



Hermannsburg

Treuhänderschaft | Board of Trustees

28 August 2017

## DEUTSCHE SCHULE HERMANNSBURG Report to Synod 2017

The mission of our school is to promote excellence within the learning environment and to prepare scholars to become competent members of, and contributors to, a modern, multicultural society. As an independent school, Hermannsburg provides a secure environment for its scholars, promoting their personal growth and offering them a spiritual home where they have an opportunity to encounter the Gospel. As much as the school can offer scholars a protected environment, it cannot insulate itself from a rapidly changing world dominated by volatility, uncertainty, increasing complexity, changing regulatory environments and digital disruption. This is also true for Hermannsburg School as the environment in which it operates continues to evolve and be disrupted.

### 1. What has changed for Hermannsburg?

#### 1.1 The Traditional Customer Base

The traditional base, our ELCSA (N-T) congregations, which provided a continuous stream of scholars to the school has evolved over time to the extent that these congregations are no longer the principal feeder to Hermannsburg School. From having to give very little consideration to its value proposition and service delivery, the school is now confronted with having to compete in an ever-increasingly competitive market for private education. Suddenly, it matters how satisfied parents are with what schools offer, it matters how much perceived “value add” the school can offer the scholars, and it matters how satisfied scholars are with what the school offers.

#### 1.2 Regulatory Changes

The regulatory environment in which the school operates is constantly evolving and the school has been impacted by this in no small way.

##### 1.2.1 Regulatory Changes in Germany

In 2015, the German Government amended its laws pertaining the German Schools in foreign countries. The revised law stipulated that for a school to be classified as a German Foreign School (Deutsche Auslandsschule), it had to offer a German qualification with the relevant curriculum (i.e. Abitur, Mittelschulabschluß, etc.). For Hermannsburg it was not feasible, given the small size of the school, to offer both a German and the IEB curriculum. Hermannsburg was subsequently declassified as a German School and **lost the over R4 million annual grant it received from Germany.** Though Hermannsburg has been reclassified as a Deutsch-Profilsschule and receives some funding (around R700 000 in 2017), the change in classification has had enormous financial



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implications for the school. Hermannsburg School had become entirely dependent on this grant for its existence and the Board of Trustees together with School Management were faced with an enormous task of “plugging” a R4 million hole within a matter of 15 months...an almost impossible task.

#### 1.2.2 Local Regulatory Changes

Regulatory changes covering trusts, labour relations, consumer protection, occupational health and safety, schooling, access to private information, international financial regulatory standards, to mention a few, have meant that many processes within the school have had to be reviewed and are continuously being reviewed as we bring the school in line with regulatory requirements. In 2017, the Board of Trustees implemented new policies covering Finance, HR, Disciplinary codes, Travel, School Excursions, IT, Poor performance management, Social Media and Staff Recruitment to name a few. The Board has also changed the way donor funds are managed in the finance policy. The policy now requires that Donor funds are kept in separate, interest bearing bank accounts and that the application of these funds is accounted for separately in the financial statements.

#### 1.3 Digital Disruption

Digital disruption has impacted our daily lives and here at Hermannsburg School we cannot insulate ourselves from a rapidly changing world dominated by the internet, smart phones and social media. Even though the locality of the school is such that we can shield scholars from this to a degree, it is paramount that we equip our children to live and operate in this digitally transformed world with integrity and remain founded in faith. To ensure that the school has access to this digital world, the Board of Trustees has invested over R350,000 in the last two years to upgrade IT infrastructure, including a new wireless network, for the school campus. It is now possible to have access to the internet throughout the school campus. This is critical as scholar education makes increasing use of digital media. But this does come at a considerable cost, given the location of the school. For instance, it costs the school R6500 per month for a 4MB/sec data line.

#### 1.4 Competition from Neighbouring Schools

The level of competition from neighbouring schools has increased substantially over the last 5 years. In Greytown alone there are now 3 private schools. In Kranskop the KwaSizabantu Mission has a private school. New Hanover Prep School is now sending its school buses to Seven Oaks to collect children. In the Pietermaritzburg and Hilton areas there are at least 9 private schools. This leaves no room for complacency and makes for a very competitive landscape that implies Hermannsburg must draw scholars from further afield to grow Scholar numbers in the High School. For the primary school the situation has become a lot more challenging as parents from the local community have many more choices.

## 2. Turnaround Plan for the School

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The hole left by the reduction in grant funding from Germany presented an enormous challenge to the school. The Board of Trustees, together with School Management, implemented a turnaround plan that focused on the following aspects:

#### 2.1 Securing Future Funding for the School

Donor funding remains an important element for Hermannsburg School to:

- Provide financial assistance to parents;
- Fund scholarships;
- To support capital expansion projects.

The Board of Trustees has kept school fees relatively low compared to other private schools in the KZN Midlands, in part, to keep private school education accessible. It costs R130,000 per annum tuition and boarding fees to send a child to high school at Hermannsburg. Private schools in Pietermaritzburg start at R170,000. While the fees that Hermannsburg charges is enough to cover operating costs (if we have 140 children in the High School and 95 in the Primary School) there is little left for bursaries, scholarships and capital expansion projects.

Important sources of grant income for the school are:

##### 2.1.1 The HMB School Trust (Piggery and Farm)

The HMB School Trust has very generously stepped in to help cover the shortfall left by the withdrawal of funds from Germany. In 2015, the HMB School Trust gave R2.1 million to the school, in 2016, R1.6 million and in 2017 an estimated R2.2 million. This means that each scholar at the school received an annual subsidy of R10,000. To my knowledge there are very few schools that are in this fortunate position and the school is very grateful for this support. To the Board of Trustees, the Management and Staff at the HMB School Trust a big thank you!

##### 2.1.2 The Purchase of the farm “Endeavour”

The purchase of the farm “Endeavour” from ELCSA (N-T) at a price of R10million, of which the ELCSA (N-T) is donating R5 million back to the school has been a blessing to the school. While in the short-term, the school will not stand to gain much financially from this transaction (as the bond must be paid off), the potential earnings from the farm in the long term will enable the school to make up a significant portion of the funding lost from Germany. Again, very few schools are in such a fortunate position and it will enable to school to continue to support scholars through bursaries and scholarships and provide funding for much needed capital improvements. The Board of Trustees of Hermannsburg are very grateful and we wish to express our sincere thanks and gratitude to the ELCSA (N-T) for their support.

##### 2.1.3 Old Scholars

Through their support, Old Scholars continue to play a vital role for Hermannsburg. The 2017 Make a Differences campaign has raised over R330,000 to support the school during this transition

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phase to financial sustainability. The Board of Trustees, School Management and Staff wish to express their thanks and gratitude to the Old Scholar community. We want to encourage the Old Scholars to continue with their support. You do make a difference.

### 2.2 Growing the number of scholars

This is the most difficult part of the financial turnaround plan as there are so many factors that influence this. The High School requires a minimum 140 scholars to reach operational break-even. For the primary school the number is 95 scholars. The school is not yet at this point but aims to get there by 2020. However, the intention is to grow the scholar numbers, particularly in the High School, beyond this.

The areas of focus are the following:

- **Academic Excellence** – Hermannsburg continues to provide excellent education and this certainly will remain a core focus area for the school. The school continues to achieve a 100% pass rate with University entrance. Private education and writing the IEB exam is becoming increasingly important in our country.
- **Extra-Curricular Activities** – Hermannsburg has an excellent music department and scholars are afforded a wonderful opportunity to participate in choirs and/or learn how to play a musical instrument. This adds to the educational experience of our children. This year some of the scholars who sing in the KZN Youth went on a tour to Spain. Hopefully you will get to experience some of this talent during the Synod at Hermannsburg.
- **Sport** – Even though our scholar numbers have made it difficult to remain competitive in team sports, our scholars continue to achieve on the sports field. This year Erich Ortman, a Grade 11 pupil, was selected for the KwaZulu-Natal U16 Rugby team. Sport remains part of a well-balanced educational program and the Board of Trustees, together with School Management, will be exploring ways to ensure that sport continues to remain relevant at the school and the coaching the children receive is of a high standard.
- **Boarding Establishment** – This is a “home away from home” for 60% of the high school scholars. For the Board of Trustees this remains a high priority area of focus. The Board appointed a new catering company, Eatfresh, to prepare the food and manage the kitchen. Eatfresh also cater for other large private schools such as Kearsney College in Hillcrest. The improvement in the food served to the scholars is encouraging. As funding permits, it is also the intention to revamp the Senior Boys and Senior Girls hostels.
- **German Exchange Program (GEP)** – This is both an exciting and wonderful extension to the education program offered at the school where Grade 10 scholars get to travel to Germany for 4 weeks to experience school and life in Germany.
- **Staff** – 2015 and 2016 have been tough years for our staff with the uncertainty that a restructure and change brings. The Board of Trustees recognizes that staff are the core of the school and as such we continue to support staff development where possible. This



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year two of our staff attended a conference in Rustenburg focusing on foundation phase childhood development. We would like to thank our staff for their contribution to the school.

- **DSD** (Deutsches Sprach Diplom – Diploma in German Language) – The DSD offers scholars the opportunity to study in Germany. Scholars who pass the DSD II Exam and pass their other Grade 12 subjects with a mark of 60% or higher can study at German Tertiary Education institutions for free. The DSD remains a strategic part of the school and its heritage of continuing to nurture the German language.
- **IT** – Digital inclusion is becoming more relevant today, even in Education. The Board of Trustees will continue to invest in expanding the IT infrastructure to support the use of technology in the class room and to give scholars in the hostels access to wifi to enable them to have access to the Internet and to collaboration tools.

#### 2.3 Managing the Cash Flow of the School

Managing the cash flow of the school has been a key focus for the Board of Trustees. To this end the following measures were taken:

- Implemented a change in policy so that fees are either paid up front or by debit order.
- Reduced holding of stock to a minimum. For example, uniforms purchases must be paid up front before orders are taken.
- Buying on account has, to a large extent, been stopped.
- Tighter cost control.
- Changing the procurement process so that purchase requests are submitted to the finance department for prior authorization.
- Managing parents who are in arrears with the school fees – sadly this is becoming an ever-growing problem area. The school has also changed its enrollment agreement to close some loopholes that made legal collections of arrear school fees difficult.

### 3. Progress to Date on the Turnaround Plan

Growth in scholar numbers (a vital component of the plan) at the high school has been encouraging and according to plan with an intake of 27 Grade 8 scholars in 2016 and 24 Grade 8 scholars in 2017 (See Table below). The 2018 Grade 8 intake is expected to be 15 scholars. This is lower than expected and may have been because of the uncertainty around the principal position. The principal position has now been filled and we are confident that the 2019 intake will be back at 28 Grade 8 scholars.

The primary school scholar numbers have fallen sharply in 2017 (see table showing total scholar numbers). This was somewhat unanticipated. Greater competition from schools in Greytown,



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compounded by the distance that scholars travel to and from Hermannsburg, are key contributing factors to a marked shift in parents preferring to send their children to schools closer to home.

The growth in scholars staying in the Boarding establishment has also been very encouraging as shown in the table below.

Grade	2015	2016	2017
K	18	12	13
RR	21	16	11
R	12	19	15
1	15	10	14
2	17	13	5
3	13	16	8
4	11	12	12
5	16	10	6
6	10	12	6
7	9	10	10
8	18	27	24
9	16	18	27
10	20	11	19
11	13	18	9
12	13	12	19

	2015	2016	2017
Total PrePrim	51	47	39
Total Primary	91	83	61
Total High	80	86	98

Scholars in BE	2015	2016	2017
8	6	16	17
9	10	11	16
10	13	8	13
11	8	10	5
12	5	7	12
	42	52	63



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## 4. Key Staff Appointments

### 4.1 Principal

Following the departure of Mr. Martin Marx as principal of Hermannsburg School, the recruitment process began in January 2017 for a new principal. In July 2017, Mr. Trevor Harbottle was appointed as principal of Hermannsburg School.



Trevor is an experienced and passionate educator having taught for the past 13 years. He completed a BA in Human Resource Management in Port Elizabeth, with majors in Business Management, Sociology and Industrial Psychology, before completing his PGCE in 2004. Upon completing his PGCE Trevor started his teaching career at Kokstad College. Kokstad College provided Trevor with a good foundation as a teacher before he was enticed to Dale College in King William's Town, a historic boy's boarding school.

Trevor spent three years at Dale in a variety of roles, and the highlight of his time there was a scholarship awarded by the Rotary Foundation to spend six weeks in the United States of America on a Group Study Exchange.

In 2000 Trevor moved back to Johannesburg, to an ISASA and IEB high school, Beaulieu College. Trevor completed his tenure at Beaulieu in a senior management role as Head of Administration and Planning. Since 2016 Trevor has been the Deputy of Academics at Christ Church School, a comprehensive school from gr000 to gr12 with over 650 pupils.

Trevor has been privileged to teach a number of subjects at gr12 level; Life Orientation, English, Maths Literacy and Computer Applications Technology, although his specialty is Business Studies where he has been both a senior sub-examiner for the IEB and regional moderator. He is currently an IEB Gr9 Core Skills examiner. In school sport Trevor has been involved in managing and coaching teams in Hockey, Tennis, Soccer and Waterpolo, serving on provincial committees for Tennis and Hockey; while in culture he has been involved in debating, drama, public speaking and student journalism.

His approach to teaching is founded on a desire to see growth in others. Growth not just in one area but in what he terms the 3H's; Head, Heart and Hands. The Head refers to the content knowledge which needs to be taught and learnt, the Heart deals with the values and personal characteristics which one can nurture and develop, and the Hands look at the skills which must be acquired in order to cope and excel within our ever-changing world.



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We welcome Trevor to the school family and wish him well. He begins his duties on 1 January 2018.

The Board of Trustees would also like to express their sincere thanks and appreciation for the hard work that Mr. Lothar Witthöft has put in as acting principal of the school. We are also grateful for all the extra work that teachers have put in to allow Mr. Witthöft to take up the duties of acting principal. We recognise the effort that has gone into this. Thank you!

#### 4.2 Estate Manager

The Board of Trustees has appointed Mr. Siegfried Prigge as Estate Manager at the School. He is an Old Scholar and former Trustee of the School and very much has Hermannsburg at heart. We welcome Siegfried to the school community and look forward to his input.



#### 5. Spiritual Life at the School

Offering our scholars a spiritual home is an important part of the school's mission. The Pastor seconded to the school, Rene Risch, has led the devotions daily at 7h15 in the mornings. Mondays to Thursdays the devotions are for the high school and Fridays they include the primary school. He has continued teaching religious instruction to the grades 7 to 12, at two lessons in a 10 day cycle, except for the grade 8 class. In grade 8 the Pastor teaches 5 lessons in a 10 day cycle and these include confirmation class and other religious instruction. In 2015 there were 8 confirmands and in 2016 there were 6. In both years there was only 1 each from the local congregation, the remainder were from either the ELCSA or other churches and some even from no church tradition or background.

Circuit events were also well supported: scholars have attended youth services led by the Youth Pastor of the Southern and Eastern Circuits. There has been good participation at the camps of the regional youth ministry, such as Kinder Kailager and Rüstwoche. Many of the scholars from Hermannsburg serve as leaders at these camps and make a valuable contribution to this important





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ministry of our Church. In addition, the local Peter Paul congregation continued organising annual Sunday School camps which have been well attended by scholars from the primary school.

Scholars regularly attend church services and contribute to these services through lay reading and assisting with Sunday School. Youth services are held on regular basis, with increased involvement by the scholars. As from 2017 it has become compulsory for all BE scholars that remain in Hermannsburg on the weekends, to attend the church services offered by the local congregation. This puts us in line with practices by all the other boarding schools in the greater Pietermaritzburg area. The local congregation has also refocused efforts on building bridges between the congregation, the school and its scholars. This has been seen predominantly in the weekly youth group that has been introduced with an average attendance of 35 Boarding Establishment Scholars every Tuesday night. The pastor also regularly arranges for visitors to address the scholars, e.g. a concert by Manfred Siebald in 2016 and a clinic/pastoral Clown, offering performances with a strong Christian message, in 2017. In addition, scholars and staff join forces with the congregation when preparing meat for the Schulfest of the school and the Bazaar of the congregation, which are generally well-spirited occasions.

The pastor also regularly attends meetings of the local pastors fraternal and recently also meetings with school chaplains of the Durban, Pietermaritzburg and Midlands area, which generally take place in Pietermaritzburg. This has proven to be of great value in terms of networking and pooling of resources around a myriad of counselling issues, such as bullying, mobbing, race relations, age and class specific counselling, etc. In addition, the usual activities continue, such as counselling support to the day and boarding scholars, as well as to staff. The pastor is also still a member on the school management team where his spiritual input remains valuable and important to the running of the school.

#### 6. Capital Development Projects

The Board of Trustees has identified key development projects to continue to improve the school. These include:

- 1) The refurbishment of the Senior Boys BE (estimated cost R800,000)
- 2) The refurbishment of the Senior Girls BE (estimated cost R1 million)
- 3) The refurbishment of the Science and Biology building (estimated cost R800,000)
- 4) The refurbishment of the Tennis Courts (estimated cost R250,000)
- 5) The purchase of 4 Toyota Sesfikile Minibuses (estimated cost R400,000 each). Transport is such a vital component to the school and the current vehicle fleet is in urgent need to replacement.
- 6) The purchase of 18 new computers to complete the replacement of old computers in the High School Computer lab (estimated cost at R8000 per computer)
- 7) The upgrade of the IT infrastructure (R100,000)



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### 8) Replacing of the school bakkie and tractor.

We would welcome any support to help the school achieve these long-term capital projects. It is important that we continue to work on our school and make it a learning environment that we can be proud of.

### 7. Concluding Comments

We, as the greater community of the ELCSA (N-T), are privileged to have a school that we can call our own and that represents our values and cultural heritage. Hermannsburg has much to offer and is worthy of all our support as we continue to grow the school and improve it. The School has been through a tough period and continues to face challenges. We are confident that as a community we can address these challenges. The School continues to offer our children an excellent and well balanced education and I encourage you to use the opportunity while attending the Synod to get to know Hermannsburg.

Dr. Manfred Kuhn  
(Chairman of the Board of Trustees)