



MALEK FAHD ISLAMIC SCHOOL

ABN: 41003 864 891

KNOWLEDGE IS LIGHT & WORK IS WORSHIP

www.mfis.nsw.edu.au

INFORMATION UPDATE

FROM THE BOARD OF MALEK FAHD ISLAMIC SCHOOL

Assalamualiakum

Monday 23 October 2017

We have wonderful news to share with you...

Our future more secure as Malek Fahd and NSW Government resolve dispute

The settlement of a long-running dispute over State funding from the NSW Government helps clear the path to secure our School's future.

In a significant breakthrough at a formal mediation session last Thursday (19 October), the NSW Department of Education and the Board of Malek Fahd Islamic School resolved a Supreme Court dispute over funding from the NSW Government between 2010 and 2013.

This dispute arose well before the current Board was appointed in March 2016. It should also be noted that this is a separate matter to the School's Supreme Court proceedings against AFIC, of which we informed you last Friday (20 October).

Under the terms of the settlement, details are confidential but, as part of resolution, the School and the NSW Department agreed that parents should receive this letter of explanation:

Dear Parent

As you may know, the NSW Department of Education has been investigating Malek Fahd Islamic School in relation to the school's compliance with the NSW Education Act 1990. A school that 'operates for profit' is not eligible for funding from the NSW Government. This means to be eligible for NSW Government funding the school must ensure all assets and income are used only for the operation of the school.

The Department's investigation found that the School was operating for profit in the years 2010, 2011, 2012 and 2013. Among other things, payments were made not for the benefit of the School but for the benefit of another entity, the Australian Federation of Islamic Councils. This caused the school to be ineligible to receive financial assistance from the NSW Government during this period.

The school and the current Board accept that, when the school was under the control of the previous Board, it operated for profit under the NSW legislation in the years 2010, 2011, 2012 and 2013.

The school and the NSW Department have now resolved the dispute in relation to that period, which results in the finalisation of proceedings between the parties in the Supreme Court of New South Wales. The school and the Department continue to work together to resolve related matters arising from 2014 and 2015.

Since March 2016 when the current Board was first constituted, it has worked hard to identify and address non-compliance. While some matters are taking longer to resolve than the current Board would like, the school remains focused on the future and on continuing to provide quality education to our community. The New South Wales Non-Government Schools Not-for-Profit Advisory Committee has requested that the Board take steps to resolve these matters quickly to ensure stability and minimize disruption to staff and students.

Kind regards
Chairman of the Board

We will keep you informed on this and all other important developments, including the separate disputes with AFIC and with the Federal Government over our Commonwealth funding. Commonwealth funding remains in place pending the outcome of the dispute with AFIC and other matters.

Jazakallah Khairan for your ongoing support.

Wassalam

DR JOHN BENNETT
Chair