Dear Parents/Guardians,

SCHOOL FEES AND A NEW FEE PAYMENT METHOD FOR 2013

School Fees for 2013
As a school we rely on a mix of Federal and State Government funding (68%) and fee income (32%) to support our staff wages, equipment purchases, buildings, cleaning, furniture and the incidental costs that allow a school to run. We manage the College frugally while keeping the standard of the facilities and education high. Our school fees are among the lowest of any independent school on the Sunshine Coast.

The government releases a figure every year called the Aggregate Government Student Recurrent Cost or AGSRC. This is the average annual cost of what it takes to educate a child in a typical government school excluding consumables (such as timber for workshop, paint for Art etc.), excursions and building costs.

The government then funds us a percentage of this figure per student according to the government rating system. The AGSRC figures have just been recently released for 2012. They are $10,056/student for Primary and $12,444/student for Secondary. Our College is entitled to 68% of that cost from the government meaning that the other 32% will come from fees. This means $3218 for Primary and $3733 for Secondary is the shortfall.

Furthermore, all independent schools in Queensland received a significant funding cut of 200 dollars per student on 2012 rates for 2013 as part of the state government’s cost cutting measures. Usually we expect this figure to increase by about this amount per year, not decrease so in real terms the cut is even larger.

For these reasons the College Board has needed to increase tuition fees next year according to the table below:

<table>
<thead>
<tr>
<th>Student School sector</th>
<th>2012 Fees ($)</th>
<th>2013 Fees</th>
<th>Increase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prep</td>
<td>1924</td>
<td>2059</td>
<td>7</td>
</tr>
<tr>
<td>Primary</td>
<td>2564</td>
<td>2692</td>
<td>5</td>
</tr>
<tr>
<td>Middle School</td>
<td>3375</td>
<td>3612</td>
<td>7</td>
</tr>
<tr>
<td>Senior School</td>
<td>3732</td>
<td>3993</td>
<td>7</td>
</tr>
</tbody>
</table>

A more thorough fee schedule can be found on our website under the Enrolments tab.

A new method of paying school fees for College families
Over the past few months we have been investigating how to streamline our fee payment procedures. Specifically, we have been looking at how we might address the following concerns;

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Making the logistics of the process more convenient for College families:
We understand that the inflexibility of having to pay school fees per term is a problem and a barrier to paying school fees on time. The obligation of having to make such a large payment every quarter does not fit well with the way many families manage their budget and cash flow. Many families would prefer the flexibility of paying their school fees at times that suit them.

Enable the best conditions for school fees to be paid on time:
We rely on a predictable budget of income and expenses in order to provide the staff and amenities that we do. When school fee payment is delayed without notice that shortfall of cash needs to be smoothed out by an overdraft. Of course this costs the College in interest payments so there is an erosion of the value of the College fees. This interest bill can get very high, very quickly. If we can assist families by making fee payment more automatic and more flexible we reduce the barriers that can present to paying fees on time and therefore greatly reduce the unnecessary cost of interest.

We have spoken to many other schools about how they manage these problems and believe we have a solution.

In 2013 you will receive an invoice for the whole year’s school fees. This will arrive in mid January. Instead of receiving a bill per term you will nominate how regularly you would like to make a payment towards your annual account. This payment will be taken from your savings account as a direct debit.

Enclosed with that invoice will be a form. The purpose of this form is to nominate whether you would like to pay school fees fortnightly, weekly, monthly or continue quarterly and to provide the school authority to set up a direct debit payment from your bank account according to your nominated frequency. A company who specialises in direct debit services called Ezypay will handle this ongoing process. Their website is www.ezypay.com.au.

Please note that your credit card account cannot be used as the direct debit account.

There will be an obligation to ensure that there are sufficient funds to cover your nominated payment as dishonour fees that will be charged by your bank will apply.

At the end of this letter is a list of Frequently Asked Question about how the Ezypay process will work.

This is the payment method we require from all College families in 2013 excepting annual lump sum payments.

School fees can still be paid as a lump sum from the beginning of the year. All annual fees paid as a lump sum before Friday 8 February 2013 will receive a discount of 8%. These can be made in person or via electronic fund transfer.

This new process is a departure from the way we have been processing fees but we believe the mutual benefits for our families and the College are well worth it.

During the holidays please visit the College website (www.gccc.qld.edu.au) regularly for important dates and information such as first day of school procedures, Uniform Shop hours, etc.

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As always I would like to sincerely thank you for your cooperation and support as we try and provide the best educational experience for your children. I hope you have a wonderful Christmas break with your family.

God bless

MIKE CURTIS
PRINCIPAL

FREQUENTLY ASKED QUESTIONS ABOUT EZYPAY PAYMENT SYSTEM

Q. What charges will I incur?
A. You will not incur any fees except dishonour fees if there are insufficient funds in your account.

Q. Am I committed to a contract with Ezypay?
A. You are not committed to a payment contract with Ezypay however, upon enrolment of your child(ren), you have committed to a contract with the College regarding payment of fees. This payment system is simply the tool used to fulfill that contract.

Q. What happens if a payment fails?
A. If a payment fails Ezypay will contact you via SMS, email or post. You then have the option of paying the outstanding amount over the phone, or via internet.

Q. Can I pay by credit card?
A. No, unfortunately, the charges for credit card payments were too prohibitive.

Q. Do I ever have to contact Ezypay?
A. No, all correspondence will still be through the College.