



THE HILTONIAN SOCIETY NPC

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4 December 2020

Dear Parents

FEE INCREASE: 2021

The Board of Governors of the Hiltonian Society held its final meeting of the year last Friday. In keeping with all the other extraordinary circumstances of 2020 this was our first meeting this year actually held at Hilton rather than virtually. We were acutely aware of what it must have been like for your boys to be denied the full Hilton experience in 2020, and to miss out on the beauty that surrounds us all at Hilton College. What a pleasure it was to be back.

At this meeting we debated and decided on the fee increase for next year. The purpose of this letter is to give you notice of that increase and importantly to contextualise that decision of the Board.

In my letter to parents last year I made the following statement – “The Board is particularly aware this year of the serious economic circumstances facing South Africa.” What an understatement that was. As we now know, a few months later the Covid-19 pandemic struck and with that came the lockdown and consequent economic crisis that has beset the world and our country.

The Board is immensely proud of the manner in which the Hilton staff have managed this crisis. The demands made on the teaching staff in particular have been extraordinary and their response incredible. As we returned to school in Term 3 yet new challenges arose for all staff in addressing the Covid-19 protocols. Through all of this the assured and calm leadership of Mr George Harris and his executive team has been abundantly evident. I am sure you join me in congratulating and thanking all Hilton staff members.

Every year, the Board balances its duty to ensure that Hilton provides the best possible educational experience with a full awareness of the burden the fee places on parents. Never has this been more relevant. Accordingly, while fee increases over the past five years have

Board of Governors:

AE Franklin SC (Chairman), CJ Tod (Deputy Chairman), JA Clark, PR Falconer, TEM Gibson, GA Hancock,
KCM Mokoape, STM Seopa, Ms F Sithebe, Mrs DK ten Hope, Ms SA Tasker, DG Tomlinson
BP South (Company Secretary)

been in the 7.5% to 9% range, in view of the current extraordinary circumstances we made containment of the increase an absolute priority. The Board is pleased to advise that we have been able to keep the increase this year to 3% (2021 School Fee: R331 550). The following points will provide some context and background to our decision and our ability to contain the increase at the lowest level in years.

- The school closure and subsequent curtailment of certain activities resulted in cost savings to the Society. In broad terms the savings can be grouped into 3 areas, namely
 - costs that were not incurred due to the activity not being undertaken, e.g. catering whilst the school was closed.
 - costs that have been deferred, e.g. certain deferred maintenance.
 - costs that have been reduced permanently as part of the ongoing cost containment strategy, e.g. staff remuneration increases.
- Despite the cost pressure the Board is proud that no staff members were laid off and all staff were paid their full remuneration in 2020.
- The Board was also faced with the difficult decision regarding staff salary increases for next year. Apart from certain lower paid staff, there will be no increases in staff remuneration in 2021. Management and staff support this decision in light of the circumstances. The Board has undertaken to review this decision during 2021 and may grant an interim increase should the financial performance of the school permit this.
- The Society has already provided a measure of relief to 2020 parents through the R10 000 rebate offered to parents in May. The further permanent savings that accrued during the year have been passed directly back to parents through the low 2021 fee increase and this year's matric parents will receive a similar benefit by way of an "agterskot".
- As would be expected during an economic crisis, some parents have experienced severe financial hardship. Unfortunately, this has resulted in the withdrawal of a small number of boys. The Society has also had to enter into payment arrangements with some parents to enable them to catch up with their school account. The Society has limited reserves to absorb this and we appeal to all parents to keep paying their fees. A large debtors' book is simply not sustainable and puts extreme pressure on fees into the future.

Most importantly the Board is very thankful that the school is fuller for 2021 than it ever has been. We are immensely pleased that the Hilton offering is not compromised, that our financial planning is thorough and that the Society is in a sound financial situation.

Many parents have asked about the status of our Fee Remission Insurance claim. Court papers have been served on the Insurer, and we await their formal response. Regrettably these matters can take a long time to process.

As advised previously the Board has extended the Headmaster's contract so that it runs to 2028. This is in recognition of his excellent stewardship of Hilton College thus far in his tenure and our belief that Mr Harris will continue to provide visionary leadership of the school far into the future.

It is my sincere hope that 2021 sees a return to a more normal environment and where the full Hilton offering is again part of every boy's experience.

On behalf of the Board, I thank parents for your support during this very tough year and wish you well over the forthcoming festive season and New Year.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alistair Franklin', written in a cursive style.

Alistair Franklin
Chairman