

The chair's report for the calendar year 2017

After the financially and organisationally turbulent 2016, the long-term AAGE strategy plan 2022 with the accompanying 8 objectives for 2017 was the key focus for the board as well as the school management. The first good news in the first quarter was that 2016 ended with a loss in less size than originally budgeted. 2016 ended with a loss of 2.7 million DKK and not the budgeted loss of 3.5 million DKK.

The budget was approved for 2017 expecting a small plus, but also requiring 5 million DKK in sponsorship.

At the general assembly in April several parents at the meeting were still worried about the future as well as many staff members. This feedback underlined the importance of the 8 key objectives for 2017, as the fulfilment of the objectives should lead to stability both financially and organisationally.

During the second quarter continuity was key:

- The chair of the board from 2016 was re-elected
- Only small changes to the board were made as three new parents were elected, and one continuing from previous years
- Financially the bank was positive towards the new budget and financial planning

The new school years in August started off at a calmer mood than the year before, and for first time ever the total number of children went above 300 and a few classes had waiting lists.

The budget made early in the year proved realistic and the cost reduction initiatives made in 2016 showed their validity (e.g. insource of cleaning).

The board had ongoing follow-up on the 8 objectives during the third quarter, and most areas showed progress as expected. It was decided to reduce the number of board meetings from monthly to bi-monthly to ensure that the school management is running daily operation and not the board.

In the fourth quarter, the board had a strategy session together with the school management. Together the focus areas for 2018 were defined in four objectives and related key activities. The first draft of the 2018 budget was made based on the 2017 experiences and the ambitions defined for 2018.

During the fourth quarter, the following was achieved:

- The 2017 budget was kept in control
- The ambition for having One Campus was initiated together with key resources from Aarhus Municipality
- Grundfos became a new sponsor for 2017 and 2018 after a dialogue to ensure space for the children a new candidate wanting to live in Aarhus
- A sponsor agreement was made with Aarhus University for 4 years

Full year status

On the 8 objectives for 2017 six were achieved, 1 partly achieved and one not achieved. The one not achieved was no. 6 "Build the image of AAGE – enable strong internal and external communication". During 2017 it was realised that building a brand for AAGE requires external support to ensure

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coherence in the way communication is done towards various stakeholders. This area is key for the 2022 strategy and is prioritised for 2018.

The objective partly achieved was no. 2 “Strong and controlled financials during the calendar year” as the cash-flow during especially Autumn 2017 was close to the limits, but it was never needed to ask the bank for additional financing.

The other 6 objectives were achieved as expected and this shows an improved ability to both plan and achieve what is planned in the board as well as in the management team.

The future

2018 has started well as the end year result of 2017 was positive for first time in many years. The budget for 2018 is balanced, and the board and school management have focus on the main areas: To further develop the school’s academic level and achieve the growth necessary. The main challenge for the board is to ensure the right investment in the school, the academic priority including the IB programme and balance this towards the budget and need in daily operation.

We will face challenges during 2018 as especially the number of children defines the financial freedom. We hope to be able to achieve close to 300 children in total by August 2018.

Two key strategic areas are the One Campus project that may define a new future if the ambition can be fully financed by foundations, and the ambition for 2018 to redefine AAGE’s brand and communication related to this, as a revitalised narrative for AAGE will support the long-term growth.

The board priority is to follow the 2022 strategy which focuses on the academic level, building the school’s reputation and keeping finances in control. Done right, these three areas supplement each other so the school management can continue the work on making AAGE a truly great IB school.