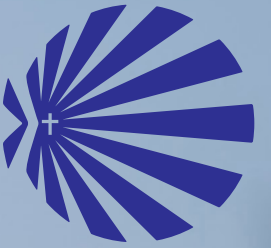


Catholic
Institute of
Education



Responding with hope

CIE Annual Financial Report
2020



Responding with hope

The year 2020 is synonymous with the advent of the life changing novel corona virus, COVID 19. The impact on education has been enormous and the most important call to CIE during 2020 was to keep relationships alive and to foster hope within the network. This part of the Annual Report brings messages from the President of the Catholic Board of Education, Bishop Jwara CMM, the Chairperson, Sr Kathy Gaylor OP and the CIE Director Ms Janice Seland, the Board report and the financial statements of the CIE.

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Message from the President of the Catholic Board of Education

On the 1st January 2020, the whole world welcomed the New Year in jubilation not knowing what was lying ahead of us. In January the schools opened with the usual challenges of life, like seeking financial assistance, registering etc. Surprisingly, on 05 March 2020, the National Institute for Communicable Diseases informed the nation that the Corona Virus, COVID 19, had landed on our shores. On the 15th March 2020, our State President, Mr Cyril Ramaphosa, addressed the nation on television and declared that COVID 19 was a “national disaster.” The President continued and said: “ never before in the history of our democracy has our country been confronted with such a severe situation.” He then made the announcement of extraordinary measures to curb the spread of infections informing the nation that “Schools will be closed from the 18th March, and will remain closed until after the Easter weekend.” The prohibition of gatherings of more than 100 people brought a lot of panic to people.

There were noises from different quarters where some people supported the closure of schools and others called for the re-opening of schools. CBE and CIE had to hold a number of zoom meetings in which we tried to address issues related to COVID 19 pandemic.

The class of 2020 has achieved a national pass rate of 76.2%, with Catholic schools achieving 86.6%, which has surprised many people as we expected the worst. Therefore, we have to thank the Department of Basic Education, educators, learners, parents, CBE, CIE and other stakeholders for their ability to teach during the severe lockdown.

Finally, we pray for the repose of the souls of all teachers, learners and parents who succumbed to COVID - 19, that they may all rest in eternal peace.

+ Siegfried Mandla Jwara, CMM
Catholic Board of Education – President
Bishop of Ingwavuma

CBE and CIE had to hold a number of zoom meetings in which we tried to address issues related to COVID - 19 pandemic.

Message from the Chairperson of the Catholic Board of Education

There could have been no possible way that the experiences and happenings of the last year could have been anticipated, or planned for. Our world has changed irrevocably: new pathways have had to be discerned, or new trajectories have been thrust upon us. We have needed to make choices that we never thought we would have to make, and we have learned new ways that we never dreamed would be our responsibility. Yet: we have made those choices, and we have learned those ways.

The Catholic Institute of Education has rallied magnificently to the exigencies of the Covid-19 reality, with all its challenges, pain, and stress, especially on schools. There has been ongoing fruitful communication with the Department of Basic Education, in the interests of our schools. The Catholic Board of Education is the governance structure of the CIE, which represents the CBE with various collaboration partners; in the interests of independent schools, one such significant relationship this year has been with NAISA (National Alliance of Independent School Associations).

The CIE, as the service provision arm of the CBE, has been of great assistance in developing the National Strategic Plan for Catholic Education, a plan that we trust will provide guidance and substance for all those involved in the education ministry over the next 5-8 years. This plan both

outlines the actions that we need to take, and provides for accountability in the doing of those actions.

The CIE's role of support to schools is core to its mission; however, all the various onerous responsibilities of management, fundraising, and so on, need to continue, and the work has been unstintingly done. Yes, we are vulnerable. All like organisations are, in this climate. However, "My grace is sufficient for you, for my strength is made perfect in weakness" [2 Cor 12:9] If this is the 'weakness' of service, so be it. That is what we are there for. 2021 calls us to recommit to our journey of faith, to recognise with courage, and accept, that there are no certainties: and yet we continue.

Sr Kathy Gaylor op
Catholic Board of Education – Chairperson

**The Catholic Institute of Education has
rallied magnificently to the exigencies of
the Covid-19 reality**



Catholic Institute of Education Director's report

We are all in the same boat” said Pope Francis as he delivered his Urbi et Orbi message of hope on 27 March 2020, comparing the COVID -19 pandemic to a storm that can be overcome only by coming together in faith.

The two images of “being in a boat on a stormy sea” and bringing “hope” remained guiding principles for the work of CIE during 2020.

In response to the Covid-19 situation in South Africa, the CBE and CIE recognised that communication and support services were essential in the Catholic education network. To achieve this the CBE/CIE, through its well-established relationships with government, were regularly

schooling and skills centres. Similarly, using virtual communication, the CIE was able to maintain close contact with the Catholic education network. This ensured that all in the network were well-informed and abreast of latest developments in a rapidly changing and complex context.

The inequalities in South Africa’s education system were further highlighted when the Covid-19 pandemic forced the closure of schools. Under resourced schools situated mainly in townships and rural areas that serve 80% of the population struggled to teach remotely due to lack of infrastructure and families that could not afford devices, data costs, etc.

Further it is estimated that approximately 2000 teachers have died of COVID19 which has had a dramatic impact on the morale in staff rooms and classrooms around the country. Catholic schools will be similarly affected. When schools resumed after various lockdowns, community members mourned the loss of colleagues, friends and mentors and additional pastoral care was essential.

Thank you to the members of the Catholic Board of Education, the members of the three board sub-committees: Religious Education, Child Safeguarding and the Audit, Risk and Human Resource, who met more frequently during the past year, to govern CIE with guidance, wisdom and time.

Thank you to CIE staff for being resilient, creative and adapting implementation of programmes to virtual platforms to ensure that schools and skills centres remained supported. The care for each other and our families was paramount during this period as we all navigated our way in uncharted territories.

Thank you to the donors who fund us and offered care and support during 2020 as without your partnership our work would not be possible.

The theme for the Catholic schools network in 2021, “Towards tomorrow together in Hope” will be our beacon as we continue to navigate our way through the stormy sea.

Janice Seland
Catholic Institute of Education – Director

The inequalities in South Africa’s education system were further highlighted when the Covid-19 pandemic forced the closure of schools

consulted during this crisis period. This helped to ensure that the voice of Catholic education was taken into consideration in decisions related to



The Board's report

The Catholic Board of Education (CBE) as the governance structure of the CIE met three times and the Executive Committee of the Board twice during 2020. The CBE consists of 10 members composed of: a Bishop appointed by the South African Catholic Bishops' Conference as the President and Education Liaison Bishop; a Bishop who is an Owner of schools, elected by Bishops who are Owners; a member of the Leadership Conference of Consecrated Life (LCCL) Executive; two other Owners (Congregational Leaders or qualified representatives); a Chairperson of a Schools' Trust; the CIE Director; a Principal of a Catholic Public School on Private Property; a Principal of a Catholic Independent School; and external experts, one in finance and one in law. This ensures that there is adequate representation of all stakeholders at this level from the various demographics of our network. The day-to-day management of the organisation is delegated to the Directors who are supported by a Leadership Support Team. The Board endorses the principles in the Voluntary Independent Code of Good Governance and Values for Non-

profit Organisations in South Africa. The Board abides by the principles of openness, integrity and accountability.

To assist the CBE in its oversight role it has established three board sub-committees each with a specialist focus: Religious Education, Child Safeguarding and an Audit, Risk and Human Resource. The CBE Treasurer is the chair of the Audit, Risk and HR subcommittee that met eight times, during 2020, to manage the risk of COVID-19 pandemic on the CIE. The committee's focus amongst other things are on risk management in the CIE by identifying, assessing, managing and monitoring all known forms of risk across the organisation. While acknowledging operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The CBE members acknowledge that they are ultimately responsible for the system of internal financial control

established by the organisation and place considerable importance on maintaining a strong control environment. To enable the Board of Education members to meet these responsibilities, the sub-committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored through the organisation.

During 2020 CIE underwent its normal bi-annual financial audits. The findings and recommendations arising from the audit were reported by the Auditor to the Audit, Risk and Human Resource committee and were of a minor nature.

CIE developed a COVID-19 Occupational Health and Safety Readiness Plan to comply with the Disaster Management Act and established a COVID-19 Team to coordinate the organisation's response to the pandemic.

Catholic Board of Education

Ms Adrienne Egbers

Ms Heather Blanckensee

Mr Lesiba Ledwaba

Father Patrick Rakeketsi CSS

Ms Amanda Booysen

Ms Janice Seland

Bishop Siegfried Mandla Jwara CMM

Sister Stephany Thiel OP

Bishop Edward Risi OMI

Sister Katherine Gaylor OP

Dr Matilda Dube

Financial Statement 2020

CIE Operational Expenditure for 2020 was R17, 6 million against a budget of R19,1 million. The expenditure was contained through reduction in travelling and accommodation due to various levels of lockdown and austerity measures which included not paying staff a bonus at the end of 2020, retrenching two staff members as at the end of June 2020 and not filling vacant positions.

CIE has built up reserves over many years through a conscious policy and practice of setting aside unrestricted funds. The motivation to set aside these funds is to drive the financial sustainability of the organization and the COVID 19 pandemic raised such a crisis. To meet all CIE's financial obligations the reserve was accessed during 2020 as well as UIF (TERS). Staff were also requested to take ten days compulsory leave during lockdown 4/5.

Audit, Risk and Human Resource Committee

Ms Adrienne Egbers (Chair)

Ms Janice Seland (Director)

Ms Anne Baker

Mr Nathan Johnstone

Mr Jon Mulcahy

Mr Lebogang Seperepere

Ms Mamosa May



Financial Statement 2020 continued

The financial information below is derived from the the annual audited financial statement and is available on request.

	Rands 2020	Rands 2019
TOTAL CIE OPERATING EXPENDITURE	17 632 189	17 647 883
Religious Education Department	1 077 455	947 242
Policy, Communication and Network Liaison Unit	2 215 984	2 553 678
Health and Wellness	3 388 222	2 658 653
National, International Networking & Capacity Building	810 872	805 211
Regional Structures Support	4 154 979	4 454 192
Thabiso Skills Institute	3 623 484	3 232 394
OVERHEADS	2 273 845	2 899 106
CAPITAL EXPENSES	87 349	97 407

	Rands 2020	Rands 2019
CAPITAL PROJECTS	21 181 490	22 935 454
Education Access Project	3 164 670	3 689 123
CIE projects implemented by CIE Education Services (Pty) Ltd	7 788 440	3 751 217
Skills Projects (NSF and other grants)	9 459 606	14 357 878
Third Catholic Schools' Congress		1 137 236
Purchasing of PPE for low fee independent schools	768 774	
TOTAL FUNDS ADMINISTERED BY CIE	38 813 679	40 583 337



Financial Statement 2020 continued

	Rands 2020	Rands 2019
ASSETS		
Current Assets	20 427 240	10 524 054
Accounts Receivable	25 604	19 253
Bank Balances	20 401 636	10 504 801
Total Assets	20 427 240	10 524 054

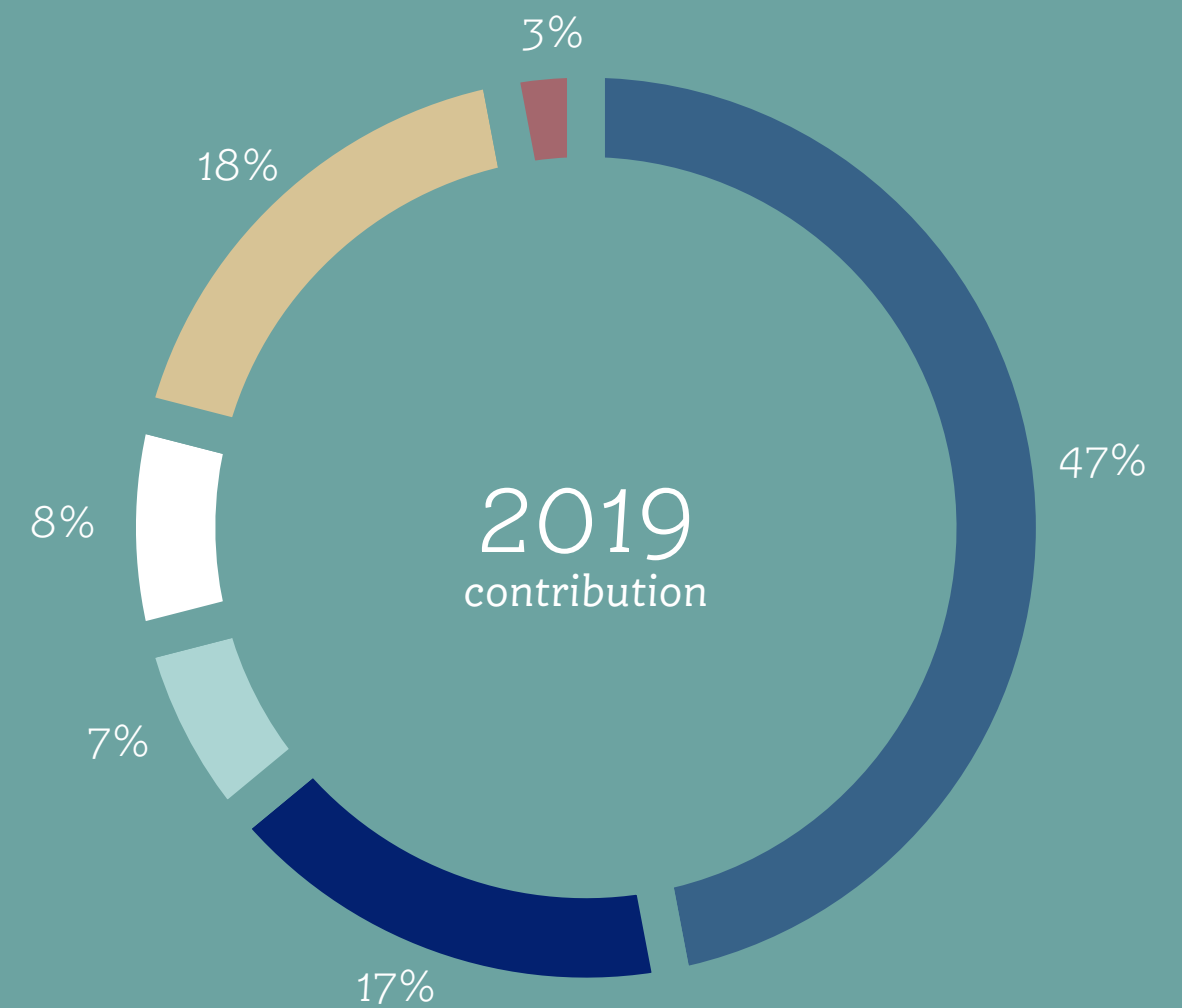
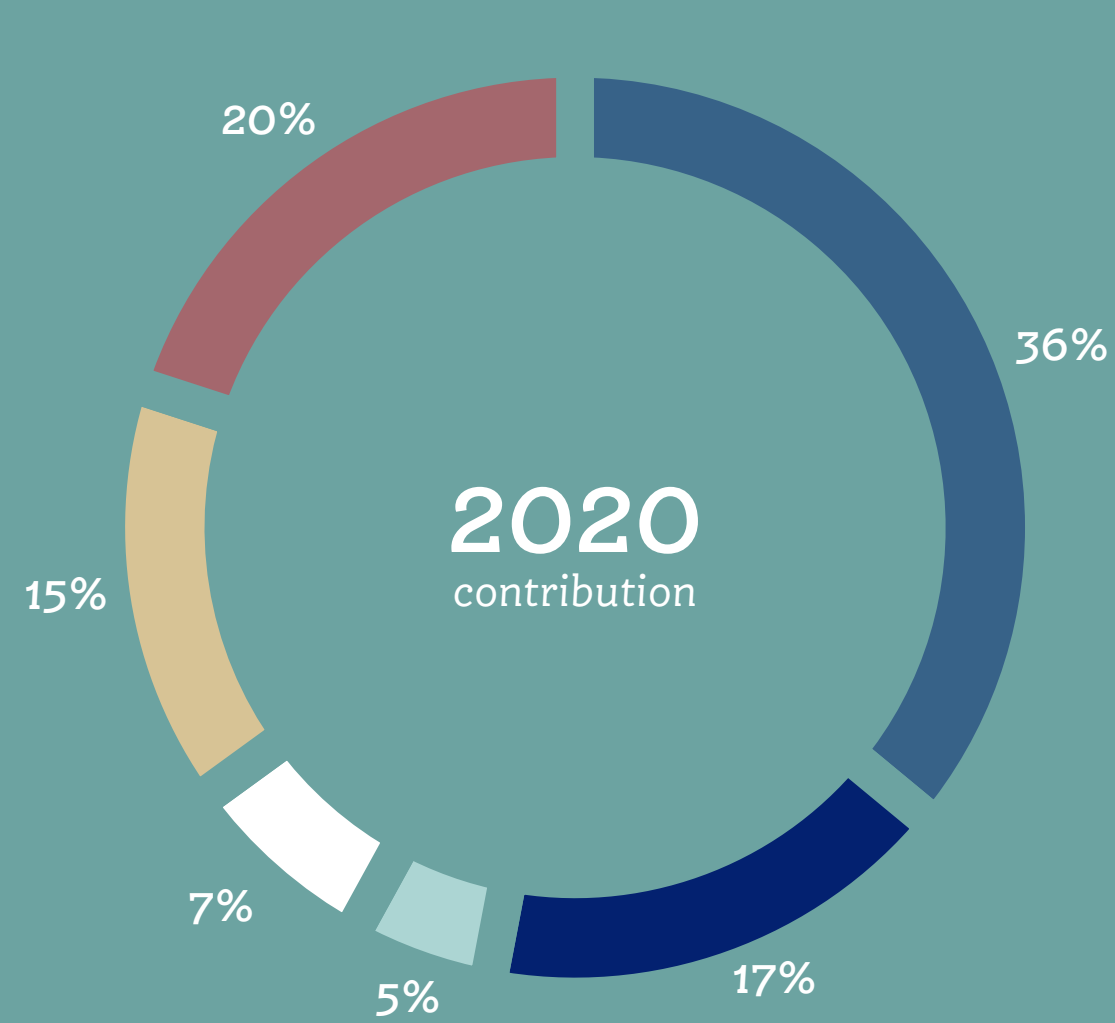
EQUITIES AND LIABILITIES		
Capital and Reserves	2 070 210	1 006 944
Surplus/(Deficit) for the year	1 062 659	476 887
Balance at the beginning of the year	1 007 551	530 057

	Rands 2020	Rands 2019
Current Liabilities	18 357 030	9 517 109
Loans from group companies	573 510	1 277 999
Grants received in advance	4 306 997	3 158 271
Provisions	381 778	254 986
Restricted Project Funds	13 094 745	4 825 854
Total Equity and Liabilities	20 427 240	10 524 054

CIE Sustainability	3 563 215	4 128 483
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Financial Statement 2020 continued

Catholic Institute of Education financed by:



● International Grants
● Local Grants
● Direct Giving
● Membership fees
● Administration fees
● CIE Sustainability

We thank our generous donors and partners who make our work possible including our anonymous donors

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Anglo American South Africa
Ambassadors for Good
Anonymous donors
B Smith
Bishops of various dioceses
BlissBrands – in kind
Catholic Relief Services
Chipkins Puratos (Pty) Ltd
Christian Brothers Congregation
Community Chest Western Cape

De Beers Fund
Discovery Fund
DG Murray Trust
Hanley SA Mooney
Italian Bishops' Conference
Iqraa Trust
Levies from Provincial Catholic School Boards
Misean Cara (facilitated by the Holy Family Sisters)
Individual donations
IE International

JP Morgan
Konecranes
Larsen & Toubro Infotech SA (Pty) Ltd
Leave Your Print Campaign
Merpak Envelopes
Megan Pydigadu
missio Aachen
Misereor
Mr I Motaung
V & P Moodley
National Skills Fund

North Eastern Cape Catholic Board of Education
Oxford University Press
Oppenheimer Memorial Trust
OVI Foundation NPC(donation in kind)
Religious Congregations providing staff and contributing to the work of CIE
Ponahalo De Beers Trust
Pick 'n Pay Retailers (Pty) Ltd
Salesian Planning and Development Office
Seshego Cares
Southern African Catholic Bishops Conference: Bishops Lenten Appeal Fund
Solon Foundation
Terre des Hommes Deutschland
The DG Murray Trust
Trudon (Pty) Ltd
Union Tiles
Graeme van der Walt