

advertorial

Building the Future



As an educator, you play a central part in building the intellectual future of our country. And at some point you might need to look at your school's future growth in order to continue delivering your essential role.

As the expert, you know how your school has been growing over the last 10 or 20 years, and how you will continue to grow as per your five and 10 year forecasts. FNB Commercial Property Finance can help find the right solution for your school when it comes to expansion.

Financing your expansion

Schools are regarded as 'specialised property' - they serve a very specific purpose and unlike office blocks, finding alternative uses for them can be more difficult. When it comes to offering finance to specialised properties, the most important consideration is the ability of the school to service the debt on a sustained basis.

Service ability is of course linked to cash flow - you will need a sufficient and consistent cash flow with a buffer. The buffer is to accommodate dynamics such as future increases in interest rates, increases in operation and maintenance costs, upgrades to keep your facilities current, increases in rates and electricity etc. The sustainability of your cashflow can be substantiated by factors such as the reputation of your school, the history of your alumni, how you're managed your finances, your financial records, the state of your school and how well it has been maintained, and the fact that your school has been consistently over-subscribed. Funding applications with a convincing motivation, backed by a healthy, constant cash flow and buffer are considered in a favourable light.

Unlocking the value of surplus land

If your school has surplus land, over and above that which you would need for future expansion, an option that FNB Commercial Property Finance could facilitate is to see if any of that land could be sub-divided and sold for commercial purposes - be it industrial, retail or residential development, by putting you in touch with the right people.

When it comes to property finance, FNB Commercial Property Finance does not conform to 'one-size-fits-all' solutions. Improving your school's brand is as important to us as it is to you, and we customise our offering to your specific circumstances and what you require in terms of your school's expansion strategy. We don't prescribe; instead we try to accommodate your needs.

So how can we help you build the future?

For more information:

Contact the Independent schools desk on SEdmeston@fnb.co.za or <http://www.isasa.org/content/view/180/103/> or www.fnb.co.za



Mpumelelo High School learners celebrate the adoption of their school.

Nestlé South Africa's Adopt-A-School Initiative

Nestlé South Africa recently announced its Adopt-A-School Initiative at Mpumelelo High School in the Ngonyameni area of Loskop in Estcourt, Kwazulu Natal. Estcourt is also home to Nestlé's Coffee and Beverages factory, which employs about 420 employees.

Mpumelelo High School was established in 2007 and strictly facilitates learning in the sciences and commercial streams. The school has eight classes only and the majority of its learners are from indigent families, whose parents are mostly unemployed and have no formal education.

Despite a general lack of proper facilities, the school has produced remarkable Grade 12 results. In 2009 and 2010 the school scored a 100% pass rate, while in its first two years it scored 75% and 85% respectively.

As part of its Adopt-A-School initiative, Nestlé South Africa will build a science laboratory, sports field, computer laboratory and a school library to ensure that the learning culture demonstrated by the school so far is maintained and nurtured.

The Adopt-A-School initiative is Nestlé South Africa's response to recent calls by government to partner with communities towards development and directly responds to the company's Creating Shared Value (CSV) business strategy, which states that for a business to be successful in the long term, it has to create value for communities where it operates.

"The key to resolving government's challenges is to create meaningful partnerships with the private sector in community development projects such as this Adopt-A-School initiative," says KwaZulu Natal MEC for Education, Senzo Mchunu.

Through this initiative, Nestlé South Africa will also respond to the community's educational challenges and aims to bridge the gap between high schools and universities and to afford learners and teachers the opportunity to excel.

The company is also committed to rolling-out similar future projects in other provinces where Nestlé has a distinct presence.

"The plan is that where Nestlé has an operation, the model will be implemented. It may vary in terms of detail but the primary objectives will be the same - to ensure skills development and enhance quality of life. But most importantly, it is our way of contributing towards rural development," concludes company spokesperson, Ravi Pillay.