



KINCOPPAL – ROSE BAY

SCHOOL OF THE SACRED HEART

Letter to the Productivity Commission.

30 January 2024

Dear Sir or Madam

We are writing to request that the Productivity Commission reconsiders its recommendation of withdrawal of Deductible Gift Recipient Status for School Building Funds.

Since its foundation in 1882, Kincoppal-Rose Bay School (KRB) has been grateful for the donations it has received to provide a Sacred Heart education to thousands of students from Sydney, country NSW and Australia and overseas. Indeed when the first Sisters of the Society, founded by Madeleine Sophie Barat, arrived from England, they were supported by the Hughes family to set up a school in Rose Bay and later at Elizabeth Bay in a house owned by Mr J Hughes, whose daughter was the first Sister of the Society of the Sacred Heart.

The School today educates boys and girls from 3 years of age to the end of Year 6. From Year 7 to Year 12, we educate young women, offering day and boarding places for students from country NSW and interstate, and overseas. The School has over 80 students, particularly in the Senior School receiving fee concessions. 50 of our boarders whose families are in difficult financial circumstances receive means-tested bursaries. This is in keeping with the ethos and values of the founding Sisters and those who followed them, to provide “fee relief” to struggling families. These students contribute to the rich tradition and diversity of the School and often assume leadership positions. As well, the School offers 8 places to Indigenous students who in turn make a strong contribution to school life.

The focus at KRB is to enable all students to strive for their personal best and to seamlessly transition into tertiary study and other post school opportunities. We also aim to ensure that each student lives out the goals of Sacred Heart education, to develop a personal and active faith in God, to gain a love of learning, to develop a strong sense of social awareness and support others in the wider community, to know themselves and to appreciate how they will use their strengths and abilities to make a difference in the world.



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The School has been grateful to the many parents who contribute each year to the voluntary Building Fund donation which is part of the school fee statement. Approximately 65% make this contribution. These contributions are directed towards ongoing maintenance and refurbishment which is never ending in a heritage building. If tax deductibility for these donations were withdrawn, it would have a detrimental effect on this maintenance and would result in deterioration of the buildings and the surrounding environment. Moreover, it would mean that the school fees would have to be increased considerably. This would be in direct conflict with the ethos of the School and its founders. Madeleine Sophie Barat said “for the sake of one child, I would have founded the Society.” She believed in offering an education for all and therefore a change in the offer of tax deductibility would make her wish impossible to achieve.

In the past twelve years KRB has made significant improvement to the campus. A number of improvements however have been refurbishments of current buildings rather than developing new projects. In 2019 the School received approval to embark on a masterplan through a State Significant Development Application. Two of the developments planned for the near future will again be major refurbishments of current areas. The SSDA provides permission for new buildings which would take place at the Junior School, built in the late 1960s. The total cost of the Masterplan is in the vicinity of \$40million. A target of \$20million has been set to raise funds for the Masterplan. We are deeply grateful to the 120 members of our community – parents and a small number of alumnae – who have contributed over \$6million to the project. Some of these donors have had a long association with the School and have a close affinity with it. Others have said “I’m happy to help.” The question of tax deductibility is always asked, and donors seek clarification re this.

We believe that the impact on our School if we were to lose tax deductibility for building fund donations, would be extremely severe. It would initially impact the educational opportunities we provide and hence the learning of each student would be affected. As well, it would have an enormous impact on our offers of bursaries to students unable to pay full school fees as the money for that would have to be directed to buildings. It would therefore change the entire ethos, values and demography of the School.

It is also important to note that while the School acknowledges donors in appropriate ways, eg thank you letters, phone calls, names on honour boards, with no amounts included, the donors do not receive **any private benefit** for their gift. There is no link between school fees, enrolment opportunities and the way that students are looked after at the School. All donations are kept strictly confidential to ensure that there is no link between any donations and teaching and learning and the wellbeing of the student.



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We therefore urgently request that the Commission reconsider its recommendation to withdraw DGR status from School Building Funds. We are happy to be a resource to the Commission if it has further queries.

We thank the Commission for the work they are doing and the opportunity to provide feedback.

Yours sincerely

Mary Cook
Director of Advancement & Community