 118 (Revenue), the BGA will also require the following items separately disclosed in your accounts in a separate note to align with the BGA application:

1. Commonwealth Government Recurrent Grants
2. State Government Recurrent Grants
3. State Government Interest Subsidy (if any)
4. Commonwealth Government Targeted Program Grants (eg Languages, Literacy, Numeracy and Special Learning Needs, National Partnerships, AGQTP, VET)
5. Commonwealth Government Digital Education Revolution Grants
6. Commonwealth Government Building the Education Revolution Grants
7. Commonwealth Government Capital Grants (IOSP, Capital, IBIP)
8. Commonwealth Government Trade Training Centre Grants
9. Commonwealth Government National Solar Scheme Grants
10. any other government grants

Please ensure your auditors are aware of this requirement as your grant application will not be assessed if this information is not separately disclosed. This information only needs to be disclosed for the years covered by the financial statements, i.e. 2010 and 2011.

## Need Help?

As the BGA is responsible for assessing your application, it cannot provide advice on the content of your application nor your projected financial data. If you require assistance with respect to these areas, please contact the BGA and we will provide you with the names of some consultants, with expertise in school finances and capital grant applications, who may be able to assist your school with its application. Please be aware that this would be at the school's expense.

## BGA Results 2011

In the 2011 application round (2012 funding year), the Capital Grants Program received 57 applications representing a total project value of \$85.5m and requested grants of \$39.2m. The BGA recommended grants totalling \$17m for 40 of those schools to accommodate approximately \$40m in building projects.

The SES breakdown of those schools recommended for a grant were:

SES 85 - 94 = \$8.6m (51%)

SES 95 - 104 = \$7m (41%)

SES 105 - 114 = \$1.4m (8%)

## Site Leases

You are reminded that where the school is situated on land that it does not own, and the school has received Government capital funding (BGA or BER), there must be a valid lease in place that covers the 'recoverable period' as defined in Attachment 6 of the Administrative Guidelines. This may necessitate the school renewing a lease, even though that lease hasn't expired yet, in order to accommodate the requirements of Government funding. The BGA Committee members who visit your school are required to sight your lease so please make it available with the other requested documents.

## Workplace Safety Seminars

Commencing in December 2011 and continuing through January 2012 AISNSW is conducting a series of complimentary metropolitan and regional seminars to assist schools in the implementation of the Work Health and Safety Act 2011 and the Work Health and Safety Regulations 2011. The legislation is effective from 1<sup>st</sup> January 2012.

This one day program developed by the AIS for independent schools is designed to assist Principals, Business Managers and Senior Executives to:

- understand the new legislation and its implications for schools
- successfully implement legislative requirements
- train staff and others using WorkCover endorsed materials.

Participants will be provided with training materials endorsed by WorkCover for use in their school.

Attendance at this seminar is also recommended for property managers and project managers. There is no charge for the seminar. Registration for this course is available online at [www.aisnsw.edu.au](http://www.aisnsw.edu.au) > AIS Services > Risk & Compliance > Training and Seminars

Further details can be found by going to [www.aisnsw.edu.au](http://www.aisnsw.edu.au) > AIS Services > Risk & Compliance > Training and Seminars

To download a copy of the seminar flyer please [click here](#).

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