

Shane Kidwell opened the meeting and welcomed all present.

Apologies noted: Mr and Mrs du Plessis / Janet Canny / Gean Allberry / Joyce Hughes / Rikki Fietze / Annette Nelson / Rain Martin

Last year's minutes were confirmed and accepted. Proposed: Piers Kenyan, Seconded: Paul Kotze

Peter Wallington welcomed the new and repeat Board members who will be serving on the Board for the next 3 years:

- 1) Paul Zwarts (1st term)
- 2) Susan Kotze (2nd term)
- 3) Gordon Shutte (2nd term)

A presentation was done by Shane Kidwell, Peter Wallington, Jon Salters and Gordon Shutte (see attached). Peter Wallington thanked Shane and Robyn Kidwell, all of the Board Members as well as all of the Oakhill staff at the end of the presentation, followed by which the floor was opened to all present at the meeting.

Questions and Answers:

Peter Wallington noted that Glenwood have invested R 78 million into their infrastructure.

A parent asked what the implications of privatization would be. GS noted that there are three possible options in terms of privatization, namely, Curro, ADvTECH and Educas. GS furthermore noted that Educas approached us rather than us approaching them and that they are in fact the favourable option due to the points noted below, just to mention a few:

- Match our philosophy
- Keep the Oakhill brand
- Child centred philosophy and happy children
- Smaller numbers
- Boarding School
- Teacher and expertise swops
- Settle current school debt
- Invest in the infrastructure
- Long term investment
- Invest according to our figures
- School fees won't change much
- Community based

PW noted that Educas' funders have recently bought two schools in Cape Town (Chesterhouse and Atlantic Seaboard), Greenfields in Johannesburg as well as schools in Australia. PW further noted that Educas would not buy into Oakhill as a percentage shareholder but rather outright.

A parent asked what plan B would be should the option of privatisation not happen. GS confirmed that various options have been discussed by the Board as noted below:

- Converting short term debt to long term debt (switching 3 year loans to 15 year loans)
- Taking a 20 year bond over the OSC
- Increasing the joining and enrolment fees



RS noted that no schools in the Country survive solely on fees and that all independent schools are asking for deposits and so should we, from new parents as well as existing parents – JP agreed with this and noted that this should be implemented. RS furthermore suggested that encouraging parents to leave the deposit when the child leaves the school is also an option.

SL noted that the current student body affordability is an issue and that asking for more money may result in a loss of students, thus bringing the numbers down and in turn the figures. Both PW and GS agreed with SL noting that all of these options have been discussed at length and that finding the correct balance is not easy. PW also agreed that the placement fee needs to change as this has been stable for many years and that adjustments need to be made with a recommended development and sports levy charged.

JP asked whether the school is funding the current bursaries. SMK confirmed that the school is currently funding some of the bursary students, however, not all of them. JP noted that this should not be the case and that the community should be approached together with big corporates like Sanlam and Alan Gray who are already involved in bursaries.

Jon Salters confirmed that the Board is currently in discussions with Educas and that they would revert back to all parents within 8 weeks with an outcome. JP asked whether an EGM will be called in order to discuss the above, GS advised that an EGM will only be called should a major decision need to be made, however, for now, the Board is in discussion with Educas and will revert as noted above.

RS and AD expressed their concerns that should the option of privatization not realize, we still have a problem in terms of our current financial situation in that we are R2.5 million short. AD suggested a once off levy from parents or formalised through an increase in fees. He further asked what proposals are currently being worked on in the next 6-8 weeks.

GS says that the Board has spoken to Debenture holders to switch the short term loans to medium term and perhaps longer terms based on their children's school career. For example, R15m loans due in next 3 years converted to next 10 years. It was further explained that Educas is an international investment fund including South African investments and not as less commercially orientated as a listed company Curro. AF noted that we need to benchmark the return with Educas – 10% of earnings.

PT noted that Educas should not only be seen as a financial aid but rather as an exciting growth opportunity and should be sold on its own merit. The Board agreed with PT. GP noted that Educas should have been on the agenda as far more parents would have attended the AGM in order to discuss this.

JS confirmed that the Board would have preferred to have waited the 6 – 8 weeks when they will have comprehensive feedback rather than having discussed it now whilst still in discussions with Educas, therefore the reason that it was not included on the agenda.

PC asked whether any marketing was being done internationally – SMK confirmed that no marketing is currently being done internationally and that all of our international marketing is currently being done solely by word of mouth through our exchange students. DB confirmed that we currently have 11 exchange students. SMK noted that he believed that this number would increase substantially if we had boarding facilities.

SB asked whether it was possible to privatise the boarding house only and not the school. GS noted that this is also an option that had been proposed and all opportunities will be reviewed.

GS noted that the Board are not able to do all of this on their own and that they do need help from the parents.

The meeting closed at 19:32



Peter Wallington
CHAIRMAN