



# REVOLUTION

ANNUAL REPORT 2015



Christel House is an accredited  
Level 2 B-BBEE contributor.  
B-BBEE Certificate Number:  
ADJGEN/171214/01

## OUR GUIDING PRINCIPLES

RESPECT

RESPONSIBILITY

INDEPENDENCE

INTEGRITY

By embracing these values, our children  
will become responsible, productive  
members of society.

NPO Number: 017-044 NPO

Christel House is a registered Non-Profit Organisation in  
terms of Section 18A of the SA Income Tax Act 58 of 1962.

## Contents



*As South Africa wrestles with problems of inequality,  
inadequate education and unemployment...*



*Christel House continues to address these challenges  
with a year of exceptional results.*

### Page

<b>3</b>	<b>The Year in Review</b>	<b>20</b>	<b>How You Can Help</b>
<b>7</b>	<b>Academics</b>	<b>22</b>	<b>Donor Recognition</b>
<b>11</b>	<b>Character Development</b>	<b>24</b>	<b>Chairman's Statement</b>
<b>13</b>	<b>Employability</b>	<b>26</b>	<b>Governance</b>
<b>16</b>	<b>Results</b>	<b>28</b>	<b>Financial Report</b>
<b>18</b>	<b>The Christel House Model</b>	<b>32</b>	<b>Map of Communities Served</b>



**The Year in Review**

# THE BIGGER PICTURE

*The World Economic Forum Young Global Leaders team up with Christel House learners and graduates to thinktank sustainability, scalability and employability.*

## The Brain & The Heart:

Two paths to the same conclusion

Nicky Sheridan, CEO

South Africa 2016 is a nation in flux in a world unsettled. We must address many challenges, from inequality and governance to education and unemployment, if we are to ease the climate of protest, revive a struggling economy and build a more equal society. Here at Christel House, there's another revolution in progress - a revolution in methodology yielding a revelation in results.

Our mission is to break the cycle of poverty. As our founder puts it "every child deserves a seat at the table of life" and it is the fundamental rightness of this belief that inspires our teachers, partners and donors to join in this endeavour. But we are also driven by the pragmatic knowledge that developing poor children into competent, working, tax-paying South Africans is key to stability and economic growth.

Academic excellence is our first objective and I'm delighted to report that our students writing



*Your circumstances do not determine your destiny, they merely determine where you start.*

## “This is a Pocket of Excellence”

Clem Sunter

Matric & Systemic tests continue to excel. Not only do we surpass national averages by a great margin, our results now compare favourably against many private schools. We're proving that your circumstances do not determine your destiny, they merely determine where you start.

We also understand that ultimate success is not determined by academic excellence alone. We believe in a formula for developing successful graduates:

**Academic Excellence + Character Development + Employability = Successful, Self-sufficient Citizen**

We place great emphasis on character development. We live our core values of respect, responsibility, integrity and independence daily. We develop "grit" in our learners to succeed against the odds and they do this by displaying resilience and perseverance in our environment of positive reinforcement.

The third pillar of the equation is employability. Our job is to uncover or instil purpose in our graduates, and help them choose the right career through a thorough process of self-examination and exposure to wide-ranging professions from an early age. Employability also means imparting the skills that employers value, including communication, coaching, collaboration, use of technology, expert thinking and problem solving.

We are delighted to have Clem Sunter as a new supporter. In addressing industry leaders at two business breakfasts he hosted at the school this year, Clem speaks of "Pockets of Excellence" and with conviction describes Christel House as one of these. A staunch advocate of entrepreneurship, he emphasises the need to leverage our greatest resource - our youth - to secure South Africa's future. To this end, we are proud to have launched entrepreneurship programmes in both the primary and high schools, as well as for graduates who attend sessions on Saturday mornings.

The World Economic Forum also visited Christel House this year. Workshops were conducted with the WEF Young Global Leaders who brainstormed with our learners and graduates on how to build sustainability and scalability into our model and replicate the model throughout Africa. It also provided invaluable insight into what employable characteristics and behaviours they look for as leaders. It was an inspiring collaboration and a terrific success.

Finally, I am immensely grateful to all our donors. We simply cannot do what we do without your support. I hope you really feel part of our Christel House family and enjoy our learners' and graduates' success as much as we do. After all, this is your revolution too. Thanks a Million!



# ACADEMICS

*The coaching mindset is developed more seriously in high school where learners are grouped by academic results, with the high achievers helping to teach others.*

# Results that are a REVELATION

## This is how we do it

Ronald Fortune & Carol Kriel (Principals)

That skilled, committed teachers are at the heart of any high-performing school is no great revelation. But when coupled with great systems and rigorous practices, the formula for unprecedented success emerges.

The Christel House teaching and learning programmes are ground-breaking, constantly evolving in the quest for optimal results. A dashboard management system with measurable social metrics helps staff and students improve scores. Based on a simple colour coded scheme, the dashboard points every student, student leader, teacher and Head of Department toward defined goals and gauges their academic progress against their individual goals, their peers, the class average and the school average.

Educators also benefit from good structures and a clear learning vision, finding inspiration in measurable progress. Teachers are encouraged to intentionally develop learning tensions in the classroom to improve scores and prompt analysis of this data and identification of trends help in the development of new best practices.

From Grade R, children are motivated to listen, to think and to learn, especially

when introduced to the fundamentals of language. Phonemic awareness - the ability to hear and analyse the individual sounds within words - is introduced in our Foundation Phase. Acquiring this skill is a good predictor of future literacy. The result: our Intermediate and Senior phase learners show a prolific thirst for reading.

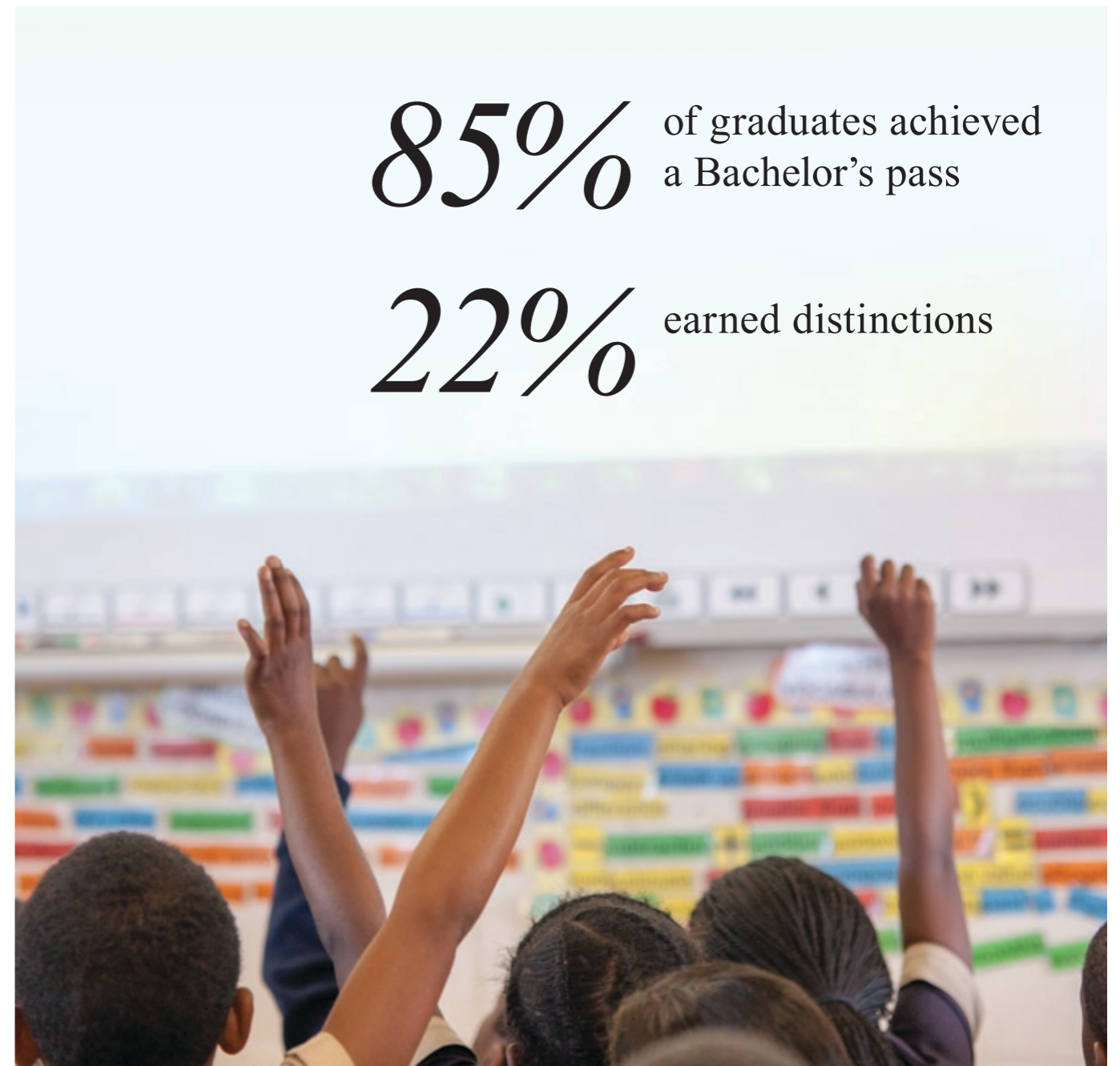
With critical subjects like mathematics, the curriculum is broken down into small, manageable sections, with tests written every morning and marked the same day. The results are then analysed so that teachers and tutors can determine the need for re-teaching or remedial sessions for individuals.

This simple approach, with daily and weekly tests and immediate reporting on performance, has helped us develop a very successful intervention programme and the results speak for themselves. Our scores (already significantly higher than national averages) improved dramatically in the 2015 Systemic Tests as well as in the 2015 National Senior Certificate examinations.

Academic rigour and technology integration, instilling values through character building and service learning, and extensive cultural and sporting activities all combine to develop the

85% of graduates achieved a Bachelor's pass

22% earned distinctions



IQ/EQ balance students will need after school. Add to the model our comprehensive career guidance programme (which begins in primary school) and our learners can start to visualise their futures, identify appropriate fields of tertiary study and pursue careers in which they can excel.

That 85% of graduates (6 in every 7 learners) achieved a Bachelor pass in this year's Matric exams is a fantastic achievement and we are rightly proud. But

there is always more work to be done to improve performance, especially for those studying maths and science. With continued innovation and refinement of our strategies, we can do even better in 2016. We are advancing today's methodology to deliver tomorrow's promise and with your continued support we will help more students gain the skills they need to transform their lives, their communities and this country. Thank you for making all this possible.



# CHARACTER DEVELOPMENT

*Student counselling and intervention incorporates a values-based system called COMPASS to help learners navigate difficulties at school and at home.*

### As Important as Academics

**Warren Jacobs, Dean of Students and Culture**

All Christel House learners come from impoverished neighbourhoods plagued by the worst symptoms of inequality: crime, substance abuse, gang violence and family dysfunction. Once they are here, we set about developing not only their minds, but characters as well. Our goal is to grow each individual, to cultivate maturity and politeness, to cement our core values, and to build the resilience, perseverance and resolve necessary to overcome life's obstacles and setbacks.

People who demonstrate these qualities - call it "grit" - are those most likely to succeed in a competitive world. Academic qualification is of course important, but no more so than persistence. Determination, a willingness to push ahead, solve problems and adapt when things go wrong are qualities found in the most successful leaders. Today, businesses and investors look for people who demonstrate character in addition to intelligence, individuals who show drive and commitment to their trade or passion.

There are many dimensions to character. Grit is one. Integrity, trustworthiness, and honesty also matter. People who have grit, like the individuals who fought for equality in this country, are the ones who accomplish things. As Thomas Edison said, "I have not failed. I have just found 10,000 ways that won't work." Like Edison, we believe our learners must keep pushing, seeking new solutions, asking for help and refusing to be deterred by setbacks.

The Christel House Character Education programme therefore focuses on 7 essential traits - choice, optimism, motivation, perseverance, appreciation and gratitude, self-control and social intelligence (COMPASS). COMPASS is a comprehensive, values-based system for developing the resilience to persevere, to try new and improved strategies and the ability to view failure as part of the learning process. It is embedded in our daily practice of positive school culture, moral education, a caring environment, social-emotional learning, positive academic rigour, shared leadership, and service learning.

By utilising COMPASS in our discipline processes, in student counselling and intervention sessions with families, we are able to help our learners navigate difficulties at school and at home. By the time they graduate, they will have overcome challenges many of us cannot imagine, and in so doing have developed character traits that will be invaluable as they progress through life.

Our model promotes the intellectual, social, emotional and ethical development of young people, ensuring that they become responsible, caring, successful and contributing citizens. Don't take our word for it. Visit our school, see our programmes in action, get involved and help shape this country's future.

# EMPLOYABILITY



*2010 graduate Jamie-Lee Kinnes, an acquisitions analyst at Tsebo Group, in morning status meeting with CEO Clive Smith. Employed full-time, she studies nights and will complete her Bachelor of Commerce degree this year.*



# Completing the Mission

## How we create employable youth

**Joy Petersen, College & Careers Programme**

“Employability” refers to the skills needed to secure employment, keep employment, and advance successfully in a career. From their early Primary school years, we encourage our children to dream of what they’d like to be when they grow up. We stimulate their ideas and show them as many jobs, roles and professions as we can. We invite working men and women from all walks of life to come and talk of what they do, helping our learners expand their horizons.

From Grade 7, the College & Careers process takes on a more structured approach. Students are first taught to better understand themselves and then, using psychometric testing, we develop a profile of each. Gradually, we identify what each individual learner might prefer to do later in life, suited to their own aptitudes, inclinations and character.



*Graduates participate in the new Entrepreneurship programme held on Saturday mornings.*

# 95%

 of former students are either working or in tertiary qualification.

When they enter high school, we take the process very seriously with regular job shadowing tours and career days. We invite a diverse range of business leaders to speak with our future graduates about career choices as well as their own personal “secrets to success.”

Finally, we develop a detailed hierarchy of career plans A, B and C for each student. Students take ownership of their plans and we facilitate the process. As College & Careers manager, I drive the programme but involve all the teachers to make sure each career path is right for that learner.

It is important also to ensure that every Christel House learner develops the skills that will make him or her a valuable asset to a future employer. Posture, dress sense and eye contact are the early lessons. Public speaking, debating, critical thinking and problem solving come later. In class, our learners are taught in groups to encourage them to collaborate as they will need to in the workplace. Grade 6’s and 7’s are taught to look after Grade R’s and 1’s, acquiring their first basic coaching and mentoring skills. This coaching mindset is developed more seriously in high school where learners are grouped

by academic results, with the high achievers helping others who take a little longer to catch on.

In simulated job interviews, we video our students’ performance to improve their interview skills. With practice, students are able to measure their progress and hone these skills. And, we constantly reinforce our core values of integrity, independence, responsibility and respect as traits that employers value.

Recently a student mentioned to a visiting donor that he hadn’t been absent a single day for the last seven years. This is the sort of commitment that demonstrates their employability. In a nation struggling with unemployment, particularly amongst its youth, we are making a real difference, with 95% of our graduates either employed or attending college or university. In effect, this is our exam result, as a school, as teachers and management. It is our mark in the test of whether we are achieving our mission and breaking the cycle of poverty by creating self-sufficient young South Africans. We are... 95% effective.

So, we still have room to improve.

# ACADEMICS

## Matric

**100%** *Matric pass rate, 7 years running*

**85%** *Bachelor pass rate (up 30% this year)*

**22** *Distinctions*

## Grade 9 Systemics

**97%** *English pass rate (up from 86% in 2014)  
16 Distinctions  
(Western Cape average: 53%)*

**82%** *Mathematics pass rate (up from 73%)  
29 distinctions.  
(Western Cape average: 22%)*

# COLLEGE & CAREERS

Of the 231 graduates from 2009 to Year End 2015:

**56** *are at university*

**33** *are at technical college*

**31** *are in apprenticeships*

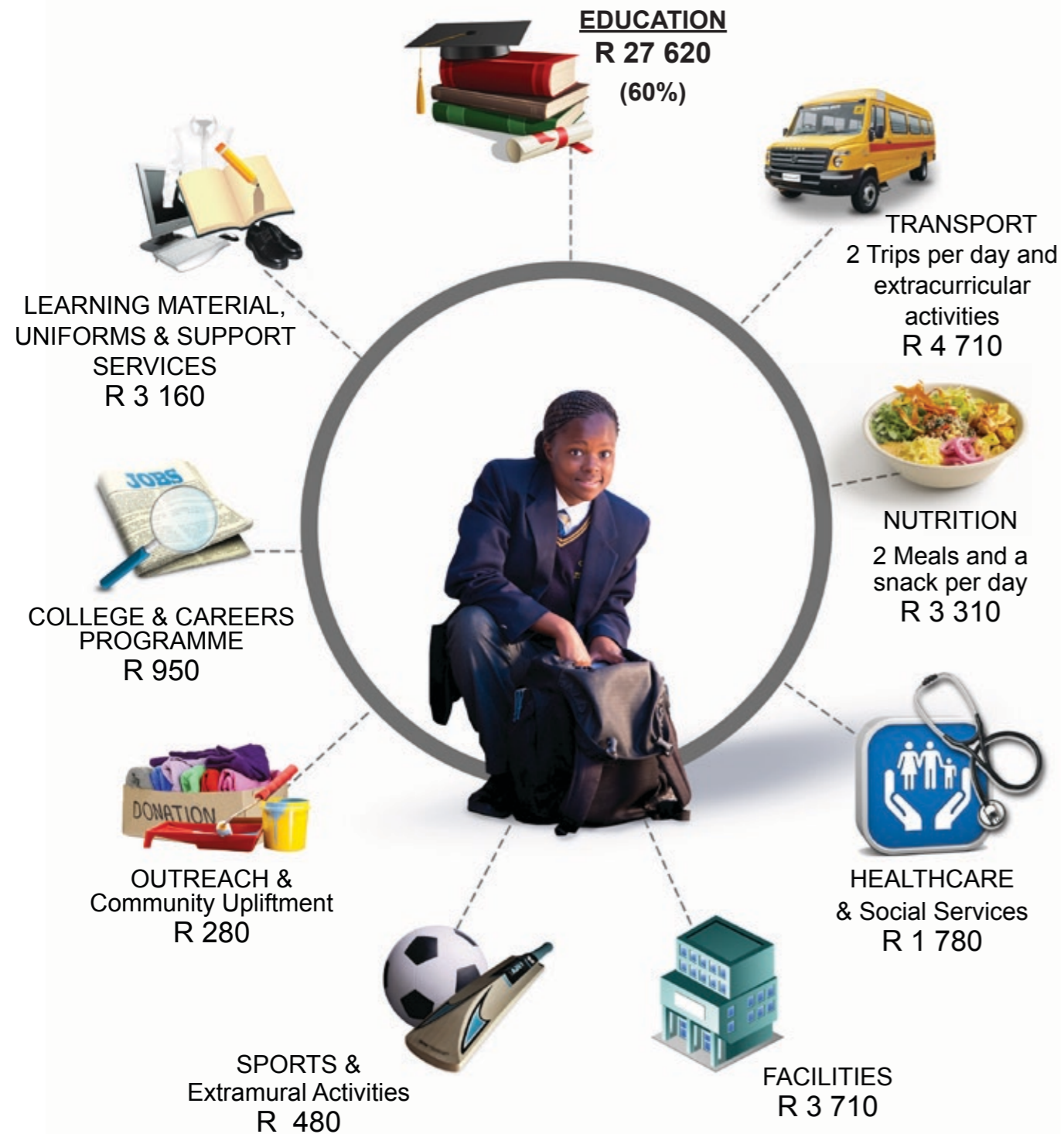
**99** *are gainfully employed*

**12** *are still to be placed*

**95%** *of graduates are either working,  
studying or doing both*

# OUR MODEL

A holistic programme delivering a values-based curriculum...



And the cost per learner, per year:

**R46 000**  
(Budgeted Numbers)

All general and administrative expenses are covered by our Founder, so that every rand of your donation directly benefits the children.



Online learning systems, donated by Dell and Microsoft, support our academic programme through all phases. Here a Grade 3 learner plays a maths “game”.

**Here's how  
you can help** ➔

# Exploring ways to give...

Your help changes lives. Please contact us to discuss how you can make a difference or to plan your contribution.

## Tier 1: Sustained Giving



### FINANCIAL ANNUITY

Help us reach sustainability with a planned contribution.



### TRANSPORT

Sponsor learners' travel costs or sponsor a bus.



### BURSARIES & GRANTS

Help fund our graduates in tertiary institutions.



### ADOPT-A-LEARNER

Change a life by sponsoring, in part or total, one learner's schooling.

## Tier 2: Sponsorships



### SPECIAL EVENTS

Help sponsor one of our fundraising events.



### SPORTS FACILITIES

Help fund our sports facilities, equipment or uniforms.



### UNIFORMS

Sponsor uniforms, shoes, or help fund our laundry service.



### TECHNOLOGY PARTNERSHIPS

Help us deliver innovative learning and technology skills.

## Tier 3: Other Ways to Give



### INTERNSHIPS AND JOBS

Help our graduates, who have overcome so much, become working citizens.



### LEARNING MATERIALS

Sponsor or donate books & stationary, equipment & other materials.



### MEALS

Contribute to our learners' nutrition.



### VOLUNTEER

Share your expertise: teach or coach learners or mentor graduates.

Or visit [www.christelhouse.givengain.org](http://www.christelhouse.givengain.org) to make a donation.

# SOUTH AFRICA'S FUTURE...

Asanda Mhluzi:  
4 Distinctions

Nathan Daniels:  
7 Distinctions

Grace  
Mpayimana:  
Distinction in  
Business Studies

Chwayita Matole:  
Distinction in  
Visual Arts

Taariq Solomons:  
3 Distinctions

Dillan Little:  
Distinction in  
Math Literacy

*From the Matric class of 2015*

## Recognising Donors

# THANK YOU.

Your support has a vital and sustained impact at Christel House. This annual report specifically acknowledges donors who have extended the hand of partnership over many years.

- |                                       |                                 |
|---------------------------------------|---------------------------------|
| Dell                                  | Mellon Educate                  |
| Western Cape Education Department     | Tsebo Group                     |
| Club Leisure                          | Woolworths                      |
| Microsoft                             | Gabriella Thomlinson            |
| MTN SA Foundation                     | Tiger Brands Foundation         |
| 3P Learning South Africa              | Clem Sunter                     |
| Opportunity Education                 | Bernadette Thomlinson           |
| Puma                                  | Di Gordon                       |
| Peter and Pirjo Carr                  | Christel House Event Supporters |
| GUD Holdings (Pty) Ltd                | Hairdressing Project Supporters |
| PPC                                   | Christel Club Members           |
| Metrofile Pty Ltd                     | Two Oceans Marathon Supporters  |
| Donaldson Filtration Systems          | National Lotteries Commission   |
| Blue Labels Telecoms                  | Cow Hill Retail                 |
| Giltedge Travel                       | Nomadic Verve                   |
| REB Cleaning                          | Nick Green                      |
| MAD Leadership                        | IQUAD Treasury                  |
| AutoZone                              | Imvakalelo Digital              |
| RCI                                   | Fairheads Development Trust     |
| FEDICS                                | Dream Hotels and Resorts        |
| Intercoiffure Hairdressing            | Christel House Board            |
| Dimension Data                        | Christel House Staff            |
| Peri Formwork Scaffolding Engineering |                                 |

# Measurement and GOVERNANCE

## A Formula for Results

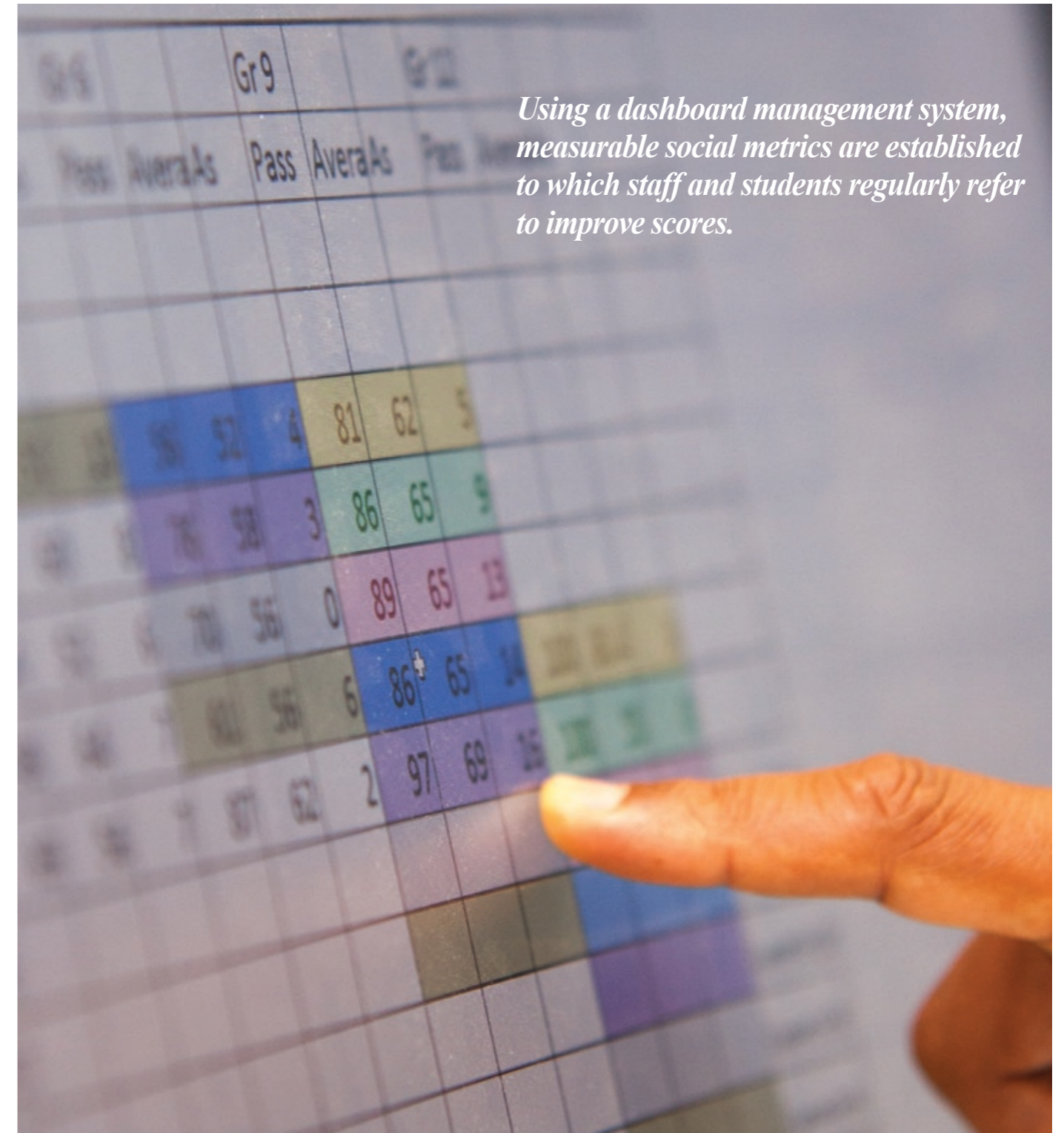
**Stephen Ross**  
(Chairman, CHSA)

The problems that confront South Africa today are not unique, but they are ours to solve and we have a great deal to accomplish in a short space of time. The children entering our Christel House grade R this year will graduate in 2029, a year before the target implementation of the National Development Plan. We have a collective responsibility to significantly improve the reality that awaits them. We cannot accept enduring rates of unemployment which run at twice the national average in the communities we serve. We must eliminate the scourge of drugs and alcohol that destroy our communities. The delivery of education at a national level, consistent with the results documented for Christel House, is the imperative to achieve our national goal in 2030. In this pursuit we see our own mandate as an orderly expansion of Christel House in South Africa.

Consistently excellent results are the product of many ingredients which share a common denominator - they are all measured. To consistently improve excellent results requires oversight, institutional knowledge and the conversion of measurements into the evolving policy and procedures which govern each Christel House. For our school in Ottery, this is the collective responsibility of Christel House

management, faculty and the Board of Directors.

In much the same fashion as commercial companies contemplate their performance, the business of our Board is to study the numbers that indicate the health of our school. We review the metrics of test results, attendance, student health, enrolment, operating budgets and donations. We debate approach, guide on strategy and support management. As a governing body we unanimously support CHSA with personal contributions. We help to build a network of like-minded South Africans devoted to creating opportunity for the poorest children to break the cycle of poverty and become citizens of tomorrow. We are fortunate to have women and men on our Board from diverse backgrounds and fields of endeavour. Educator, lawyer, directors, chief executives, chartered accountants, all special people with a common goal to make a positive difference in the life of children who might not otherwise have the Christel House chance at life. I am privileged to serve with such a wonderful group. One of our long standing directors, Shaun Lamont, resigned at the end of 2015 to assume additional responsibility at Club Leisure, one of our key corporate donors. We wish him every success.



*Using a dashboard management system, measurable social metrics are established to which staff and students regularly refer to improve scores.*

Perhaps the most important ingredient of our success, love, is also the hardest to measure. It is most evident on the faces of the children and an overwhelming presence at our assemblies. The love is plain to see when an 8 year old stands in front of a thousand people to sing a song of hope and gratitude and the tears roll down the faces of men and women alike as they

comprehend the miracle they witness. We hope you can visit and see for yourself. If you do, I have no doubt that you will join our wonderful donors as we help to solve our educational challenge in the Western Cape. With your continued support we will expand our work to other locations in need.

# Board of Directors

**Stephen Ross**  
Chairman

*Nominations Committee*  
*Marketing Committee*

**Experience:**  
Business, Marketing &  
Public Relations

**Lulu Gwagwa**

*Nominations Committee*

**Experience:**  
Business and Finance

**Shaun Lamont \***

*Audit Committee*

**Experience:**  
Business, Finance, Infrastruc-  
ture Development, Marketing  
& Public Relations

**Wayne Grews**

*Audit Committee*

**Experience:**  
Business, Finance,  
Infrastructure Development,  
Marketing & Public Relations

**Elsbeth Donovan**

*Education Committee*  
*Remuneration Committee*

**Experience:**  
Education, Social Development

**Claudia Manning**

*Education Committee*

**Experience:**  
Business and Education

**Christel DeHaan (USA)**

**Experience:**  
Business, Education,  
Fundraising, Marketing & Public  
Relations

**Nicky Sheridan**

**Experience:**  
Business, Finance, Fundraising,  
Marketing & Public Relations

**Stewart Van Graan**

*Marketing Committee*

**Experience:**  
Business, Information, Communi-  
cation and Technology, Marketing  
& Public Relations

**Brian Stocks**

*Audit Committee*

**Experience:**  
Business, Finance,  
Infrastructure Development

**Charles Abrahams**

*Nominations Committee*  
*Remuneration Committee*

**Experience:**  
Business, Governance and Law

**Mteto Nyati**

*Marketing Committee*

**Experience:**  
Business, Marketing &  
Public Relations

\* Shaun Lamont resigned at the end of 2015 to assume additional responsibility at Club Leisure, one of our key corporate donors.

# Methods

## The Business of Education

Christel House is run like a business. We need to solicit donations to run the school. Donors want to see a positive social return on their investment. This return, headlined by those in quality employment or continued studies (95%), is achieved using interim key performance indicators (KPI's) covering academic success, character development and employability.

## Remuneration

We set clearly defined goals and objectives and staff are paid a variable portion of their salary as they meet the specific KPI's, just like a business. Teachers are paid not just on the academic success of their class, but also on the university success rate and employability KPI's, meaning they need to teach and mentor their students for the future as well as the present.

All Board members donate to the school, receive no directors' fees and pay their own expenses.

## Expertise

Teachers undertake 3 weeks of continuous professional development each year, outside school hours.

## No Free Rides

Although we do not charge school fees, families, students and teachers gave back to the school and the communities we serve in a number of ways this year:

**17,800 hours**  
Parents volunteered  
at the school

**2,049**  
Parents attended  
workshops conducted  
by teachers and  
counsellors

**10,420 hours**  
Students gave back to  
communities through  
service learning

CHRISTEL HOUSE SOUTH AFRICA  
GRADE 10: BUSINESS STUDIES  
TERM 1: 29 FEBRUARY 2016  
EDUCATOR: MR HABEL

REVISION TUTORIAL: ESSAY PRACTICE (TERM 1)

QUESTION 1

MD Enterprises is establishing new policies in the procurement business function.

Discuss in detail to MD Enterprises the following regarding the

of the procurement fu  
credit payments

## ABRIDGED FINANCIAL STATEMENTS

For the year ended 31 December 2015

Christel House South Africa once again achieved an unqualified audit report. The complete set of audited financial statements is available on our website: [sa.christelhouse.org](http://sa.christelhouse.org).

### STATEMENT OF FINANCIAL POSITION

Note	2015 R	2014 R
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	35 563 728	36 107 247
<b>Current Assets</b>		
Cash and cash equivalents *	20 398 266	9 071 698
Temporarily restricted funds	-	789 032
Trade and other receivables	775 558	761 368
	<u>21 173 824</u>	<u>10 622 098</u>
<b>Total Assets</b>	<b>56 737 552</b>	<b>46 729 345</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Accumulated surplus	32 557 183	33 700 827
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Deferred income *	19 988 658	9 483 902
Temporarily restricted funds held	-	789 032
Trade and other payables	4 191 711	2 755 584
	<u>24 180 369</u>	<u>13 028 518</u>
<b>Total Equity and Liabilities</b>	<b>56 737 552</b>	<b>46 729 345</b>

### STATEMENT OF COMPREHENSIVE INCOME

	2015 R	2014 R
Revenue	50 323 030	41 843 065
Gain on disposal of property, plant and equipment	4 012	-
Operating expenses	(51 944 324)	(45 070 169)
<b>Operating deficit</b>	<b>(1 617 282)</b>	<b>(3 227 104)</b>
Investment revenue	473 638	967 845
<b>Deficit for the year</b>	<b>(1 143 644)</b>	<b>(2 259 259)</b>

### STATEMENT OF CHANGES IN EQUITY

	R	R
	Accumulated Surplus	Total Equity
<b>Balance at 1 January 2014</b>	35 960 086	35 960 086
Changes in equity		
Deficit for the year	(2 259 259)	(2 259 259)
<b>Balance at 1 January 2015</b>	33 700 827	33 700 827
Changes in equity		
Deficit for the year	(1 143 644)	(1 143 644)
<b>Balance at 31 December 2015</b>	<b>32 557 183</b>	<b>32 557 183</b>

### STATEMENT OF CASH FLOWS

Note	2015 R	2014 R
<b>Cash flows from/(to) operating activities</b>		
Cash receipts from donors *	60 827 786	35 222 415
Cash paid to suppliers and employees	(46 897 287)	(40 679 824)
Cash (utilised by)/generated from operations	13 930 499	(5 457 409)
Interest Income	473 638	967 845
<b>Net cash from/(to) operating activities</b>	<b>14 404 137</b>	<b>(4 489 564)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3 090 258)	(4 709 284)
Sale of property, plant and equipment	12 689	39 723
<b>Net cash from investing activities</b>	<b>(3 077 569)</b>	<b>(4 669 561)</b>
<b>Total cash movement for the year</b>		
Cash at the beginning of the year	9 071 698	18 230 823
<b>Total cash at the end of the year *</b>	<b>20 398 266</b>	<b>9 071 698</b>

**\* Note to Cash, Deferred Income and Cash Flow:**

Due to the strengthening US dollar, Christel House International contributed 2016 operational funding in 2015.

The audited financial statements were compiled in accordance with the International Financial Reporting Standards for Small to Medium Sized Entities and in the manner required by the Companies Act of South Africa 2008.

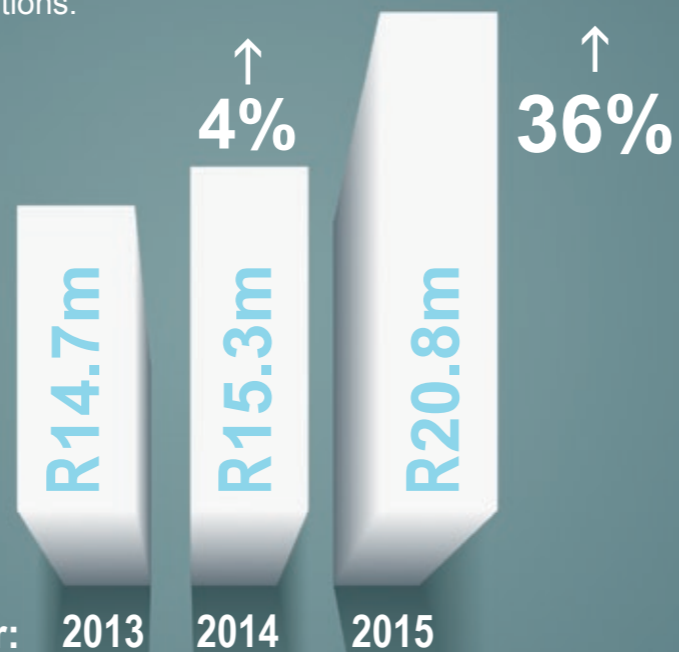
The auditors were Henri Grove & Partners Registered Auditors, Bellville.



## REVENUE

Relationships between Christel House South Africa and our local and international partners remain strong. Despite continued local and global economic challenges, CHSA total revenue increased by 30.5% over the previous year, in large part due to an increase of 36% in local private and public sector contributions.

Local Contributions	R 20 811 221
Investment Income	R 473 638
International Funding	R 29 511 809
<b>TOTAL REVENUE</b>	<b>R 50 796 668</b>



Increase in SA Funding, Year-on-year: 2013 2014 2015

## EXPENSES

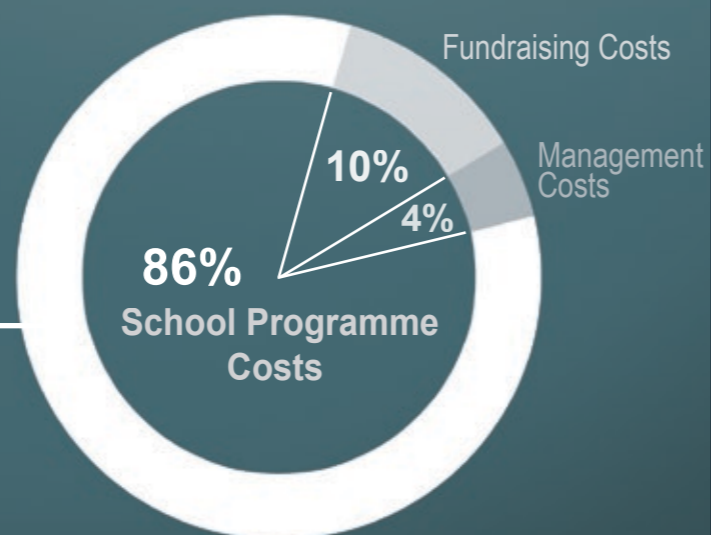
Overall costs increased by 15% this year, mostly due to an increased student count in the College and Career Programme, expanded fundraising events, rising fuel costs and other inflationary pressures.

Costs unrelated to school programmes are kept at 14% or lower.

**Lydia Dreyer**  
CFO – Christel House South Africa

### Operating Costs

School Programme	R 44 622 923
Fundraising Costs	R 5 081 703
Management Costs	R 2 208 350
<b>TOTAL EXPENDITURE</b>	<b>R 51 912 977</b>



## Audit & Risk Committee Report

The Committee carried out its duties to stakeholders as required by the King Report and its own terms of reference in respect to the 2015 financial year.

The Committee is satisfied that it has considered and discharged its responsibilities in accordance with its mandate and terms of reference during the year under review. We are satisfied with the improving trend in the results of the management's assessment of its internal control and risk environments as confirmed by the combined assurance model implemented. The Committee formed the opinion that at the date of this report there were no material breakdowns in internal control, including financial control that would result in any material loss. The Committee reviewed and recommended the approval of the annual financial statements to the board.

**Brian Stocks**  
Chairperson - Audit & Risk Committee

## Remuneration Committee Report

The Committee carried out its duties as required by the King Report and the Committee's terms of reference to submit this report to stakeholders in respect of the 2015 fiscal year. The Committee reviewed the company's general remuneration policy and specific packages for executive and senior management, educators and support staff.

The Committee also reviewed and endorsed the company's policy not to remunerate non-executive directors.

The remuneration strategy for management and the workforce at CHSA is designed to:

1. Attract and retain individuals with the ability, experience and skill to fulfill the mission of the organisation.
2. Incentivise employees to deliver sustained performance and appropriate risk management.
3. Provide market-competitive compensation packages.
4. Encourage behaviour consistent with CHSA values.

The Committee submits that it has considered and discharged its responsibilities in accordance with its mandate and terms of reference during the year under review.

**Elsbeth Donovan**  
Chairperson – Remuneration Committee

Cape Town

# THE COMMUNITIES WE SERVE

Transporting 750 Students...  
to and from these locations...  
twice a day.

Christel House  
Ottery



Zille-Raine  
Informal  
Settlement

Phumlani  
Village  
Settlement

Egoli  
Informal  
Settlement

McCluise  
Informal  
Settlement

Jim se Bos  
Settlement

Strandfontein  
25 km

Strandfontein  
Informal  
Settlements

Bokmakierie  
60km

Kewtown  
60km

Langa  
66km

Pooke se Bos  
Settlement

Manenburg  
60km

Hanover  
Park - 30km

Springfield  
Informal  
Settlement

Philippi  
20 km

Brown's Farm  
70km

Phola Park  
Settlement

Delft 80km

Mitchells  
Plain - 80km

Khayelitsha

False Bay

.....  
**ON BEHALF OF OUR LEARNERS,  
TEACHERS AND SUPPORT STAFF,  
WE WOULD LIKE TO THANK OUR  
PARTNERS AND SPONSORS FOR  
THEIR ONGOING SUPPORT OF  
CHRISTEL HOUSE.**  
.....



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**Banking Details:**

NAME OF ACCOUNT: CHRISTEL HOUSE SOUTH AFRICA  
NAME OF BANK: NEDBANK  
TYPE OF ACCOUNT: MONEY MARKET INVESTMENT ACCOUNT  
ACCOUNT NUMBER: 1047 039 117  
BRANCH CODE: 104 709  
SWIFT: NEDSZAJJ