

**MINUTES OF THE ANNUAL GENERAL MEETING OF  
THE MEMBERS OF THE DEUTSCHE INTERNATIONALE SCHULE  
JOHANNESBURG HELD AT THE SCHOOL ON 10 MAY 2017**

PRESENT:

DIRECTORS:                    Mr. J. Gutmayer                    (Chairman)  
                                     Mrs. A. Matthews                (Deputy Chairman)  
                                     Mr. A. Schaffrath                (Secretary)

                                     Mr. B. Bachmann  
                                     Mr. D. Govender  
                                     Dr. S. Graef  
                                     Mr. N. Rudolph  
                                     Mr. A. Wissler  
                                     Mrs. M. Nickels

IN ATTENDANCE:            Mr. T. Bachmeier                (Principal)  
                                     Mrs. P. Houart                  (Head of Administration)  
                                     Mrs. J. Stölting                 (Academic Head)  
                                     Mr. J. Van Wyk                 (Deputy Principal)

ORDINARY MEMBERS:      Of 95 members present, 85 were entitled to vote, in person or by proxy, 10 were also employees of the DSJ and none were excluded from voting due to outstanding school fees.

APOLOGIES:                 Mr. G. Schmid - German Embassy

**1. OPENING OF THE MEETING AND THE APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING**

- The chairman, Mr. Gutmayer, opened the meeting at 19:03, welcoming all members of the DSJ and the non-members present.
- The chairman established that a quorum of more than 5% of members, i.e. a minimum of 75 members, was present with 95 members present at 19:00 and declared the meeting duly constituted.
- The chairman confirmed that all AGM reports and documentation had been published on the DSJ website by the 12<sup>th</sup> of April 2017.
- The chairman introduced the current board members and the four senior members of the school management.
- The Chairman thanked the previous committee member Dr. Holger Dix for his work on the committee and as deputy chairman during the latter part of his time on the board.
- The minutes of the annual general meeting held on 11 May 2016 were approved, with no corrections. These were proposed by Mr. Schroeder and seconded by Mr. Seidler.
- The chairman then gave an overview of how the board of directors operates:
  - The board takes full liability for the school's functioning, but receives no remuneration or any other benefits.
  - There are 5 current sub-committees: Finance, Infrastructure, Personnel, Public Relations and Development.
  - Each board member generally serves on 2 of these sub-committees.
  - Each committee meets at least 6 times per annum.
  - Full board meetings are held at least 6 times per annum.
  - One board retreat is held annually.

### FINANCE SUB-COMMITTEE

- This is one of the most important parts of the boards function.
- The average learner numbers of the school was 1125 for the year in comparison to the budgeted 1100 learners.
- Debtor management has made good progress, as compared to previous years.
- Due to the increased number of learners versus the budgeted numbers, as well as an exchange rate which favoured the school, the school was able to keep the school fee increase to a low level of 4%.
- Members of the school should however, not get used to these low increases as the increases should be in line with inflation.
- The biggest project in administration was the implementation of the new integrated school management software system, Engage. This system has been implemented over the past 6 months and will replace most other IT systems that the school has been running.
- The school will be rolling out the portals for teachers, parents and learners during 2017/2018.
- This will also enable a better accounting system for fees as well as communication with parents.
- The board is of the opinion that the finance department of the school is running effectively.

### INFRASTRUCTURE SUB-COMMITTEE

- Further to the large amount of maintenance work in the school, the DSJ was able to complete many larger projects, which included:
  - The renovation of the small swimming pool;
  - The renewal of the ceiling in the sports hall;
  - Renovation of the bathrooms in blocks A and B;
  - Renovation of the bathrooms and change areas of the sport hall;
  - Installation of a camera system covering the parking lot and the kindergarten;
  - New furniture for 15 classrooms;
  - Installation of decking outside of the tuckshop with seating;
  - Planning of the new multifunction room (the current Exam room); and
  - Various other projects that included resurfacing of the tennis courts, resealing of the roof, lighting in the multimedia room and many other smaller ones.
- To ensure that the projects were completed on time a project manager was appointed on a short-term contract. A new process was implemented that will assist the school in managing projects on an ongoing basis into the future.
- It was also agreed that all outside contractors (garden maintenance, security, plumbing, etc.) will no longer have open ended contracts. A maximum of 3 years will be awarded, so the school is able to evaluate its suppliers more often.
- The board is of the opinion that this sub-committee is being run far more efficiently and transparently than in previous years.

### PUBLIC RELATIONS SUB-COMMITTEE

- This sub-committee works with the marketing department, which is responsible for school functions such as the Open Day, Schulbasar, Family Day, and school expos and media communication.
- The Open day was once again well received and will continue annually
- Basar 2016 was a major topic at the board retreat. The board was of the opinion that the work in comparison to the profits was not justified. The instruction was given to the PR sub-committee to relook at the Basar concept: the Basar should keep strengthening the sense of community of the school and to market the school, but the fundraising objective must be optimised through tighter controls and better use of resources.
- The board extended their gratitude to the parents and learners of the DSJ for their involvement in the Basar.
- The PR sub-committee is happy with the work of the marketing department and hope that the new Engage Portals will make communication more effective.

### DEVELOPMENT SUB-COMMITTEE

- The development sub-committee works with all topics, not related to education, which affect the school operations long-term.
- During 2016 two important areas were worked on:
  1. The DSJ sport club
    - The sport club was started 6 years ago as a separate entity.
    - The relationship between the club and the school needed to be formalised to allow the school better oversight, decision making involvement, increase transparency in the administration of the club and to provide for learners from a financially unstable background to become members as well.
    - For various reasons that are mostly connected to the Soccer League in which the club participates, it is not possible to fully integrate the club with the school.
    - The restructuring process is in process: the first AGM has taken place in which a new constitution was accepted. The Memorandum of Understanding which is being set up between the school and the club will detail the co-operation between the club and the DSJ.
  2. The school canteen
    - Unfortunately the Tuckshop is also a topic which cannot be resolved without causing major conflicts.
    - In this case too, the board works in an advisory capacity and supports school management in their quest for a school canteen, whose main function should be to provide a nutritious and healthy lunch for the learners. Through the free homework supervision and the many extra-murals of the school, the school has effectively already become a full-day school in many aspects. A balanced lunch meal is therefore a necessity.
    - The school provided the canteen management with menu suggestions and explicit details on what was expected, however, the school management felt that changes were not made and when made, were not sufficient.
    - After discussions and negotiations, the board gave the instruction to cancel the contract with the current canteen provider, in order for the school to find a more suitable supplier.
    - Unfortunately the situation is now a legal battle, however we hope to find a solution that is beneficial to both parties as soon as possible.

### HR SUB-COMMITTEE

- This committee meets regularly with the school principal to discuss personnel issues. In this area there were numerous changes in 2016.
- For some time, there has been some inconsistency, with different contracts and with very varied employment conditions. To make it even more complicated, there were a number of additional oral agreements between some staff and their superiors which led to major discrepancies between what was agreed in the contract and what was actually worked.
- The board asked the school management to bring all contracts in line as far as possible.
- This brought much discontent in the Kindergarten and a few resignations followed. In the meantime, this has settled with agreement between parties being reached.
- In 2016, 14 teachers left the school. Even if we remove the teachers whose contracts ended in 2016, the number of teachers leaving was still quite high. The board is aware that the high staff turn-over is problematic and is working with the school management to look for solutions on how to prevent this.
- The department of Home Affairs granted the school a “general waiver” under which the visa applications for German teachers from abroad will be much easier and faster. This was a very positive achievement in 2016.
- Together with the German schools of South Africa and Namibia, the DSJ took part in the DIDACTA – an expo where German teachers can find out more about working abroad. Since winning the Best German School outside of Germany in 2016, we have received many applications from teachers interested to join our team.

### OVERALL IMPRESSION

The board is extremely proud of our school and the award of the "Deutsche Schulpreis 2016". It confirmed their opinion that this school is excellent and extraordinary in many areas.

The good cooperation between the board and school management allows us to criticize in a constructive fashion and to concentrate more on the oversight function, rather than having to interfere in the day to day operation of the school.

### CHALLENGES

The DSJ has a 3 year contract for funding from Germany which has facilitated DSJ's budgeting until the end of the 2017 year. In July 2017 a new application needs to be submitted for a new funding contract for 2018 onwards.

Recruitment of personnel and HR management is a constant challenge. The board is aware of these issues and will work actively with school management on this challenge.

The board is often aware of how much time the school management, especially the principal, invest in sorting out personal issues of parents. The board requested parents to consider if an incident or personal issue needs the involvement of the principal or even that of a legal case. Not only do these take up much of the management team's time, but also often come with a heavy financial burden, where the funds could be used for other urgent items that need attention.

### IN CLOSING:

Mr. Gutmayer thanked the following persons on behalf of the Board:

- The parents for their trust in the board;
- The German government for their financial and personnel support;
- The school management for their tireless work;
- The AfdE, that has financially supported a learner-exchange with a High School in Wangen;
- The PRC that works equally hard in making our school successful;
- The Altschüler club, which works in binding the Alumni to our school; and
- All staff – teachers that teach and mentor our children daily and the administration, that ensures the school runs smoothly.

Finally, Mr. Gutmayer extended his personal thanks to his colleagues on the board who are very involved in advancing the school's interests.

## **2. REPORT OF THE FINANCE SUB-COMMITTEE**

Mr Gutmayer handed over to the chairman of the finance sub-committee, Mr Schaffrath, to present the report of the finance sub-committee.

A written report was circulated with the agenda for and invitation to the AGM. The Committee's Report 2017 as published on the DSJ website refers.

Mr. Schaffrath presented the school's current financial position, highlights of the 2016 financial year and a projection for 2017. Mr. Schaffrath advised that the school fees for 2017 were only increased below inflation at 4.1%. The exchange rate and high number of learners (1125 vs. the budget set at 1075) contributed to good results. Current number of learners in 2017 is 1115.

The subsidy from Germany contributed once again to high profits, due to the higher exchange rate realised as opposed to that budgeted. The 2017 budget for the BVA subsidy is €1.8 million annually which calculates to R25.2 million at an exchange of R14.00 - €1.00.

Mr Schaffrath presented the 2016 income statement and 2017 budget. Overall, instead of the small budgeted loss, the DSJ achieved a surplus of R4.7 million. This was attributed to a 15% higher income from our subsidy due to the exchange rate, increase in learner numbers and better collections, as well as below budgeted staff increases (as the school always budgets a buffer for this).

The Administrative costs increased in 2016 due to following reasons:

- Implementation of the new school software management – Engage;
- A clean-up of fixed assets took place, with many items needing to be written off;
- These items together contributed a R3 million expenditure in this area;
- A problem in depreciation of land and property cost R500 k; and
- Metrobus was under-budgeted, due to the budget being set prior to their annual increase on this contract we have no room to negotiate.

For 2017, the school has budgeted for a R1 million loss. Depending on the exchange rate, we may do better than projected, as in previous years.

### **3. 2016 ANNUAL FINANCIAL STATEMENTS AND THE REPORT OF THE AUDITORS**

It was confirmed that the 2016 annual financial statements and auditor's report issued by Rödl and Partners were made available to all members of the school by being published on the DSJ website together with the AGM notice. The financial statements and auditor's report were also made available at the entrance of the AGM venue.

The financial statements for DSJ and Consolidated Securities were unanimously approved, with no abstentions or objections.

### **4. THE APPROVAL OF THE AUDITORS REMUNERATION**

The auditors' fees were proposed and unanimously approved at R144 k, compared to R228 k for the 2015 audit. This amount included the abovementioned detailed review and the audits of the DSJ company and its subsidiary, Consolidated Securities.

The 2016 audit fees were approved unanimously.

### **5. APPOINTMENT OF THE AUDITORS FOR 2017**

Mr Schaffrath proposed the re-appointment of company Rödl & Partner as the DSJ's auditors for 2017, which was approved unanimously.

### **6. THE REPORT OF THE SCHOOL PRINCIPAL**

The school principal, Mr. Bachmeier, welcomed the parents and guests to the meeting. The Principal's Report 2017 as published on the DSJ's website, refers.

Mr. Bachmeier reviewed the highlights of 2016:

- The prestigious award for being the best German school abroad was a major highlight in 2016. As a school and a school principal this is a once in a lifetime achievement. It is a community achievement, and Mr. Bachmeier thanks all DSJ staff, learners, friends of the school, parents and sponsors in making this happen. German schools from Boston and others were in touch quickly to find out how to win this award.
- 2016 also saw the Science Week being introduced for the first time. Mr. Bachmeier thanked all companies and volunteers who made this happen. The school worked with the Deutsche Schule Pretoria from grades 1-11, had around 250 learners from partner schools as well as 100 presenters from 30 companies. This was a great success from the feedback received from the learners and parents. The school is looking into the feasibility of repeating this event in 2018, but it requires a great deal of input from the administration

and teaching staff, so a final decision has not yet been made. More sponsors are required to make it happen though.

- The school introduced competency oriented curricula in grades 5 to 10 for German, mathematics, History, Physics, Chemistry and Biology.
- Two pilot projects were implemented:
  - A Primary school assistant.
  - Homework supervision for Grades 5-9, however this has not been very successful as we only have 1-2 learners per class, even though 70% of parents had asked for this in a survey. This will be re-evaluated at the end of 2017.
- Three external audits were undertaken in 2016:
  - Umalusi inspection – Mr.van Wyk was thanked for his efforts
  - NOSA inspection – the entire HSE Team was thanked for its efforts
  - “Bilanzbesuch” from Germany, which is an interim audit to the Bund Länder Inspektion (“BLI”), which was also successfully concluded. The BLI will again take place in 2018.
- Many Infrastructure improvements took place in 2016, which included the new bathrooms and changing facilities in the sports hall, new furniture for 12 classrooms and many other projects. This however, is not the end, but rather the continuation of the upgrades as the school is looking to renovate and expand the current exam room into a Multifunction room and replacing the windows in the school.
- The stable number of learners, with an increased number of learners completing the Kombi stream. The school had 73 Matrics, with a 100% pass rate and 94.5% university entrance qualification. Both numbers are above the average of the IEB schools. The DSJ has achieved a 100% pass rate consistently since 2000.
- All the other activities that completed the 2016 year, including the annual Basar, Literature week, Fasching, Open Day, Family day, the various balls and many more, should not be forgotten. All of these need much motivation and involvement from teachers. As the school is not primarily an events management company, we need to ensure that these events do not overtake the day to day activities in the school.

Mr. Bachmeier then gave a preview of 2017:

- The school has a documented overview which is constantly updated. All items on this document are a challenge – few schools have such a systematic development. It encompasses the following items, and the school reflects on progress during the year:
  - The move from Preschool to Primary school (Grade 0 to Grade 1)
  - The move from Primary to Junior Secondary school (Grade 4 to Grade 5)
  - Internal differentiation – what it means to the school
  - Performance management in 2016 has been continued, as one of only 2 German schools
  - Engage – the implementation thereof and more coming, which used many resources
  - The change to a school canteen

School Management Challenges:

- Abuse of drugs and how best to handle this problem
- Work ethic of some learners
- 3-5% of our parents are very demanding and keep the school management busy, sometimes for a whole day. Mr. Bachmeier reminded parents that the school is not a private company and that they are not just customers. He added that parents should also remember that the school is not his, but theirs and threats to go to the press and proceed with legal issues, reflects on their school.
- Bullying and racism are a constant topic that needs to be looked at. Many incidents are exaggerated, costing the school lots of money, time and resources, and are usually not won.
- Some individuals are trying to change the school as a whole for their private agenda
- Mr. Bachmeier explained the complexity of its stakeholders and why it is sometimes not easy to change something
- This is why the school has a board of directors and the school management to ensure we meet all expectations. He asked the parents to stand by the school and support the management

Mr. Bachmeier confirmed that school management is happy with the increase in learner numbers and would at a minimum like to see the numbers hold steady, but preferably still grow these to 1200, although they are aware of the difficulty in making this a reality. It also needs to be noted that the Kindergarten and English Medium High School stream are now at capacity.

Mr. Bachmeier ended his presentation by thanking all the members of the board, parent representative council, the school management, teachers and administration staff, and lastly parents, for their work, support, involvement, trust and cooperation.

Comments from the audience:

Mr. Seidler thanked the school management and board of directors for all the work that they do and have done for the school. It is all very time consuming and he was most grateful for these efforts.

## 7. ELECTION/RE-ELECTION OF BOARD MEMBERS

Mr Gutmayer began the process of electing the members to the board by explaining that:

- The board currently consists of 9 members
- 3 current members (Mrs. A. Matthews, Mr. D. Govender and Mr. B. Bachmann) have retired in accordance with the Memorandum of Incorporation of the school, but have made themselves available for re-election
- Other than the 3 retiring members, 3 additional members of the school made themselves available for election (Mr. J. van Niekerk, Mrs. B. Kanwischer and Mrs. L. Oyrer).
- The school's Memorandum of Incorporation prescribes a minimum of 7 Board members, subject to a maximum of 12
- There are currently 6 vacancies

The candidates were given an opportunity to introduce themselves and give some background to why they wish to serve on the Board.

Mr Gutmayer explained that there were 6 candidates and 6 open positions and therefore suggested a block vote. Three members were against the block vote and there were no abstentions. As the majority rule was in favour, a block vote was therefore agreed upon.

It was explained that staff do not have voting rights.

As there were no objections to the election of the 6 abovementioned candidates, they were declared unanimously elected.

## 8. OTHER BUSINESS

Mr. Endres (AfdE) commented that the school had a vision to grow 10-12 years ago and this is now visible with the extension of the Kindergarten. He then asked if the school has a vision currently of where they would like to be in 10 years from now.

Mr Gutmayer responded that we are working on the process overview which had been presented, many shorter-term projects as well as infrastructure upgrades.

Mr Bachmeier then added that we are often dependant on political situations that change our processes, such as the change to the "Auslandsschulgesetz", which made the school reduce the number of German funded teachers from 21 to 12.

In the next 5 years the school has to ensure that we strengthen the German language. We are becoming more South-African and Germany is clear that they will not fund a local school.

The changes in the Kindergarten will be seen in 10 years when the children that started there matriculate – it would be a real success story if they all managed to do the German Abitur.

Mr. Seidler (AfdE) – commented on his years as a board member, the challenges that they had to overcome and the sense of community between the German and South African members of the school. He wished the current board all the best in their work.



Mr. Motlatsi Mthimunye, a parent from the Regentröpfchen asked if the school had considered hedging. Mr. Schaffrath responded that it had been discussed – 2 of the board members were bankers and understand how the banks make money. The school has an account in Germany where they keep the funds and our German funding is paid into. The funds remain in Germany and the board monitors when the exchange rate is in our favour to sell. The school has sufficient reserves to keep it running in local accounts.

Mr. Patrick Flinner – requested clarification on how many teachers the DSJ had lost since January and how many have been replaced.

Mr. Bachmeier responded that the school had a farewell at the end of 2016 for 14 teachers, however, of these only 6 had resigned, the rest retired or their contracts from Germany had expired. All had been replaced.

To respond to the question regarding the amount of German speaking teachers, Mr Bachmeier reiterated that the school had to reduce their ADLK's from 21 to 12; however, the school had made arrangements to employ more FALKs. One needs to find a compromise of how many teachers we can afford and which area of the school they should be employed in.

Mr Flinner noted that he would prefer to have more and better German speaking teachers than upgrades in infrastructure.

Mr Flinner then brought up the issue that Consolidated Securities had no audited financials for the past few years. Mr. Schaffrath explained that all tax requirements had been done, and no actual financials had been produced as there were no movement in this company. The new auditors Rödl and Partners had picked up on this and requested that the necessary was done to bring Consolidated Securities up to date. Mr. Schaffrath took responsibility for this, as an issue he should have followed up on.

A member of the school community asked how the money for the school prize had been spent. Mr. Bachmeier responded as follows:

- About half had been put to the school social responsibility fund
- The school did a survey among the various sections of the school to ascertain what they wanted from the prize and a list was produced. Priorities were given so each area has something from this prize. Some items have already been installed; some are still on order or need to be constructed.

Mr. Shaun Johnson – asked if the board is affiliated with the performance management process. The board gave instruction for the school to look into this. To be able to pay a bonus at year end in line with current company processes, this was implemented. The school is now in version two of the concept, it demands a great deal of effort on behalf on the school management to do, but the staff is getting used to it. The board, however, is not involved in the execution of the performance management.

Mrs. Caroline Jeannerat – posed the question of how the school will implement the full day school concept, what is involved in the concept and over what period will it be implemented.

Mrs. Stoelting replied that it will be a voluntary implementation. The school is trying to assist working parents in offering the service. The first step was the implementation of the homework supervision, which has not been used effectively and the school will have to relook at that concept. Many extra-murals already run until 4pm, the library is open until 4pm, we have buses for our NSek children that run in the later afternoon already, so in fact we could already say we are a full-day school. However, the school is looking at putting in better structures and having a canteen offering meals to these children. The school will not make this compulsory.

Mrs. Susanne Günther – why are the discounts for annual payments of school fees so low?

Mr. Schaffrath replied that this a commercial decision, based on how much interest the school can get on the funds and base the discounts on this. It makes no sense offering more discount and not receiving sufficient interest.

## 9. CLOSURE



There being no further questions or business, Mr Gutmayer closed the meeting at 20:45 and invited everybody to stay for snacks and drinks and an informal exchange with the Board members and representatives of the school management and teaching staff.

J Gutmayer  
Chairman

A. Schaffrath  
Secretary

30 June 2017