

ANNUAL
REPORT 2007



JET EDUCATION
SERVICES

MISSION

To provide market driven and knowledge based education and training programmes of a high standard in research and evaluation, project management and capacity building of people and organizations most in need.



VISION

To be the client-centred development agency of choice which aims to enhance the quality of life of poor and developing communities through quality education and training programmes.

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JET Education Services Annual Report 2007

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ANNUAL REPORT

In this year's Annual Report we reflect also on our fifteen-year history and consider the relevance of what it is we have achieved in terms of the original value proposition determined by the very diverse founding partners of the Joint Education Trust in 1992. In a move referred to by Nelson Mandela as "inspired by patriotism and vision" the partnership had one common goal in mind – to contribute meaningfully to the process of long-term fundamental change in South Africa's flawed and battered education and training system. The pages that follow map the path JET has taken in its quest for quality, relevance and equity transformation in education. It was a brave commitment to make at that time, requiring both courage and fortitude as there was no easy 'quick fix' panacea. It is still a brave venture today, partly because our knowledge of what actually is, is so much more informed by reality at the chalk face than it was at the outset. JET's motto of 'transformation through knowledge' is very apt – but while the truth shall set ye free, at first blush it can be mighty daunting!

Fortunately, JET people are inspired by the same value statement today as the founders were 16 years ago. JET aims for value in the form of large-scale transformational benefit that accrues to our whole society through transforming the quality of education and the relationship between education, ethics and the world of work. The target of this proposal was, and still is, our disadvantaged young people in poor communities, who lack the means to achieve this transformative benefit on their own.

In these reflections on what JET's metamorphosis means to it and to its partners, be they clients, funders, service providers or social activists, I was greatly inspired and challenged by an article that my daughter gave me by Roger L Martin and Sally Osberg, appearing in the Stanford Social Innovation Review – Social Entrepreneurship: The Case for Definition. (I commend it to all who are interested in developmental practice and quote from it as the catalyst to this reflection.) In the pages that follow you will read that JET has been described in many ways – as 'development agency', 'undeniable agent of change', 'simple grant-maker', 'project manager', 'social actor', 'informed innovator', 'a reflective and critical partner', 'management agency', 'expert service provider', 'knowledge driven guide', 'systemic modeller',



JEREMY RACTLIFFE

“congratulations on the improved performance in 2007...”

'developmental change agent' 'trustworthy fund holder', 'honest broker' and one that I really like, 'thought leader in education'.

All these descriptions cover aspects of JET's activities and all are, to a greater or lesser extent, true and correct.

But there is more to describing the JET metamorphosis.

Martin and Osberg describe three pure forms of social engagement: Social Service Provision, Social Entrepreneurship and Social Activism. "In the pure form, the successful social entrepreneur takes direct action and generates a new and sustained equilibrium; the social activist influences others to generate a new and sustained equilibrium; and the social service provider takes direct action to improve the outcomes of the existing equilibrium."

What distinguishes an entrepreneur? "The entrepreneur is attracted to suboptimal equilibrium, seeing in it an opportunity to provide a new solution, product, service or process. The reason that the entrepreneur sees the opportunity stems from his or her unique set of characteristics – inspiration, creativity, direct action, courage and fortitude." So the entrepreneur is inspired to engineer a permanent shift from lower-quality equilibrium to a higher-quality one. Having detailed these characteristics of an entrepreneur, Martin and Osberg define social entrepreneurship as having three components:

- "Identifying a stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own
- Identifying an opportunity in this unjust equilibrium, developing a social value proposition and bringing to bear inspiration, creativity, direct action, courage and fortitude, thereby challenging the stable state's hegemony
- Forging a new stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and, through imitation and the creation of a stable ecosystem around the new equilibrium, ensuring a better future for the targeted group and even society at large."

JET sees the unjust equilibrium in our educational landscape where 80% of our school children have to toil in poorly functioning and dysfunctional schools, while the other 20% are fortunate to do their learning in highly performing schools or at least moderately performing schools. We cannot let the 80% continue to languish in these dustbins of dysfunctionality with no possibility of lighting a flame of hope that things could be so different if we really chose to make them so.

JET is committed to finding the, as yet, unfound solutions to this problem. It sees this as the major challenge for all South Africans – and it has the knowledge to transform schools in poor and developing communities into centres of excellence with the committed and conscious involvement of the Department of Education and private initiatives and funders.

It will take 10 to 15 years to achieve – so a great deal of fortitude is required.

Yet, it needs to be known that even though it is from a small base, there are a growing number of flames of hope being lit in schools involved in JET's own operations and in those projects of both the private and public sector to which JET provides guidance, management mentoring, evaluation and research and 'thought leadership' in full measure.

In meeting this challenge head-on, JET is maturing into a fully fledged social entrepreneurial organisation.

How has JET fared over the past three years? It is clear that by any social profit measure JET's performance is fully in line with its hard-won reputation for being one of the leaders in school transformation and in terms of changing people's lives for the better, that is, where the development of people's knowledge, leadership capacity, ethical values and consciousness are the important measures of success.

However, good financial management and the achievement of positive financial results are essential to the life and continued existence of any organisation. This applies to PBOs (public benefit or social profit organisations) to exactly the same extent as any profit-oriented organisation – the difference is only one of definition.

- Profit organisations need to make profits to sustain themselves and rightly reward shareholders for the risk capital they have invested.
- Social profit organisations need to make surpluses to sustain themselves and extend their activities in the realm of transformational benefit to their chosen target groups in society.

The days of PBOs living a precarious hand-to-mouth existence are, thank goodness, beginning to change and funders are looking for sustainability in PBOs' activities. The founders of JET as a section 21 company had the good sense to set it up with a reasonable

fund of risk capital for it to weather the possible storms that often come up in the early years of the journey to sustainability. JET has had two good years following a really tough year in 2005. It is as well that the interest income flowing from the risk capital that was committed to JET allowed for a reasonable increase in reserves despite the operating loss in 2005.

The following table illustrates the past three years of progress and points to the need for replicating the good financial performance of 2007. Such continued good performance increases the flow of surplus funds from operations so that JET can invest more in its own ventures and the knowledge-base of its people. By doing so, JET can achieve its declared mission of transforming the performance of those schools that are currently providing education of such poor quality that they constitute a very significant obstacle to social and economic development while denying the majority of poor children full citizenship. In this way we will achieve our vision of enhancing the quality of life of poor and developing communities throughout our country.

Summarized INCOME STATEMENT	2007 OPERATIONS	2006 OPERATIONS	2005 OPERATIONS	2005 / 2007 TOTAL	AVERAGE PER ANNUM
1. JET Operating Income	17,393,306	16,498,262	13,557,508	47,449,076	15,816,359
2. JET Operating Expenditure	15,630,645	15,782,687	15,163,112	46,576,444	15,525,481
3. JET Surplus from Operation	1,762,661	715,575	-1,605,604	872,632	290,877
4. Add Interest on Risk Capital Employed	3,654,978	1,922,455	1,681,654	7,259,087	2,419,696
5. Add Grant Transfer from Founder		969,300		969,300	323,100
6. Net Surplus for the Year	5,417,639	3,607,330	76,050	9,101,019	3,033,673
7. Performance Incentive Payment for all JET people, included in line 2 above	1,121,021	395,000	-	1,516,021	505,340

The whole JET team, ably led by the Executive Committee members, needs to be congratulated on the improved performance in 2007. As can be seen in the table above, they each have been rewarded in 2006 and 2007 with a share of the performance incentive scheme designed by the Remuneration Committee and approved by the Board.

In closing, I would like to thank all my fellow Directors and all JET people, past and present, for the support they have given to this special enterprise. Their continuing commitment is essential for JET to achieve what it has set out to do – and I am very appreciative of their involvement.

Jeremy Ractliffe
Chairman



TRANSFORMATION IN EDUCATION

...the quest for quality, relevance and equity...

A 15-YEAR REVIEW OF JET EDUCATION SERVICES

JET Education Services has become a leading education development agency working across diverse partnerships with government, international and South African donors and service providers, to improve the quality of education and the relationship between education and the world of work. As we reflect on the past 15 years of our history, it seems both a short time and a long time. We have seen momentous change and significant progress in the South African education landscape. We have learned many lessons along the way. Yet today, the challenges we face in education remain enormous.

While government has succeeded in transforming the irrational and cumbersome administrative system it inherited in 1994 into a unified national education department, systemic weaknesses and management inefficiencies still hinder delivery at provincial, district and school levels. While the country has made huge strides in providing school places to almost 100% of children of primary school age and an increasing proportion of children of high school age, there is also evidence that we have done far less well on the dimension of quality in schooling.

The whole issue of providing a sound education foundation in reading, writing and arithmetic is linked – through secondary and tertiary levels – to the critical skills shortage that South Africa currently faces. The country's economic growth continues to outpace the education system's capacity to produce enough suitably qualified professionals and a workforce with adequate and relevant skills. As we deal with these challenges, we

also encounter enormous opportunities – to drive change and development towards an equitable system that provides a high quality of education and the kind of skills required in a modern economy for all South Africans.

Where We Began

As the momentum for South Africa's move towards democracy gathered force through the 1980s, business recognised that the developmental challenges facing the country at that time would require an extraordinary effort not only on the part of government but also by the private sector.

At the beginning of 1990, then president FW de Klerk made his historic speech to parliament, announcing the unbanning of the ANC and other political parties and the release of Nelson Mandela. Less than two weeks later the country's future president walked free after 27 years in prison. The process of South Africa's political transformation had begun. The country seethed with uncertainty,

with hope and fear; and above all, with opportunity. The Private Sector Initiative (PSI) was formed as a collaboration of South Africa's leading corporate businesses to help the transformation process. The aim was to ensure that the development of the country's people should keep pace with government-led developments that would be required to overcome the oppressive inequities of the past and transform the acutely deprived conditions in which the majority of South Africans had been forced to live.

The PSI approached Mike Rosholt, then chairman of the Urban Foundation, to raise funds from the corporate sector which would establish the PSI's financial contribution for socio-economic development.

By early 1991, the PSI had decided that its specific focus should be on transformation in South Africa's battered education sector and on improving the education system's ability to cater much more specifically to the requirements of the world of work. Rosholt and his Urban Foundation management team, headed by Brian Whittaker, won the commitment of 14 leading South African companies to invest R500 million (R1,6 billion in today's terms) towards solving one of the greatest challenges the new democracy would face – the restructuring of the country's education system.

This commitment from business was not wholly altruistic. Business knew that its future success would depend on well educated management and a skilled labour force, and on building a relationship with the emerging new government.

So, this investment from the corporate sector came with a number of provisos: that the scheme in which it would be used should have the approval of the community partners, and that it should be administered through a trust by a governing body which should be drawn equally from representatives of the PSI companies and a broad spectrum of constituencies, including the major political parties and trade unions.

In those early tentative days of the country's move towards democracy this was no easy task. The PSI's representatives began to engage with the country's recently unbanned political groupings (which had been operating in exile for more than 30 years), as well as leading trade unions, including the South African Democratic Teachers Union,

representatives of black business and the National Education Coordinating Committee.

Despite an initial air of distrust and suspected hidden agendas and after more

than a year of negotiations and debate, the ANC and the broad spectrum of organisations representing different community constituencies, accepted the commitment of business as sincere and the Trust Deed was signed. ■



We welcomed the formation of the Joint Education Trust in 1992... as a move inspired by patriotism and vision.

Former President Nelson Mandela addressing the Joint Education Trust Annual General Meeting, 1996

A Remarkable Partnership

So it was that the Joint Education Trust (JET) was established, in January 1992, on the cusp of South Africa's new democratic era. It was a remarkable partnership – that brought together leading private sector companies and political, education, labour and business organisations. The Trust was unique in respect of the breadth of interests

involved in it. It was unique too in setting an example to wider society that these diverse organisations with such different perspectives could work together.

Despite its diversity, the partnership worked from the first board meeting. Under the chairmanship of Mike Rosholt, the trustees agreed the organisation's mission, the areas in which it would focus its funding, and its modus operandi. The education environment that the Trust

stepped into in 1992 was one severely damaged by apartheid policy and years of political struggle. The urgent need for direct and practical interventions was huge. Black education, particularly in the main cities, had come close to collapse. The rallying call of the 1980s: 'liberation before education' had seen many of South Africa's youth – often talked of as the 'lost generation' – sacrifice their educational prospects to join the struggle. Matriculation pass rates were abysmal.

It was quite amazing how JET started off. We all sat in our respective corners of the boxing ring, but ranged on two basic sides: big business on the one, and those political, trade union and educational organisations representing communities on the other... Out of a candid examination and understanding of these positions, a working relationship developed. As a result, what started to happen on the JET Board was conducted based on trust... We developed a joint understanding that we were tackling the injustices of the past by looking to the future. JET was an undeniable agent of change.

Cheryl Carolus
Founding Member
of the Joint Education Trust (1992 – 1996)
In Education Pathfinders – A Short History of
the Joint Education Trust (2001)

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Of the country's 350 000 teachers, nearly a third were unqualified or under-qualified. Underlying all these problems lay an inequitable and ineffective school system.

JET set out boldly to contribute to the transformation of education in South Africa and the creation of a unitary, non-racial education system with equal access for all. In its mission JET defined its key objectives:

- To serve the development of the most disadvantaged groups in South African society;
- To mobilise and coordinate resources between the public, private and civil sectors;
- To improve the quality of education and the relationship between education and the world of work;
- To contribute to the process of long-term, fundamental change in the education and training system;
- To show measurable results.

The PSI funds were to be used in five focus areas:

- Early childhood development
- Adult basic education and training
- Vocational and further education
- In-service teacher training and development
- Youth development.

While some of these focus areas were aimed at improving public schooling – the heart of any national education responsibility – others took the Trust into fields which had traditionally fallen outside the mainstream scope of state education. In this way, the Trust's work would be complementary to the new education regime, rather than operating independently of government, as most non governmental organisations had done during the apartheid years.

It was also agreed that the Trust should fund existing agencies (NGOs) already working in its focus areas, rather than

attempt to develop the operating capacity for this internally.

Although the JET constitution made provision for alternating chairmen from the business and community partners, Rosholt remained in the chair until the establishment of JET Education Services in 2001. This bears testimony not only to Rosholt's exceptional leadership, but also to the degree of trust and commitment that was built up among the trustees from the beginning. (Today, Rosholt still serves as a member of the Board of JET Education Services and chairs the organisation's Finance and Audit Committee.) The strength of the extraordinary partnership that JET represented in 1992 proved fundamental to the organisation's early and continuing successes. ■

Choosing the Right People

By June of 1992, the Trust had chosen its first NGO partners and made its first grants. It soon became clear that a full-time secretariat would be required to handle the scope of work and the Trust set about recruiting suitable people.

Professor Chabani Manganyi, then vice-chancellor of the University of the North, was appointed the first executive director of the Joint Education Trust and Dr Nick Taylor as his deputy. Taylor had worked as a teacher for 10 years and as a maths subject adviser in Soweto before he joined the Education Policy Unit at the University of the Witwatersrand.

At the Wits EPU he was involved in the post-1990 National Education Policy Initiative which was formulating an alternative to the old apartheid system. It was from the EPU that Taylor was recruited to the Trust. In mid-1994 he took over the reins from Manganyi who had then been appointed director-general of the National Department of Education. Today, having guided JET through its own

transformation onto a path of financial sustainability, Nick Taylor still holds the position of CEO of JET Education Services.

But in 1992, it was Manganyi and Taylor who began to design the systems necessary for the efficient disbursement of JET funds and to formulate policies with the board to realise JET's objectives. NGOs were invited to apply to JET for funds and JET evaluated proposals in terms of its mission and the perceived needs in its focus areas.

As JET built up its own staff and internal expertise and extended its work with a growing range of NGOs, it came to play an increasingly influential role in guiding transformation not only in education but also in the NGO sector.

Over its first five years of operation, the Trust had disbursed over R350 million to more than 400 NGOs operating in its five focus areas. JET had supported the training of nearly 40 000 teachers to improve their maths, science and English skills and had reached more than 2.5 million learners, ranging from

JET had a clear focus right from the start... It has certainly been an overall success. Part of this success emanated from the quality of the people who were involved. Mike Rosholt, as chairman, was an exemplary leader... In the secretariat itself, we took great care to recruit the best possible people. I knew when I left to go into government that the Trust would succeed. The quality of staff would ensure that.

Professor Chabani Manganyi
Former executive director of
Joint Education Trust (1992-1994)
Now advisor to the vice-chancellor of
the University of Pretoria

pre-schoolers in early learning centres to adults attending literacy classes and from pupils in the most remote farm schools to disadvantaged students entering the country's top technical colleges and universities. ■

Early Lessons

By the mid-1990s when a lot of overseas funding previously channelled to NGOs was diverted into the new government's Reconstruction and Development Programme, JET was in a position to assist many NGOs with the financial support they required to continue their work. At the same time, the Trust saw the need for greater coordination and integration among NGOs, and for a greater sense of educational accountability as well as financial accountability. While most NGOs were accustomed to working as independent agents, outside the ambit of the state, and often in direct opposition to it, JET saw the possibility of reshaping this extensive resource of skills and experience to work cooperatively in large-scale service delivery, within the mainstream and in support of the new government.

The post-1994 education authorities also realised that JET, because of its position of influence and the work it was doing with education NGOs, could play an important role particularly in school education. So it was that the notion of partnership between JET and government began to take form. ■

Comment from Gail Campbell

We have worked with JET at three different levels: firstly, to provide external evaluations of Zenex-funded projects; secondly, as a resource providing us with strategic support, research and thinking on education; and thirdly, and more recently, to provide fund management and project management services.

At JET, we have found that the evaluation and research unit has a set of skills and background knowledge of the education sector that has proven very valuable in assisting our education development work. We see JET as a thought leader in education. Through its research, its own projects, and its work with government and with other funders, JET is very alert to the current challenges and issues in education. It has rich insights and a big picture perspective which the Zenex Foundation has been able to draw on. Over the years, too, JET has established a level of credibility and a sound reputation with government, NGOs and other stakeholders involved in education development.

The Zenex Foundation is totally dedicated to funding education. We have now developed a school development model which consolidates the learnings of past interventions into a more comprehensive holistic approach. Our aim is to establish schools in which learners can thrive, with competent teachers and effective governance and management systems in place. Nick Taylor in particular has assisted us in developing our strategy for investing in education over the next 10 years.

The importance of monitoring and evaluation to donors cannot be overstated. We can only move forward if we learn from what we have done. In this regard – and looking ahead to the next 15 years – JET has a wealth of skills and expertise to offer the donor community and to build on its already significant work in education development.

Gail Campbell,
CEO, Zenex Foundation

Educational Accountability

JET began to look for ways of systematising the activities of the NGOs with which it was working in its five focus areas, evaluating the impact of their work and introducing some form of quality control. This would move the NGO sector towards becoming a coordinated force for change, development and improvement.

JET conducted a survey in each of the sectors in which it was involved – to map the field and understand the strengths and weaknesses of different agents operating in these areas. Then, in discussion with other players in the NGO and government sectors, JET began to

develop mechanisms which endeavoured to link NGO delivery to the changing public education system and the emerging qualifications framework.

In addition, the evaluation of the impact of NGO programmes provided an invaluable mechanism for guiding the development of new and innovative approaches to some of the country's most difficult education problems.

It was most of all in teacher development that JET's insistence on educational accountability made a real difference. Evaluations that had been

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conducted by the NGOs themselves had tended to be more qualitative than quantitative and to focus on the perceptions of the direct beneficiaries, rather than on their impact in the classroom – on learners' performance.

In 1995, JET's quest for measurable results and its move towards an insistence on quantitative evaluations of the impact of NGO programmes it was funding, marked the beginning of its involvement in rigorous evaluation. This quickly became one of JET's major strengths. The organisation has come to be regarded as a leader in the field – using research and evaluation to guide continuing development interventions. ■

Financial and Administrative Accountability

These developments relating to educational accountability were supported by JET's insistence on full financial and administrative accountability from its grantee NGOs. The secretariat had developed an exemplary system of selection and control procedures for dealing with NGOs applying for grants. It had also set up a computerised project tracking system and a formal procedure of regular site visits by project officers and regular reporting on the financial and administrative aspects of every JET-funded project.

As JET pursued its goals, the organisation began to establish itself as an important element of South Africa's education. ■

The genesis of JET in the early 1990s was a groundbreaking initiative by the non-governmental sector and it has made an enormous contribution to generating attention to informed innovation and quality performance in education.

Naledi Pandor, former chairperson of the National Council of Provinces, JET's vice-chair from 1996 to 2000, currently Minister of Education addressing the Annual General Meeting of JET Education Services 2004

Partnerships for Change

From the mid-1990s too, foreign donors keen to contribute to transformation in South Africa's education system increasingly sought out JET as a partner – as a reputable fund manager and project manager and for its growing influence and emphasis on the importance of evaluation and the need for systemic change in education. They chose JET also because the composition of its Board of Trustees provided a politically legitimate base, as well as the perspectives of a broad spectrum of civil society actors, and because of the Trust's deepening relationship with government.

JET took on the role of making partnerships happen. By 1996, it was acting as an intermediary organisation, providing a conduit for funds, including international bilateral aid, promoting partnerships between the public, private and NGO or civil society sectors, and developing, managing and evaluating projects. It was learning to tackle big problems in a big way.

Off the base of the original R500 million of funding from the PSI, the Trust leveraged an additional R680 million from international donors such as USAID, the European Union, the UK's Department for International Development (DfID), the Danish International Development Agency (DANIDA), the Royal Netherlands Embassy, the Ford Foundation and the Kellogg Foundation.

Early large-scale partnership projects in which JET played a central role through the late 1990s and early 2000s included, among others:

- The President's Education Initiative (PEI), 1997 – 1999, funded by DANIDA with a grant of R13 million for the largest education research project on the state of public schooling to date in South Africa. JET was engaged by DANIDA to manage the project and also contributed to the research, which led to the development of a number of major school improvement partnerships between government and bilateral donor agencies.
- Imbewu, 1998 – 2000, the R75 million DfID funded systemic school

development programme that worked across 523 schools in the Eastern Cape;

- The District Development and Support Programme, 1998 – 2003, funded by USAID and providing more than R120 million in grants for a district and school support programme reaching 460 schools in selected provinces;
- The Workers Higher Education Project, with grants totalling R10 million from the Ford Foundation and Kellogg Foundation, which were given to JET to set up the project to encourage the private and public sectors to cooperate in improving access to tertiary education programmes for working adults.

In 1999, the wide-ranging research conducted in the PEI was collected into a book, edited by JET's Nick Taylor and Penny Vinjevoold (then with JET, now Deputy Director-General in the National Department of Education). The publication of Getting Learning Right provided a major impetus for the review of Curriculum 2005 – a fact acknowledged by then Minister of Education Kader Asmal in his address to the JET annual general meeting in 2000. In fact, the book anticipated the findings of the Curriculum 2005 review by more than a year.

Asmal described JET as the kind of "social actor" South Africa needs to deepen its democracy, the kind of organisation that plays its part in helping to change policy as much as they help to deliver on it, operating "not as an organisation merely mouthing government policy and providing a service according to someone else's design, but as a reflective and critical partner... I think JET is already a good example of how we as South Africans are beginning to work out the notion of a common citizenship."

JET's subsequent publication, in 2003, of Getting Schools Working, resulted from its further research on school development which investigated different approaches being used and sought to identify and understand the critical factors that make effective schools work. ■

Towards Sustainability

The Trust's move towards financial sustainability – and independence from its original trust funds – was seeded in the organisation's founding agreement. From as early as 1997, JET began to cover a growing proportion of its operating costs from income derived through its non-grant-making work – from fees received for project and financial management undertaken on behalf of foreign and local funders, including government, and from its increasingly valued research and evaluation services. This percentage rose to 45% in 1998 and 74% in 1999. In 2000, for the first time, the Trust covered all its operating costs from fees received for its services.

JET had come to be regarded as the premier management agency for large education quality improvement projects.

As a provider of expert services in education development, it could grow beyond its initial dependence on PSI funding towards earning its own keep and becoming financially self-sustainable.

In order to preserve the wealth of knowledge and expertise that JET had built up, to carry forward the work begun by the Trust and build on its achievements, the trustees decided to create JET Education Services, as a new non-profit entity, in 2002.

For a period of a further four years, JET and JET Education Services continued operating in tandem as projects initiated with the Trust were concluded while JET Education Services took on new projects as an independent education development agency. In 2006 the affairs of the Joint Education Trust were wound up and all its residual assets were transferred to JET Education Services. ■

The best way of looking at JET is to see it as part of the incredible journey upon which South Africa embarked in the early 1990s. It's by no means been an easy ride – for the country or for JET. But JET's metamorphosis from a simple grant-making function to the direct management of huge educational projects has been made.

Margie Keeton, CEO of Tshikululu Social Investments, Former board member of the Joint Education Trust and JET Education Services, 1997 to 2006
In Education Pathfinders – A Short History of the Joint Education Trust (2001)

Comment from Penny Vinjevoold

One of the things JET does best is to provide information on what's happening in our schools – through reports on research studies and projects and in the form of short papers. In this way, JET continues to play a very important role in the education sector.

It is also widely regarded as a trustworthy fund holder, an honest broker, handling and distributing funds for different organisations to specific programme interventions.

JET has a long-standing reputation for providing valuable, soundly researched information. One of the most valuable aspects of JET's research is that much of it comes from the organisation's first-hand experience of managing projects on the ground; it gives us a true picture of how schools, teachers and learners, and the wider system, are functioning.

Ten years ago, the information that came out of the JET-managed President's Education Initiative revealed many new perspectives on the public schooling system. It shook up ideas and generated a lot of debate. Many of the lessons that came out of the PEI have been taken up over the intervening years and integrated into developments to improve the schooling system.

What we need now is continuing research, with a more focused approach. There's a lot we already know about our

schools, about what's working and what isn't. We know, for example, that we're not making the grade in achieving required levels of literacy and numeracy in early schooling; we know that teachers' content knowledge on curriculum subjects is a widespread weakness.

What we need to know is: How do we make the necessary improvements? We need more nuanced research to tell us, for example: What content knowledge do teachers have? Where are the gaps? Which teachers in which schools lack adequate content knowledge, and in which learning areas? What are the best steps to be taken to improve content knowledge?

We can learn from looking at the success stories of those schools that defy the odds of working in very poor communities with extremely limited resources to produce outstanding matric pupils and excellent pass rates. What have those schools done to give their teachers the content knowledge they need? What distinguishes these schools and these teachers from others? What other factors are at play – influencing teaching and learning?

As such questions emerge, JET is well placed to search for the answers. With this kind of knowledge-driven guidance, we can move forward in improving the public schooling system.

Penny Vinjevoold, Deputy Director-General, National Department of Education former general manager at JET (1993 - 1997)

EVALUATION AND RESEARCH DIVISION

Since its inception in 2001, the Evaluation and Research Division (ERD) has been guided by JET's mission: To provide market driven and knowledge-based education and training programmes of a high standard in research and evaluation, project management and capacity building of people and organisations in need. Guided by this commitment, the ERD has aspired to:

- Grow and pursue leadership in the evaluation and research industry in South Africa.
- Create new opportunities to leverage the JET Education Services and the ERD brand both nationally and internationally, with joint ventures as preferred entry strategies into the yet to be tapped SADC market.

- Contribute to a body of knowledge in the area of schooling, both in terms of teaching and learning at all levels of the education sector (i.e., the primary, secondary and Further Education and Training (FET) levels).

The division's evaluation and research activities are designed to be formative in order to maximise lessons for future work and have a positive impact on the education system. It is important that our research and evaluation activities identify patterns emerging from our casework, establish the extent of the impact our work has, and communicate our findings and achievements to stakeholders. The knowledge derived from the ERD's work ultimately shapes JET's own programmes, while at the same time, directs funders

and donors in the design of development projects, whether they be in general education, further education or higher education.

The ERD, which grew from the early work of Penny Vinjevoold and Dr Nick Taylor to a formal division within the organization under the leadership of Anthony Gewer and then Dr Jackie Moyana, now consists of a nine-person in-house team of researchers and information analysts. The ERD has contributed significantly to knowledge creation within the South African school reform, educator development, higher education, and further education and training sectors. ■



The Way Ahead

The work of JET Education Services today is targeted in three broad sectors: school improvement, workforce development and higher education – improving the quality of teaching and learning in South Africa's public schools, providing skills training to adults in the workplace, and promoting socio-economic relevance and employability as key considerations in higher education and vocational training.

JET has found its strength in managing large projects, often involving several partners, and in providing the critical elements of research and evaluation to guide and measure development interventions, particularly in the schooling system.

Over its years of involvement in many of the major school improvement programmes since 1994, JET has developed and continues to refine, a systemic model for interventions aimed at improving schooling. Essentially this model recognises the need to align any intervention with government's own agenda, to respond to an assessment of existing circumstances (which may be quite specifically localised), and to address

the schooling system holistically, not only at the school or classroom level but also at district and provincial levels, to build capacity in the structures that support education delivery. In JET's experience, random interventions that do not regard the whole system in this way are not likely to be sustainable beyond the life of the project.

JET has tested this model in a number of projects. Its own Mahlahle project in Limpopo (2000 – 2004) was one of the first in the country to begin with a proper baseline study, including assessment of learner performance in literacy and numeracy, as well as institutional audits of the project schools and district offices. The planning of project interventions was based on these results and sharing them with all project participants created a common set of aims and expectations. The baseline also provided a benchmark against which to monitor progress and measure impact.

The Quality Learning Project (QLP), 2000 – 2005, funded by the Business Trust with a sum of R139 million, was a major multi-level school reform project, involving 500 secondary schools nationally, and was managed by JET. The

independent evaluation of the project in 2005 noted improvements at each level of intervention: in district development, school management and governance and in learners' performance.

With results that endorse its effectiveness, JET has adapted its model to other projects, such as the DfID funded seven-year Khanyisa programme with the Limpopo Department of Education (2003 – 2009); the Mveledzandivho Project, a joint initiative of BHP Billiton Development Trust and the National Department of Education in selected schools (2004 – 2008); and, at a smaller scale, in the Centres of Excellence Project working with 35 schools in the Mtawelanga circuit of the Cofimvaba district in Eastern Cape.

As transformation in South Africa's education system continues amid increasing demands for professional and technical skills to sustain the country's economic growth, JET continues to face the challenges and grasp the opportunities of improving education and its relationship with the world of work. In this way, JET continues also to make a real difference in the lives of some of South Africa's poorest citizens. ■

ERD's Successes



Published Research

Among the outstanding successes of the ERD was the authorship of two flagship research-based books, namely *Getting Learning Right*¹ and *Getting Schools Working*. These books, particularly *Getting Schools Working*, are recognised as important contributions to the school development research landscape and opened new collaboration avenues for the ERD both locally and abroad. As a result of these new opportunities, two members of the division were invited to participate in an international team of researchers that documented good teaching practices in 16 countries. ■

¹ Taylor, N. & Vinjevoold, P. (1999). *Getting Learning Right: Report of the PEI Research Project - JHB: Joint Education Trust*
² Taylor, N., Mulle, J. & Vinjevoold, P. (2003). *Getting Schools Working*
 Cape Town: Pearson Education South Africa

Learner Testing

The area in which the ERD has developed a strong competitive advantage, and in which it has achieved its foremost success, is learner testing. Due to the widespread use of JET's literacy, numeracy/mathematics and science tests in schools, the tests are in great demand in the education fraternity. JET's first tests were developed in 1999 in collaboration with the Stichting voor Leerplanontwikkeling (SLO) and the Centraal Instituut voor Toetsontwikkeling (CITO) of the Netherlands. The tests were subsequently administered in over 500 schools for JET funded projects. In 2004, due to the call by the then newly appointed Minister of Education, Naledi Pandor, to align all

privately administered learner tests with the National Department's Systemic Evaluation tests, JET revised its Grade 3 and 6 learner tests accordingly. These tests have since been widely used in the division's evaluation work in three national projects. What gives JET's tests the edge is the fact that the tests are diagnostic. Our numeracy/mathematics tests are diagnostic in two senses: according to specific skills (e.g. addition of whole numbers, ordering of decimals); and according to levels of difficulty (i.e. whether learners are performing at levels expected of Grades 2, 3, 4, 5, 6 or 7 learners). The literacy/language tests assess learners' proficiency in three key learning outcomes – reading and viewing, thinking and reasoning, and

continued ▶

continued ▼

writing. This is achieved by testing learners' ability to engage with three kinds of texts: narrative prose, expository prose, and non-narrative texts such as timetables or maps. Our science test is able to assess learners' competence in three areas of scientific knowledge: scientific investigations, constructing scientific knowledge, and science, society and the environment, tapping into two key scientific domains – natural science and technology.

The testing instruments used were developed with the full participation of National Education Department officials, ensuring that the alignment of the tests to the National Department's Systemic Evaluation testing instruments is authentic. The use of these tests, along with JET's reputation in the field of evaluation, led to the organisation, and specifically the ERD, being approached by the National Department of Education to provide technical assistance to revise and improve their Systemic Evaluation Grade 3 learner tests. In addition, the ERD is busy building up an item bank so that the same tests are not reused continuously. This is especially important for longitudinal cohort studies. ■

Taking a Lead in Consolidating Research

A highlight for the ERD in 2006 was the establishment of a Consortium for Research on Schooling. A weekend seminar was held in April 2006 in Stellenbosch, with the purpose of examining evidence arising from several different research initiatives so as to be able to draw conclusions regarding future directions for research on schooling. The seminar programme was organised around three kinds of studies: school effectiveness studies, which examine correlates of learning in the home, the school and the classroom; school improvement studies, which evaluate school development programmes; and large scale educational assessments, e.g. TIMSS³, PIRLS⁴ and SACMEQ⁵. ■

³ Trends in International Maths & Science Study

⁴ Progress in International Reading Literacy Study

⁵ South African Consortium for Monitoring Educational Quality

internship programme

Research Skills Development

Concern at the dearth of research skills in the education sector, and the absence of career paths for newly graduated young people led the ERD to launch, an exciting initiative in 2007 – an internship programme for psychology graduates from Wits University specialising in education research.

JET offered four work placements to three newly graduated BA students and one Masters student with an academic background in quantitative and qualitative research methods in the social sciences. The three BA interns have been employed at JET for two-years, whilst completing their B.Ed (Hons) degrees.

The fourth intern, a Masters student, was employed for a one-year period to fulfill the requirements of the Health Council Professions of SA (HCPISA) and her Masters research. JET is now recognised as a provider of research internships by the HCPISA.

The internship programme has been successful at various levels. One intern is now working full time in the ERD as a project officer, whilst another is moving on to her Masters in Research. In this way, JET has contributed to developing research skills in a scarce skills area. From an organisational point of view,

the ERD previously outsourced at least 30% of its budget on fieldwork and test administration, scoring and marking.

The involvement of the interns in a number of our projects has reduced the need for JET to outsource these activities. The interns have also proved to be valuable assets to project managers, assisting with data cleaning, analysis and report writing, thereby enabling project managers to meet their deadlines more effectively. (Interestingly, the current divisional manager began her career at JET as a research intern in 2002). Also in 2007, ERD established strong relationships with both local and international experts in educational measurement to assist us in improving our test development skills.

A psychometrist based in Australia, Dr John Barnard, is continuing to assist our statistics team with conducting Rasch analysis. This is an important statistical technique that will continue to greatly strengthen the services offered by the ERD.

As a further contribution to research skills development, the division has recently branched into providing training for other organisations on statistical analysis using STATA. ■

successful...



Building on Past Work

The ERD has been involved in a myriad of evaluation projects over the years. Recently we have begun applying the lessons learned in these evaluations to the current work that JET does.

One of the division's goals of contributing to the knowledge base of educationalists and researchers alike is coming to fruition. 2008 is thus the year for knowledge consolidation.

One of the ways the ERD will achieve this is through undertaking secondary analyses using the plethora of data sets in the division's possession.

These data sets have been minimally mined, and much can be still be learnt from them.

Secondary analysis (and meta-evaluation) will be carried out with three objectives in mind:

- building models for school development,
- improving evaluation designs and approaches used by the ERD, and
- contributing to policy dialogue for the benefit of the clientele and the education sector in general.

Such work will also be a key marketing tool for the ERD and for JET as a whole.

In order to obtain funding from the JET Board, the ERD held an internal workshop to identify the areas which would result in the most meaningful contributions to JET's work. The key research areas of focus identified for

2008 are:

- **Research Area 1:** What trends emerge from learner performance: which schools overachieve and what are the factors responsible for this achievement?
- **Research Area 2:** Lessons from the Bitou 10 project.
- **Research Area 3:** How is learner performance and teacher performance linked?
- **Research Area 4:** Trends in the Numeracy Challenge and Systemic Evaluation studies: what should interventions focus on?

Our work in these areas will be presented at the Association for the Study of Evaluation and Assessment in Southern Africa Conference to be hosted by the Centre for Evaluation and Assessment, University of Pretoria in July. ■

Overview

The Division is staffed by 5 full-time members and 4 interns, while the CEO spends half his time working on ERD projects

The ERD had over 30 active projects on its books for 2007. This demonstrates our capacity and ability to manage a range of projects simultaneously, and is evidence of the demand for our services by donors, governments and institutions. The main projects for this period are summarised in the table below.

Development Strategy

The ERD's development strategy is based on the premise that a lifelong learning culture is a cornerstone of sustained competitive advantage for an organisation such as JET Education Services, which

aspires to be a cutting-edge role player in its industry. The success of the ERD in implementing this strategy over the past few years speaks for itself. Much of the business that comes to the ERD is based on word of mouth.

Our work is in great demand and is important for schools, teachers, learners, parents, policy makers, donors and even service providers and researchers.

The Future

The ERD is slowly moving into more large scale and longitudinal studies. This is advantageous in two respects. Firstly, it will have the effect of strengthening the overall research design and the quality of our work. Secondly, it will assist in ensuring that the Division's financial position, which was strong at the end of 2007, will be maintained.

JET ERD PROJECTS & FUNDERS 2007...

PROJECT	JET'S FOCUS	FUNDING SOURCE
Media in Education Trust (MIET) / Education Development and Support Centre (EDSC) Evaluation	Testing of Grade 3 learners in 28 schools as part of the external evaluation of the MIET EDSC project in the North West.	ZENEX FOUNDATION
Sisonke Inclusive Education Project	Research coordinator for the project which developed the human resources development strategy for Inclusive Education in line with White Paper 6.	SWEDISH INTERNATIONAL DEVELOPMENT AGENCY (SIDA) VIA THE NATIONAL DEPARTMENT OF EDUCATION
SYSTEMIC EVALUATION (SE)	Data collection, capturing, analysis and reporting of the SE Grade 3 numeracy and literacy data.	ZENEX FOUNDATION
Integrated Education Program - Learner Testing	Learner testing of the different cohorts (C1-3, C4a and C4b) in the IEP's school development programme.	USAID
Integrated Education Program - Master Teacher Testing	Data analysis and reporting on the impact of the IEP on master teachers who attended residential training.	USAID
Integrated Education Program - Classroom Observation	Classroom observations in a sample of IEP schools to provide information on classroom practices.	USAID
Integrated Education Program - Technical Assistance	Technical assistance to the National Department of Education in terms of data analysis, development of a manual and training in statistical analysis.	USAID
Further Education and Training Colleges Tracer study	A tracer study of Engineering and Business Study students from four FET Colleges in South Africa to gain information on graduate employability and decision making.	JET
Education Quality Improvement Partnerships (EQUIP) Programme - Xtrata	External evaluation of the project to improve the quality of schooling by intervening in the areas of governance, management and teaching.	NATIONAL BUSINESS INITIATIVE (NBI)
Accelerated Programme for Literacy, Language and Communication (APLLC)	External evaluation of the APLLC project to improve reading, writing and literacy skills in all public schools in Gauteng.	JET
Mindset / Zenex	External evaluation of the Mindset project to improve the teaching and learning of mathematics and physical science in Grade 10 and 11 by using computer programmes.	ZENEX FOUNDATION
Khanyisa - Monitoring & Evaluation	Learner testing of Grade 3 and 6 learners in over 200 schools and assessing teaching practices in 24 schools in the Limpopo Department of Education's school development project.	DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (DFID)

PROJECT	JET'S FOCUS	FUNDING SOURCE
Royal Netherlands Embassy (RNE) National School Effectiveness Study	Longitudinal research study in 300 schools to identify factors in homes, schools, classrooms and the bureaucracy that result in improved teaching and learning.	RNE
Family Literacy	Baseline study in 5 schools targeted for the intervention in the Cofimvaba district of the Eastern Cape	NATIONAL LOTTERY
Absenteeism Study	Technical assistance for a study to determine the prevalence and the causes of learner absenteeism in South Africa.	DEPARTMENT OF EDUCATION
Improving the Capacity of Agricultural Training and Education Programme (ICATE).	A tracer study of graduates of four Agricultural Colleges since 2001.	NETHERLANDS ORGANISATION FOR INTERNATIONAL COOPERATION IN HIGHER EDUCATION. (NUFFIC)
Bitou 10	Evaluation of the effectiveness of the Bitou 10 project.	JET
Zenex School Development Programme Evaluation	External evaluation of the Zenex Foundation's district support programme in Gauteng, Western Cape, Limpopo and KwaZulu-Natal.	ZENEX FOUNDATION
South African Qualifications Authority (SAQA)	Study to identify articulation possibilities in relation to the new National Senior Certificate, the National Senior Certificate - Vocational and the Occupationally based Further Education and Training Certificate.	SAQA
QIDS UP Johannesburg North	Analysis and reporting on baseline testing of all grade 4 learners in all schools in Johannesburg North district for the Quality Assurance Directorate of the Gauteng Education Department.	GAUTENG EDUCATION DEPARTMENT. (GDE)
Numeracy Challenge	External evaluation of the GDE's annual Numeracy Challenge in all public schools in Gauteng.	GDE
Carnegie Foundation	Monitor Wits University's programme to develop a new generation of black and / or female academic staff and to transform institutional culture.	CARNEGIE FOUNDATION
Beyer's Naude School Development Programme (BNSDP)	Baseline study in 10 project schools.	KAGISO TRUST
Mvele Research Management	Coordinate the research activities of the Mveledzandivho project.	BHP BILLITON

SCHOOL DEVELOPMENT & SUPPORT DIVISION

The School Development and Support Division (SDS), has the following MISSION and VISION, in keeping with the overall mission and vision of JET:

vision

To be a developmental change agent that transforms schools in poor and developing communities into centres of excellence.

mission

To work closely and in partnership with government, international development agencies, the private sector and non governmental organisations to improve the quality of education in poor and developing communities.



The overall goal of the division is thus to develop and strengthen the critical skills and competencies required for economic growth and sustainable development by offering learners and their communities unique differentiated packages of school development and support.

The project management skills of the division have been noted by both national and international funders and JET has a good track record of delivery in these projects as well as the ability to forge relationships from school through to national level.

Fifteen years of school development and support

JET has worked in the school development and support arena since its founding fifteen years ago, first as a funder of education projects, and, for the past eight years as a project management agent. During this time, school development has taken many forms, with local and bilateral donors investing huge amounts of funding into improving schooling in South Africa.

This work serves two important functions: to provide improved service to hundreds of thousands of the country's poorest learners, and to pilot school improvement approaches which government can then take to scale. ■

Key Challenges to School Improvement Efforts

Using past and present research from JET projects as well as external projects evaluated by JET, SDS has done extensive investigation into what works in schools to bring about positive results, and has identified the key challenges to school improvement efforts as being the following:

LEVEL	KEY CHALLENGES
Management Level	<ul style="list-style-type: none"> • Non-existence of coherent visioning and strategy. • Poor time management- school days and time spent learning. • Poor monitoring of curriculum delivery. • Deteriorating teacher & learner welfare.
Teacher Level	<ul style="list-style-type: none"> • Incomplete curriculum coverage. • Low pitching of teaching. • Confusion about teaching methodologies e.g how to teach reading. • Poor teacher content knowledge.
Learner Level	<ul style="list-style-type: none"> • Learner reading, maths and science competences are low. • There is very low frequency and quality of reading exercises. • Writing exercises are infrequent and low quality. • Learning resources such as text books are under-supplied or –utilised.

Key areas of Intervention

Knowing what the challenges are has led to the identification of the key areas of intervention, and the activities necessary to bring about improvement in each of these areas, as detailed in the table below.

LEVEL	AREAS OF INTERVENTION	ACTIVITIES REQUIRED
Management Level	• Creating coherent visioning and strategy	Using information to plan and advocate school improvement
	• Human Resource Management	Allocation of teaching staff, managing teacher and learner absenteeism and time on task
	• Curriculum Management	Setting and monitoring curriculum delivery in schools
	• School Review	External and school self evaluation
	• Teacher & learner welfare	Managing the impact of HIV&AIDS in schools/ dealing with learners in distress
	• Information and Communications Technologies (ICT)	ICT planning, resourcing and training.
Teacher Level	• Curriculum delivery systems and methodology	Implementing Common work-schedule and assessments Introducing effective teaching methods in e.g. reading
	• Improving teacher content knowledge	Extended Subject training
Learner Level	• Learner reading, maths and science competence is low	See teacher-level focus areas
	• Low frequency and quality of reading exercises	Encourage learners to read extended passages in class and at home
	• Writing exercises are infrequent and low quality	Ensure that learners are given relevantly pitched extended writing exercises frequently
	• Learning resources under-supplied or -utilised	Provision of minimum reading materials and textbooks

Model and Approach towards Intervention

On the basis of previous experience and lessons learned, SDS has developed a model of school improvement for addressing the challenges of poor quality teaching and learning in the majority of the country's schools. This model is adapted to suit a variety of school and district contexts.

This is a whole-school development model, as outlined in the diagram below.

The model consists of five elements, each of which plays a unique and essential role in the school improvement process:

These are:

1. The District Office
2. The School Governing Body (SGB)
3. The School Management Team (SMT)
4. Teaching staff
5. Parents

1. The **District Office**, which falls under the provincial education department, is the first essential element in the process, and needs to assist with identifying schools to participate in the project, based on the project parameters. In addition, the District Office must ensure that the selected schools are sufficiently resourced (both human and physical resources) so that the project has the highest possible chance of attaining the project objectives.

Furthermore, it must assist with formally creating lines of accountability and individual reporting structures and formats. Clear expectations as to what is required from the schools have to be formulated based on clearly defined roles and responsibilities of the various stakeholders participating in the project.

2. The **SGB**, which consists of the school principal, elected representatives (parents, educators, other staff members, and learners in grade 8 or above) is responsible for the overall governance of the school and must therefore be involved in the process.
3. The **SMT** comprises the Principal, the Deputy, and Heads of Department. This committee is responsible for the day-to-day management of the school. It assists the Principal and the HODs to implement and manage the curriculum, while the teachers are responsible for curriculum delivery. The principal, responsible for the implementation of the curriculum, is required to provide a term report to the District Office detailing the academic achievements of the learners with remedial solutions for under- or non-performing learners. The HODs manage the delivery of the curriculum by the teachers in each department.
4. **Teachers** deliver the curriculum based on the content of the National Curriculum Statement (NCS).
5. The idea of incorporating the **Parents** into school improvement efforts arose out of current research detailing the important role that parents can play in providing a home environment that is conducive to a culture of learning and teaching. Parents can provide guidance and support to their children by, for example, seeing that homework is completed and assisting them to prepare for various assessments. Parents are being increasingly encouraged to create a culture of reading at home to enhance the lessons learnt at school. ■



Principles for consideration in designing School Development Projects

JET has learned from experience that there are several principles that play a part in ensuring the success of school intervention projects.

These are:

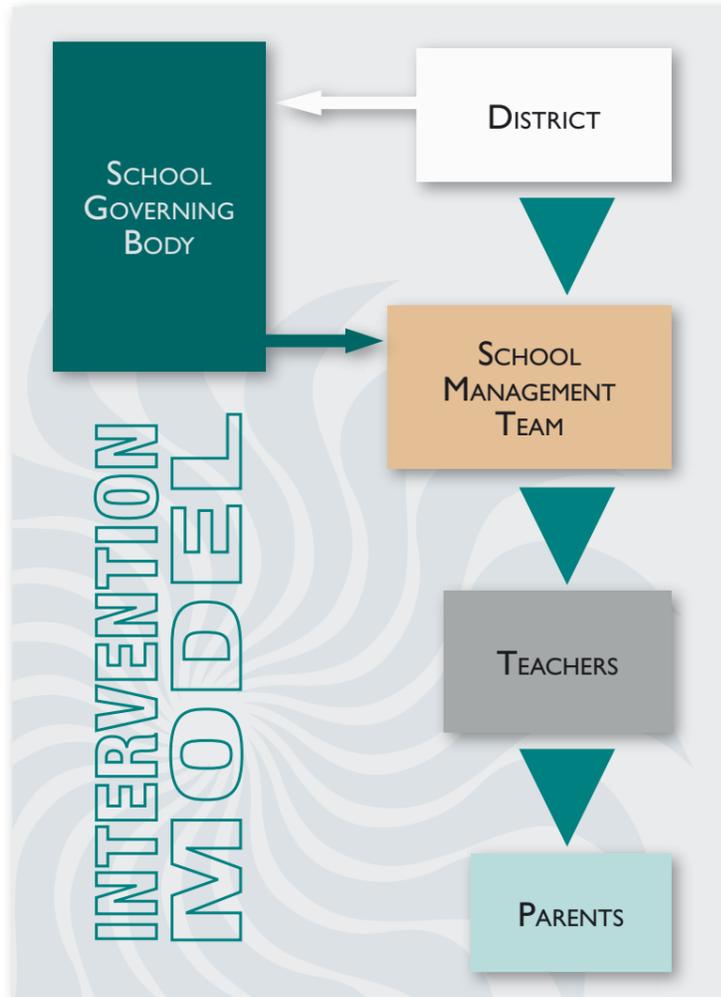
Maintaining a balance between individual and sector improvement • Successful school development projects require a balance between achieving better learner scores and the broader educational good. In spite of the pressing need to show an increase in scores, the importance of education that produces good citizens who are not only skilled but possess the right attitudes and values should not be overlooked.

Adopting a systemic approach vs. project approach • Careful choice should be made between 'systemic' and 'project' intervention approaches. The former links macro and micro aspects so that they reinforce each other to develop sustained changes in the schooling system as a whole, while the latter seeks to achieve dramatic increases at individual school levels. While district and circuit involvement are implied in the systemic approach, particularly in large scale interventions, this approach can just as successfully be applied in an individual school context by linking learner, teacher and management aspects of schooling.

Having an adequate timeframe • JET's reviews of school development projects, as well as international research, suggest that, in order to be of maximum effect, school development interventions should not be rolled out in periods shorter than three years.

Considering school functionality • When choosing schools in which to implement projects, the level of school functionality should be taken into account. Schools that have little or no functionality should not be included in programmes, unless they have first been supported to improve their systems and functioning. It goes without saying that teacher-level

Intervention Model



continued ▾

interventions will be futile in a dysfunctional school. Where possible, schools should apply for participation in the project and must demonstrate strong commitment from the start.

Sequencing the inputs ••

The fact that schools are at different levels of functionality and that school processes in themselves entail a complex order of relationships requires that careful attention is paid to the progression of the various interventions.

The importance of a preparation year of the project should not be underestimated, as it is the bedrock of the actual intervention. Inadequate attention given to careful selection of schools, design, baseline studies, materials development and working agreements can spell disaster for the entire project.

The first year of implementation should ideally be dedicated to establishing or reinforcing systems where they exist. It is imperative that any training or school support and monitoring takes place within a well functioning curriculum delivery, assessment and school development strategy.

Use of extended training sessions ••

Extended holiday or weekend training sessions are envisaged to kick-start development in the first year and to run for the duration of the project. Afternoon sessions have been found to be highly ineffective; however these can be used to induct schools and to introduce new systems and processes. Teacher content knowledge should definitely be dealt with in extended sessions

Taking the effects of HIV/AIDS into account ••

In the context of high HIV&AIDS prevalence, the management of the HIV&AIDS effects among



learners and teachers should become a mandatory aspect of comprehensive school development projects. Today, the high rate of absenteeism in schools is partly a result of this pandemic.

Introduction of Information and Communications Technologies (ICTs) ••

School development projects should be seen as an opportunity to usher in the use of ICTs in teaching and learning, to start preparing teachers and learners for future learning and work requirements.

Conducting continuous reviews ••

Throughout the project, continuous reviews, both internal and external are important, in order to feed into data-led decision making processes.

Planning for sustainability ••

The last year of the project must include the development of a sustainability plan. One of the main problems identified in past projects is that the sustainability was assumed, but not planned and responsibility for sustaining the gains made during the project was not allocated. The sustainability plan should be funded as part of the project and include all the stakeholders. ■

Overview of 2007

During 2007, SDS Division reflected on what it was offering and as detailed above, changed its school improvement model in line with the lessons learned as outlined in the forgoing discussion. Two new projects, namely the Beyers Naudé Schools Development Programme (BNSDP), funded by Kagiso Trust, and the Centres of Excellence Project in the Eastern Cape, co-funded by the DG Murray Trust, the Leon Foundation and JET Education Services began in 2007. Both these projects incorporate the lessons previously learned.

In addition, JET Education Services continued to provide administrative and financial management services, as well as project management services, to the Gauteng Education Development Trust (GEDT), established in 1997 to assist the Gauteng Department of Education (GDE) to build and improve school infrastructure and to support other aspects of education development in the province. ■

Projects for the year are tabulated below:

2007

PROJECTS	FUNDER	WHAT THE PROJECT ENTAILS
Accelerated Programme for Language, Literacy and Communication (APLLC)	GEDT	In partnership with the GDE, READ and Jet, the project aims to accelerate the language and literacy levels among learners in 350 primary and 150 high schools in Gauteng. The programme will be run over two years.
General Education and Training (GET) – National Curriculum Statement (NCS) Evaluation	GEDT	Conducting research into the implementation of a National Curriculum Statement in General Education and Training. The research is aimed at conducting a longitudinal study that will provide qualitative and quantitative information to inform decision making and action plans for teachers in the GET band.
Education Resources for Grade R.	GEDT	Donation of funds from the Japanese Embassy to the Gauteng Library Unit to implement a dedicated Grade R mobile library service.
Mveledzandivho Project	BHP Billiton	This project started in 2003 and ends in 2008. Aimed at Grades R to Grade 12, it has resulted in significant improvements in some schools. It has been implemented in Gauteng, Kwazulu-Natal, Limpopo, Mpumalanga, Northern Cape and Northwest.
Centres of Excellence Project (COEP)	DG Murray Trust, Leon Foundation and JET Education Services	In partnership with the Eastern Cape Education Department, it aims to provide training in office procedures, and systems, planning and human resources management and to capacitate and support the district to improve the performance of its schools.
Beyers Naudé Schools Development Programme (BNSDP)	Kagiso Trust	The target is 10 high schools in the Thabo Mofutsanyana District in the Free State. The project aims to turn rural schools into centres of excellence by creating conducive learning and teaching environments.
Provincial Mathematics, Physical Science and English Project - Gauteng	Zenex Foundation	Project is targeted at 7 high schools and their 13 feeder primary schools. The main aim is to improve the number of higher grade mathematics and science passes. The project works at teacher and management level.

Overall the past year has been interesting in that it provided the opportunity to give input into new projects as well as give JET the time needed to refine its models of school improvement using the knowledge that it has gathered over the past 15 years. This knowledge provides JET with a strong platform for its future work in improving schooling in South Africa.

WORKFORCE DEVELOPMENT DIVISION

WFD was formally established in 2000, as a five year project through funding from the Ford Foundation. WFD was set up with the view to provide the South African workforce with innovative learning and skills development programmes. The early years of the division were largely shaped by the work of the Centre for Adult and Experiential Learning (CAEL), a Chicago based development agency that had pioneered the programme for adult workers in the United States of America. The South African context however dictated slight shifts and changes in models and implementation.

In 2000 JET piloted the Workforce Advising and Support Services Project (WASSP) with the aim to provide retrenched workers with support, counselling and practical skills to facilitate their re-entry into the labour market. This pilot project became the central focus of the work of the Division for the first few years.

Guided by JET's vision and mission, WFD endeavours to;

- Provide access to quality learning opportunities for all South African workers;
- Contribute to sustainable livelihoods of workers and their communities through efficient and needs based programme management;
- Use education and training to empower and enable workers to deal with change and give full effect to their citizenship.

WFD has played an important role through the years in shaping thinking, policy and implementation of important national programmes.

The work of the division is based on the skills development imperatives and challenges in the country and the need to provide support to institutions such as Sector Education and Training Authorities (SETAs), Further Education and Training (FET) Colleges and national programmes such as Project Consolidate and the Accelerated and Shared Growth

Initiative for South Africa (ASGISA). In delivering on these programmes WFD has always sought to maximise return-on-investments for the client and beneficiaries alike, with a strong emphasis on needs driven programme delivery.

South Africa is a land of many challenges among which abject poverty, unemployment and illiteracy are still defined in the main by race. In line with JET's mission, WFD has located its work among the disadvantaged and marginalised. The work of WFD is targeted to having an impact on some of the country's key national challenges; these are;

- What to do about retrenchments and job losses in many sectors of the economy
- How to improve access by adult workers to quality learning interventions thereby improving the literacy and skills base
- How to improve the sustainability and survival of small and medium enterprises beyond the 1st year
- How to deal with problems of poor service delivery and skills at the local government level.

The following discussion highlights WFD's successes over the years in relation to these key national challenges, showing how the work of the division has contributed to the betterment of people's lives. ■

Social Plan

In the last two decades the South African economy shed jobs in massive numbers. The mining sector was hardest hit, with the gold mining industry in particular losing hundreds of thousands of jobs.

The losses were unfortunately not just limited to the mining sector; but included almost every other sector;

agricultural, clothing and textile, steel and manufacturing and transport among others.

WFD was commissioned by the Department of Labour to conduct a study on the programme management of a social plan intervention in the textile industry. This was in recognition of the impact of WFD's own work in the sector. This led to a call by numerous other clients facing prospects of retrenchments to gain knowledge and skills on policy and programme implementation of Social Plan processes.

In partnership with other agencies such as the Mining Qualifications Authority (MQA), the Department of Labour, the Auto-sector's Work Security Fund (WSF) and TEBA Development among others, WFD assisted over 1000 retrenched workers. These interventions were designed to assist and support the retrenched workers to re-enter the labour market, either in formal or self employment. The retrenched worker was supported through advice and information on educational and skills development options available and these linked to their own personal and career goals.

While WFD has had mixed results in this area, it is however heartening to note that there have been several documented successes. A group of Nissan retrenches, through the support of WFD, established a cooperative and subcontracted to do painting jobs for Nissan, Tshwane Metro and later other independent companies. This was facilitated in part by WFD's insistence that they be given start-up packs, comprising the tools they would need to start their own ventures. While this group was mainly self-employed, WFD's intervention with Volkswagen workers in Port Elizabeth resulted in 90%



of all retrenched being re-employed due to improvements in their education and skills base.

The work of JET within the Social Plan sector is well recognised and we are proud to have contributed to the current thinking around programme management and design of Social Plan interventions. We are also confident that this sector will grow in importance in the future. ■

Municipal Support Programme

The Minister of Public Service and Administration, Ms. Geraldine Fraser-Moleketi recently stated that the 'human resource capability of municipalities directly and most visibly affects the capacity of government to implement its development programmes at local level'.

In response to this challenge the Department of Provincial and Local Government initiated a number of interventions, notably among them, Project Consolidate which is:

- A targeted hands-on support and engagement programme for building the capacity of municipalities to

perform their mandate

- A complementary process of systematic refinement of policy, fiscal and institutional matters that will enable the consolidation of the local government system in the long term

With this in mind WFD sought to make a contribution in the area, in the face of growing community discontent over service delivery at many of the municipalities across the country. WFD implemented a programme aimed at improving service delivery, governance and work ethics in over 30 municipalities across the country. Through this programme close to 700 municipal staff were trained utilising practical techniques easy to apply to their unique work environments.

In addition, feedback sessions were held with senior municipal management in a bid to point out deficiencies and problems raised through the training workshops and other fact finding methods. Some municipalities took these feedback sessions seriously and implemented recommendations. Such was the effect that a municipality in the Northern Cape created and filled a position of a Local Economic Development officer within a month of the training after we raised concerns about the absence of such an important

role on their organogram.

In feedback sessions with officials from the National Department of Local Government, the Local Government SETA and the South African Local Government Association a number of issues raised by WFD were drafted into other national capacity building programmes. ■

Recognition of Prior Learning (RPL)

Our proudest achievement in the RPL field was the development of a national draft discussion policy on RPL, gazetted in March 2002, resulting from a project commissioned by the South African Qualifications Authority (SAQA). This project cemented the importance of the role of JET and contributed enormously in keeping JET in the forefront of RPL. Through the RPL Unit, a successful international Conference on RPL was hosted in 1998 and extensive research into RPL in higher education was conducted. All these contributed to the development of a body of knowledge and improvement in practice standards and facilitated new projects and networks.

continued ▶

continued ▾

JET's contribution and reputation as a leading provider in RPL, led to JET being contracted as part of a consortium, by the Early Childhood Development (ECD) Directorate of the Department of Education to conduct a baseline study, develop an RPL tool and support the implementation of RPL among 4500 ECD practitioners throughout the country.

JET has also assisted the Education Training and Development Practitioners' (ETDP) SETA, the Chemical Industries Education and Training Authority (CHIETA) RPL project and the United Negro College Fund – Special Programs Corporation (UNCF-SPC) to develop RPL policies and implementation systems. ■



Military Veterans Project (MVs)

The Military Veterans Project was an initiative of the Safety and Security Sector Education and Training Authority (SASSETA) and is funded by the National Skills Fund. This project sought to 'improve and sustain a better life' for military veterans. The project was aimed at providing the following services to qualifying MVs; Adult Basic Education and Training; Counselling and Returning to Learning; Non Technical Skills Training Programmes; Technical Skills Training Programmes; SMME Development; Learnerships and Bursaries; Military Veterans Associations leadership capacity building.

The project further supported MVs in placement in workplaces as a bid to help them implement their newly acquired skills and enable them to gain experience. MVs interested in running their own small businesses were assisted through business development support.

JET was contracted by SASSETA to provide the 'returning to learning' (RTL) / 'counselling' component of the project. The objective of the RTL programme developed by WFD and known as Dipaakanyo, is to prepare MVs to maximise the opportunities for learning in training programmes and in workplace placements. 800 plus MVs were reached and there were individuals and groups who excelled and were successfully placed because they combined the training, life skills and advice they received

with personal motivation and a strong will to change their own destinies. A group in Grahamstown is a case in point. Participants in the project elected to save their daily project allowances by walking long distances and bringing lunch boxes from home. With the money saved, they were able to form a cooperative and buy 3000 chickens to start a poultry business.

Through the work of WFD their efforts were brought to the attention of SASSETA and other development agencies. This and many other stories abound of courage and commitment shown by people living under difficult conditions who were determined to see themselves out of those conditions. WFD is very proud to have been associated with and impacted on the lives of such courageous South Africans. ■

Agricultural Colleges Capacity Building

WFD participated in the ICATE (Improving the Capacity of Agricultural Training and Education) Programme funded by the Netherlands Organisation for International Cooperation in Higher Education. (NUFFIC). The project is aimed at improving the capacity of four agricultural colleges. It seeks to assist the colleges to cater for changing needs of the agricultural sector and train them to work with emerging black farmers.

This became important given the South African government's aim to have 30% of land in the hands of black owners by the end of 2014. In order to achieve this, the creation of a strong support service coupled with appropriate training of farmers, extension staff and schoolteachers in agriculture is essential.

Accredited agricultural training and education is central to this initiative and recently a well-defined Agricultural Education and Training (AET) strategy, together with a properly structured implementation plan has been developed.

WFD was retained to provide and share expertise in the skills development and other contextual areas. Furthermore JET was tasked with assisting a number of the participating colleges with; training in managing change, team building and development, handling conflict and mediation activities aimed at creating and strengthening team dynamics.

Fact-finding and consultation meetings resulted in the refinement of mechanisms for mediating. The intervention has helped improve race relations in participating colleges.

WFD's other accomplishments over the years include:

- Development of training material that has been used in a variety of environments, for example small businesses and Further Education and Training (FET) colleges.
- Working successfully with a variety of clients and beneficiaries - Government Departments, (both national and local), Government Developmental Agencies, Section 21 Companies and Big Business.
- Presenting papers on skills development and flagship projects at CAEL conferences in the United States.
- Gaining SAQA Accreditation - a critical milestone for the division and its endeavours to penetrate the skills development arena. ■

IN CONCLUSION, WFD HAS DEVELOPED OVER THE YEARS FROM ITS HUMBLE BEGINNINGS TO AN ACCREDITED AND VALUED PROVIDER OF:

SERVICES	COURSES
Project Management	Work Ethics & Customer Service
Skills Audit	Change Management
Management of Retrenchments	Team Building & Development
Assessment & Moderation	RPL & Assessor Training
Materials Development	Returning to Learning
Accreditation Process	Personal Money Management

Overview of 2007

WFD was involved in the following challenging yet exciting projects in 2007

PROJECTS	FUNDING SOURCE
ICATE	Nuffic
Lesedi La Sechaba	Kellogg Foundation
Beyers Naude Schools Development Programme	Kagiso Trust/Absa
Mvele Monitoring	Jet
Expanded Public Works Community Training	Department Of Labour
Facilitation Of Consumer Education Workshops	Department Of Housing
Sasseta Military Veterans Project	Sasseta/National Skills Fund

Board of Directors

The Board of Directors effectively controls the affairs of the company by meeting regularly and monitoring management. The Board is responsible for a range of key decisions and ensures that the organisation adheres to proper policies and strategies. Board members are drawn from both the corporate and education sectors, and collectively possess a wide range of experience and expertise, thereby bringing objectivity to decision making processes. Procedures for appointments to the board are formal and transparent and nominees' backgrounds are thoroughly investigated.

The board, either directly or through board committees, is responsible for:

- Approving the annual budget and strategy
- Monitoring the company's performance
- Monitoring that donated funds and funds held in trust are utilised in accordance with donors' dictates
- Overseeing the maintenance of proper systems of internal control and risk management

The roles of the Non-Executive Chairman, Mr. Jeremy Ractliffe and the Chief Executive Officer, Dr. Nicholas Taylor, are separate. The CEO is required to implement the board's decisions and is accountable to the board for the effective functioning of the company. No individual has unlimited power of decision-making.

Members of the board are listed below:
BOARD OF DIRECTORS

Non- Executive
Jeremy Ractliffe - *Chairman*
Brian Figaji
Nqabomzi Gawe
Nathan Johnstone
Marianne MacRobert
Nigel Matthews
Angie Phaliso
Mike Rosholt
Jim Wotherspoon

Executive
Nick Taylor - *CEO*
Godwin Khosa
Deon Smith

Board Committees

The board is authorised to establish board committees as and when necessary to facilitate the efficient execution of its duties. Such committees have specific terms of reference and remain accountable to the board. There are currently two such committees:

Finance and Audit Committee

The finance committee meets at least four times in a year, and is responsible for, inter alia, the following:

- Reviewing accounting policies
- Reviewing annual financial statements
- Reviewing quarterly management accounts
- Ensuring that donors funds are utilised as per donors' guidelines
- Reviewing business plans and budgets
- Monitoring of risk management policies

MEMBERS

M Rosholt - *Chairman*
J Ractliffe
J Wotherspoon

Remuneration Committee

The Remuneration Committee is responsible for the remuneration and employment terms of senior management and for the staff remuneration, merit and bonus policy of the company. Other general responsibilities include:

- Succession planning for senior management
- Acting as Nomination Committee for board appointments

MEMBERS

J Ractliffe- *Chairman*
N Matthews
A Phaliso
M Rosholt

The accountant, who is an Associate of the Institute of Chartered Secretaries and Administrators, acts as the Company Secretary and ensures compliance with all relevant statutes and regulations. Where professional advice may be needed, the external auditors and the company's lawyers are available to the company secretary. All necessary statutory returns required to be made by a section 21 company have been made.

Employment Equity

The organisation has an established employment equity recruitment plan which is supported by its training and development policy to meet both the

company's requirements and individual staff growth needs.

The employment demographics at 31 December 2007 as shown in Table

Table: Employment demographics at JET in 2007

		FEMALE	MALE	TOTAL
Board of Directors	Black	2	2	4
	White	1	4	5
Senior Management	Black	2	2	4
	White	1	3	4
Other Professionals	Black	7	4	11
	White	1	1	2
Support Staff	Black	17	1	18
	White	3	0	3
Total	Black	28	9	37
	White	6	8	14
Employment Demographics Total		34	17	51



Codes of Good Practice

JET has familiarised itself with the current status on the Code and has decided to follow the Broad-based Black Economic Empowerment Act in implementing B-BBEE in our organisation. We have chosen to follow the Codes of Good Practice as gazetted on 9 February 2007.

We are a section 21 company and our operational revenue/recoveries are less than R35 million per annum. The Code defines us as a small enterprise and we will follow the Adjusted Qualifying Small Enterprise scorecard as per code 000 statement 004 that requires us to comply with 4 of the 6 elements listed below.

Our B-BBEE policy is based on the following six pillars of empowerment and we intend making a meaningful

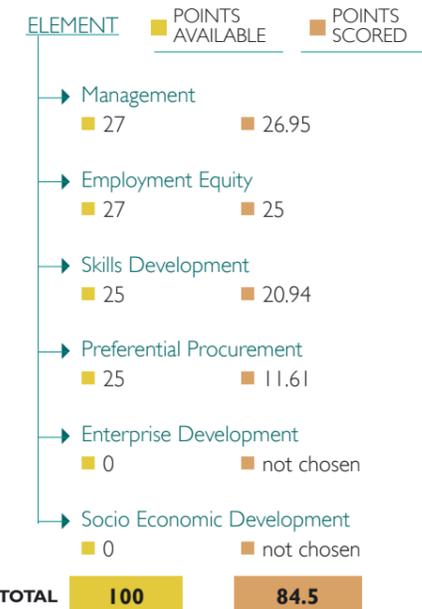
contribution to each pillar, in line with the targets.

- Management
- Employment Equity
- Skills Development
- Preferential Procurement
- Enterprise Development
- Socio Economic Development

The scorecard below was produced using our own information based on 2007 data. We were assisted by EconoBEE, our BEE consultants. In our opinion it is substantially correct

A score of 84.5 places JET as a Level 3 Contributor. ■

scorecard



Donor Relations

The organisation takes careful cognisance of its obligations to funders and donors in terms of the funds entrusted to it. The board reviews the use of donor funds to ensure that they are utilised according to donors' guidelines and for the intended projects. Periodic reports on the use of funds and

on the progress of projects are made to donors in terms of signed agreements.

Donor funds are audited at least annually and donors can elect to have their funds and projects audited by our external auditors or their own auditors. The non-monetary impact of these projects

on the community and education sector is measured using internationally benchmarked methods of assessment.

Funds not used by the completion of a project are returned to the donor unless the donor elects to leave them with JET for use in JET's own internal projects. ■

Financial Control and Risk Management

The practical application of financial control and risk management is delegated to management which is accountable to the board for designing, implementing and monitoring the risk management process and integrating it into the day to day activities of the company.

The company maintains systems of internal control over financial reporting and the safeguarding of assets against unauthorised use or disposition. The Finance and Audit Committee regularly reviews the effectiveness of the internal controls and the exercise

of delegated authority. The board is responsible for identifying and addressing the management of all operational, reputational and financial risk and is satisfied that all key business risks are being addressed. ■

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

Directors' Responsibilities and Approval

The directors are required by the Companies Act, 1973, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. These 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. The company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2008 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 31

The annual financial statements set out on pages 34 to 42 which have been prepared on the going concern basis, were approved by the Board of Directors on 18 March 2008 and were signed on its behalf by:

Chairman
Johannesburg
18 March 2008

Chief Executive Officer

Financial Director

Independant Auditor's Report to the members of JET Education Services

We have audited the annual financial statements of JET Education Services, which comprise the directors' report, the balance sheet as at 31 December 2007, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages ??? to ???.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2007, and of the its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

Gobodo Incorporated
Chartered Accountants (SA)
Registered Accountants and Auditors
Per Denas Hansjee
Director

Johannesburg
19 March 2008

DIRECTOR'S REPORT

31 December 2007

The Directors present their annual report, which forms part of the audited annual financial statements of the company for the year ended 31 December 2007.

The company was registered on 20 April 2000 as a non-profit company to carry on the mission of the Joint Education Trust. The company was formed by the PSI Joint Education Trust for this purpose.

BUSINESS AND OPERATIONS

The main activities of the company are:

- To improve the quality of schooling and systems through which schools are supported and managed;
- To provide entrepreneurial education and training for young people and adults; and
- To improve the knowledge and skills of working adults through systematic schooling, instruction and training.
- Developing schools as institutions
- Training and developing school personnel
- Institutionalising projects by working with government and providing training of persons employed in the national, provincial and local spheres of government for purposes of capacity building in those spheres of government.
- Providing programmes addressing needs in education provision, learning, training, teaching, curriculum support, governance, whole school development at schools and educational institutions

Ancillary activities encompass:

- Project management
- Project planning and facilitation
- Evaluation
- Research
- Advocacy and networking
- Fund management
- Management of grants, planning and management of projects, evaluation and research, advocacy and networking
- Investigation at schools and other learning sites to establish which delivery models work best and under what conditions
- Performing project management, project planning and facilities, evaluation, research in respect of educational projects

DIRECTOR'S REPORT (continued)

31 December 2007

FINANCIAL RESULTS

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

The past year saw JET record strong results with excellent performances being achieved in the respective divisions. This resulted in the company recording a surplus for Operations of R 5.4 million. The detailed figures are reflected in the attached annual financial statements. The enclosed Annual Report also provides a detailed account of the activities of each division.

TAX STATUS

The company was been granted exemption from income tax by the South African Revenue Services as a Public Benefit Organisation (PBO) in terms of section 30 and 10(1)(cN) and 18A of the Income Tax Act. As a section 21 company, no distribution to members is permitted.

The financial results are set out on [pages 34 to 42](#).

CORPORATE GOVERNANCE

The company continues to place a strong emphasis on good corporate governance which is highlighted by the composition of the Board of Directors of Three Executive Directors and Nine Non Executive Directors.

The Finance and Audit Committee, appointed by the board met four times during the year with a charter of:

- Reviewing and Analysing the Annual Financial Statements and recommending that the Board approve them.
- Driving the process and the Legalities for the Winding up of the PSI Joint Education Trust.
- Reviewing and Analysing the 2007 business plans and recommending that the board approve them.
- Meeting External Auditors, reviewing and approving their Annual Audit plans and fees.
- Reviewing the Risk Management Policies of the company.

The Remuneration Committee, appointed by the Board met once during the year with a charter of:

- Reviewing annual remuneration increases in line with market trends.
- Reviewing the level of the merit and bonus award structure.
- Reviewing the Performance Management System

BALANCE SHEET

at 31 December 2007

Notes	2007			2006			
	R PROJECTS	R OPERATIONS	R TOTAL	R PROJECTS	R OPERATIONS	R TOTAL	
ASSETS							
Property, plant & equipment	2	-	329 438	329 438	-	90 576	90 576
Current Assets		25 841 864	40 612 000	66 453 864	46 097 385	32 244 917	78 342 302
Project Receivable	3	1 428 252	2 656 410	4 084 662	9 611 480	4 824 859	14 436 339
Accounts Receivables		-	11 276 956	11 276 956	-	8 709 026	8 709 026
VAT Receivable		303 344	97 628	400 972	2 489 012	178 917	2 667 929
Cash and Cash Equivalents	4	24 110 268	26 581 006	50 691 274	33 996 893	18 532 115	52 529 008
Total Assets		25 841 864	40 941 438	66 783 302	46 097 385	32 335 493	78 432 878
EQUITY AND LIABILITIES							
Reserves		23 607 180	31 929 316	55 536 496	35 619 619	26 511 677	62 131 296
Funds held for projects	5	23 607 180	-	23 607 180	35 619 619	-	35 619 619
Accumulated Funds	6	-	31 929 316	31 929 316	-	26 511 677	26 511 677
Current Liabilities		2 234 684	9 012 122	11 246 806	10 477 766	5 823 816	16 301 582
Accounts Payable	7	2 234 684	7 163 702	9 398 386	10 477 766	4 915 846	15 393 612
Provisions	8	-	1 848 420	1 848 420	-	907 970	907 970
Total Equity and Liabilities		25 841 864	40 941 438	66 783 302	46 097 385	32 335 493	78 432 878

INCOME STATEMENT

for the year ended 31 December 2007

	2007			2006		
	R PROJECTS	R OPERATIONS	R TOTAL	R PROJECTS	R OPERATIONS	R TOTAL
INCOME						
Funds Received	34 234 631	1 919 598	36 154 229	74 355 395	2 071 570	76 426 965
Interest Received	949 140	3 654 978	4 604 118	1 089 169	1 922 455	3 011 624
Management Fees	-	15 406 553	15 406 553	-	15 395 992	15 395 992
Other Income	-	67 155	67 155	205 580	-	205 580
Total Income	35 183 771	21 048 284	56 232 055	75 650 144	19 390 017	95 040 161
EXPENDITURE						
Audit Fees		190 000	190 000		266 500	266 500
Bad Debts		-	-		302 100	302 100
Project Management Administration		2 013 584	2 013 584		1 967 268	1 967 268
Project Expensis	41 776 071	13 427 061	13 427 061	67 768 894	13 246 819	13 246 819
Total Expenditure	41 776 071	15 630 645	57 406 716	67 768 894	15 782 687	83 551 581
Net Surplus (-deficit) for the year	(6 592 300)	5 417 639	(1 174 661)	7 881 250	3 607 330	11 488 580

CASHFLOW STATEMENT

for the year ended 31 December 2007

	2007			2006		
	R PROJECTS	R OPERATIONS	R TOTAL	R PROJECTS	R OPERATIONS	R TOTAL
Cash Generated from Operating Activities						
Cash Receipts	44 603 527	17 075 114	61 678 641	70 156 594	12 484 412	82 641 006
Cash Paid to Suppliers & Employees	(50 019 153)	(12 327 613)	(62 346 766)	(67 740 887)	(15 405 983)	(83 146 870)
Cash Generated from Operations 15	(5 415 626)	4 747 501	(668 120)	2 415 707	(2 921 571)	(505 864)
Interest Income	949 140	3 654 978	4 604 118	1 089 169	1 922 455	3 011 624
Net Cash (utilised)/ from Operating Activities	(4 466 486)	8 402 479	3 935 993	3 504 876	(999 116)	2 505 760
Cash Flows from Financial Activities						
Funds Refunded to Donors	(5 420 139)	-	(5 420 139)	(807 411)	-	(807 411)
Aquisition of Property & Equipment 2	-	(353 588)	(353 588)	-	(71 839)	(71 839)
Net Cash utilised in Investing Activities	(5 420 139)	(353 588)	(5 773 727)	(807 411)	(71 839)	(879 250)
Net Cash (utilised)/ Generated for the period	(9 886 625)	8 048 891	(1 837 734)	2 697 465	(1 070 955)	1 626 510
Cash & Cash Equivalent at the beginning of the year	33 996 893	18 532 115	52 529 008	31 299 428	19 603 070	50 902 498
Cash & Cash Equivalent at the end of the year	24 110 268	26 581 006	50 691 274	33 996 893	18 532 115	52 529 008
Represented by:						
Bank	24 108 268	26 579 006	50 687 274	33 984 893	18 530 115	52 515 008
Cash	2 000	2 000	4 000	12 000	2 000	14 000
Total	24 110 268	26 581 006	50 691 274	33 996 893	18 532 115	52 529 008

STATEMENT OF CHANGE IN FUNDS

for the year ended 31 December 2007

	R PROJECTS	R OPERATIONS	R TOTAL
Cash Generated from Operating Activities			
Balance at 1 January 2006	28 545 780	22 904 347	51 450 127
Unutilised donor's funds refunded	(807 411)	-	(807 411)
Net surplus for the year	7 881 250	3 607 330	11 488 580
Balance at 31 December 2006	35 619 619	26 511 677	62 131 296
Unutilised donor's funds refunded	(5 420 139)	-	(5 420 139)
Net (deficit) / surplus for the year	(6 592 300)	5 417 639	(1 174 661)
Balance at December 2007	23 607 180	31 929 316	55 536 496
ALLOCATED AS FOLLOWS			
31 DECEMBER 2006			
Funds held for projects	35 619 619		35 619 619
Reserves / Accumulated Funds	-	26 511 677	26 511 677
Accumulated Funds		13 318 028	13 318 028
Special Funds		5 846 186	5 846 186
Specific Funds		4 000 000	4 000 000
General Funds		3 347 463	3 347 463
	35 619 619	26 511 677	62 131 296
31 DECEMBER 2007			
Funds held for projects	23 607 180		23 607 180
Reserves / Accumulated Funds	-	31 929 316	31 929 316
Accumulated Funds		17 766 367	17 766 367
Special Funds		5 846 186	5 846 186
Specific Funds		4 000 000	4 000 000
General Funds		4 316 763	4 316 763
	23 607 180	31 929 316	55 536 496

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2007

I. ACCOUNTING POLICIES

The following are the principal accounting policies of the company, which are consistent in all material respects with those applied in the previous year except as otherwise indicated. The financial statements have been prepared on the historical cost basis.

I.1 Income Recognition

Income from grants and funds received are accounted for in the financial year to which it relates and are reflected under the appropriate project. All other income is accounted for as and when received.

I.2 Project Accounting and Expense Allocation

Project costs that are clearly identifiable are allocated directly against project funds, in terms of its contractual obligations. Indirect and shared costs are recovered through management fees allocated to the projects in terms of the contracts.

I.3 Property, Plant and Equipment and Depreciation

Property, plant and equipment for operations is stated at cost less accumulated depreciation. Depreciation is provided on the straight-line basis over the useful lives of the assets, at the following rates:

Computer equipment	33.3% per annum
Office equipment and furniture	20% per annum

Fixed assets acquired for projects are written off in total in the year of acquisition, in order to effect project expenditure in terms of the contract.

I.4 Foreign Currencies

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions; gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Such balances are translated at year-end exchange rates.

I.5 Financial Instruments

Financial Assets

The company's principal financial assets are bank balances and cash and receivables. Receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include payables. Payables are stated at their nominal value.

I.6 Operating Leases

Payments made under operating leases are charged against the income statement on a straight line basis over the period of the lease.

I.7 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of economic benefit will occur and where a reliable estimate can be made of the amount of the obligation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2007

2. PROPERTY, PLANT & EQUIPMENT - OPERATIONS

	COMPUTER EQUIPMENT	FURNITURE & FITTINGS	R TOTAL
Cost	900 038	553 377	1 453 415
Accumulated Depreciation	(815 970)	(546 869)	(1 362 839)
Carrying Amount at 31 December 2006	84 068	6 508	90 576
Cost	1 154 132	652 871	1 807 003
Accumulated Depreciation	(913 848)	(563 719)	(1 477 567)
Carrying Amount at 31 December 2007	240 284	89 152	329 436

Reconciliation of Assets

Carrying Amount at 31 December 2005	130 535	25 664	156 199
Additions	71 839	-	71 839
Depreciation	(47 330)	(3 026)	(50 356)
Disposals Costs	(356 031)	(111 649)	(467 680)
Disposals - Accumulated Depreciation	285 055	95 519	380 574
Carrying Amount at 31 December 2006	84 068	6 508	90 576
Additions	254 094	99 494	353 588
Depreciation	(97 878)	(16 850)	(114 728)
Carrying Amount at 31 December 2007	240 284	89 152	329 436

In 2006, the Joint Education Trust transferred its assets to JET Education Services at the net book value.

3. PROJECT RECEIVABLES

Project Receivables
Project Receivables consist of funds due to projects.

4. CASH & CASH EQUIVALENTS

	2007	2006
Project Receivables	1 428 252	9 611 480
Cash	50 689 274	52 527 008
Petty Cash	2 000	2 000

5. FUNDS HELD FOR PROJECTS

Funds held for projects are for specific projects and are not available for general use.

	2007	2006
Funds Held for Projects	23 607 180	35 619 619

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2007

	2007	2006
6. RESERVES / ACCUMULATED FUNDS - OPERATIONS		
Reserves	14 162 949	13 193 649
Special Funds	5 846 186	5 846 186
Specific Funds	4 000 000	4 000 000
General Funds	4 316 763	3 347 463
Accumulated Funds	17 766 367	13 318 028
	31 929 316	26 511 677
7. ACCOUNTS PAYABLE - OPERATIONS		
Projects	2 234 684	10 477 766
Workforce Development		3 223
National Department of Education		2 281 595
CHESP Project		48 308
SESD Fee		54
SESD Programme		228 661
Mveledzandivo - Billiton Project	20 063	117 908
Khanyisa Project	1 134 341	758 965
Sisonke Project	1 080 280	7 039 052
Operations	7 163 702	5 823 816
	9 398 386	16 301 582

8. PROVISIONS - OPERATIONS

	LEAVE	BONUS	TOTAL
Balance at 31 December 2005	451 889		451 889
Charged to the Income Statement	574 355	395 000	969 355
Utilised	(513 272)		(513 272)
Closing Balance 31 December 2006	512 972	395 000	907 972
Charged to the Income Statement	793 438	928 070	1 721 508
Utilised	(439 491)	(341 569)	(781 060)
Closing Balance 31 December 2007	866 919	981 501	1 848 420

The bonus provision relates to bonuses that may be paid; provided certain conditions have been met.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2007

9. TAXATION

The company has been approved as a public benefit organisation and the South African Revenue Services has granted the company exemption from income tax and duties in terms of Section 18A, Section 10(1)(cN) and Section 30 of the Income Tax Act and in respect of activities in the Ninth Schedule Part 1 and Part 2.

10. CONTINGENT LIABILITIES

	2007	2006
Guarantees	57 000	57 000

The guarantees are in respect of the leased premises occupied by the company and expire on 31 March 2009.

11. NET SURPLUS/(DEFICIT)- OPERATIONS

11.1 The net surplus for the year is stated after charging the following:

	2007	2006
Audit Fees	190 000	254 500
Depreciation	114 730	50 356
Lease Expensis - Premises	1 006 426	915 519
Bad Debts	-	302 100
Staff Costs	10 673 670	10 305 770
Loss on write-off of fire damaged assets	-	87 106

11.2 Interest Income	3 614 126	1 877 937
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12. DIRECTOR'S REMUNERATION

Non-Executive Directors		
For Services as Directors	260 000	285 000
Executive Directors		
For Salaries of Directors	2 092 861	2 203 864

13. RELATED PARTY TRANSACTIONS

J. Wotherspoon, a member of the board and past Financial Director of the company, with the sanction of the board, rendered consultancy services to the company for which consulting fees were paid.

	34 038	85 500
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2007

14. OPERATING LEASE EXPENSIS

The company rents offices under a non-cancellable 5 year operating lease, which commenced on 1 April 2004 and expires on 31 March 2009 which bears base rentals at a fixed rate of R31 892 and an operating costs at a fixed rate R14 859 per month. These are subject to a contingent rental increase which is computed at 10% and 12% on operating costs respectively per annum.

Future commitments of the above operating lease are summarised as follows;

Minimum Future Lease Payments

YEAR 1	YEAR 2-5	TOTAL
770 633	197 381	968 014

15. RECONCILIATION OF SURPLUS / (DEFICIT) TO CASH GENERATED / (UTILISED) FROM OPERATIONS

	2007			2006		
	R PROJECTS	R OPERATIONS	R TOTAL	R PROJECTS	R OPERATIONS	R TOTAL
Net Surplus (-deficit) for the Year	(6 592 300)	5 417 639	(1 174 661)	7 881 250	3 607 330	11 488 580
Interest Received	(949 140)	(3 654 978)	(4 604 118)	(1 089 169)	(1 922 455)	(3 011 624)
Adjustment for Non-Cash Items	-	-	-	-	87 107	87 107
Loss on Disposal of Assets	-	-	-	-	87 107	87 107
Depreciation	-	114 728	114 728	-	50 356	50 356
Operating Cash-Flow before Working Capital changes	(7 541 440)	1 877 389	(5 664 051)	6 792 081	1 822 338	8 614 419
Cash Generated from (utilised in) Working Capital	2 125 814	2 870 112	4 995 926	(4 376 374)	(4 743 909)	(9 120 283)
Decrease / (Increase) in Receivables	10 368 896	(318 192)	10 050 704	(4 404 381)	(4 983 151)	(9 387 532)
(Decrease) / Increase in Payables	(8 243 082)	3 188 304	(5 054 778)	28 007	239 242	267 249
Net Cash Inflow / (Outflow) from Operating Activities	(5 415 626)	4 747 501	(668 125)	2 415 707	(2 921 571)	(505 864)

Having been part of JET Education Services virtually since its inception, I have seen many changes over the past 15 years, both in the education arena and in the work done by JET. In this changing environment where, as a country, we have made great progress, we have also met unanticipated obstacles. JET has continued to adapt and develop its expertise to understand the development challenges we face in education and to inform progressive solutions.

The past year at JET has been reflective, and the question we have asked is: "How can public benefit organisations (PBOs) best add value to the programmes they undertake and is JET able to do this in a meaningful, sustainable manner?" JET is involved in a great many services to government, donors and other PBOs: fund-holding, project management, programme evaluation, developing and administering assessment instruments and skills training at various levels. Key to improving the impact and efficiency of all these activities is knowledge development. Perhaps the biggest lesson we South Africans have learnt in the 14 years that have elapsed since the inauguration of our democracy, is that it is proving to be a lot more difficult to improve the lives of our poorest citizens than we had hoped.

Nowhere is this problem more pronounced than in education, where increasing the effectiveness of the majority of the country's schools is turning out to be a very slow and often frustrating task. The problem is not confined to the school sector, or even to education more broadly, but is part of a much deeper issue of public sector reform. It can be argued that if our schools are not socialising young people into valuing a strong work ethic, and are not providing foundation literacy and mathematical skills, then not only will the building of an efficient civil service remain an impossible dream, but the country will be unable to find a sustainable path out of our current skills crisis in the economy.

School improvement programmes are enormously complex. Identifying the sticking points in current initiatives and designing new initiatives are by no means easy processes. For example, if a programme is not working, the first question to ask is: Is this a shortcoming of design or implementation, or have we just not provided sufficient time for the intervention to begin showing returns? Finding answers to questions such as this requires long-term engagement with the issues, researching how they have been

message from the ceo

answered in other countries, assessing the impact of existing programmes, and conducting carefully evaluated pilot studies. This is the area in which JET has chosen to make its primary mark, and it is in this sense that we speak of JET being a knowledge driven organisation. The knowledge generated in this way is used both to improve JET's own development programmes and to contribute to the public debate on improving the quality of the country's education system. Two factors inhibit the development of a vibrant evidence-informed debate in the education sector in South Africa.

The first concerns the ubiquitous skills shortage: while university education faculties do produce a good cadre of researchers in the qualitative field, there is a great shortage of researchers familiar with the statistical and psychometric methods necessary for investigating complex evaluation questions or developing good assessment instruments. In order to address this problem JET has developed an internship programme, linked to a Bachelor of Education (honours) degree, in collaboration with the faculties of Psychology and Education at the University of the Witwatersrand.

The second factor essential to a successful evidence-based debate on improving school quality is about attitudes. In the early years of our democracy there was a tendency to assume that the substance of policies and practices could be simply read off the good intentions and principles which informed the policies. In those heady days it was difficult to question the wisdom of government initiatives without raising suspicion in some quarters that any critical comment was driven by unpatriotic motives, or a conservative educational orientation. Indeed, it remains difficult to raise questions about the effectiveness of certain approaches. However, a sea-change in this regard does seem to be under way.

For JET there is one key question regarding any particular school development project: Does it result in beneficiaries reading, writing and calculating with greater facility compared with children who were not involved in the intervention? Where this has been the case, projects are replicated for maximum impact and result. Where the results are less than optimal, research and evaluation are conducted thoroughly, to understand whether the problems lie in the design or implementation of the project or even in policy.



Nick Taylor

Chief Executive Officer

School improvement programmes are enormously complex...

It is not the function of a PBO like JET to provide education on an on-going basis, but rather to pilot programmes and to refine these until they represent workable models that can become part of general provision. A case in point is the Community Service in Higher Education (CHESP) project. Started more than eight years ago, CHESP has enjoyed support from the Ford Foundation and the Joint Education Trust. There is no doubt that CHESP has proved itself in the field, most notably through the establishment of over 250 individual service learning modules in nine faculties on eleven campuses, and assisting the Higher Education Quality Council (HEQC) and the Department of Education to develop service learning policies.

It is therefore an appropriate time to hand the project over to a suitable agent for standard delivery. Negotiations with the Ministers Office, the Department of Education and the HEQC have resulted in a plan for CHESP to be incorporated into the HEQC in 2008.

CHESP provides an example of how JET adds value constantly – from research, evaluation and project management perspectives – in order to make real and sustainable differences in improving the education system in South Africa.



Jeremy Ractliffe
CHAIRMAN OF THE BOARD



Brian Figaji
BOARD MEMBER



Angie Phaliso
BOARD MEMBER



Thabo Mabogoane
SENIOR STATISTICIAN



Diana Zhou
PROJECT OFFICER



Aneesha Mayet
PROJECT MANAGER



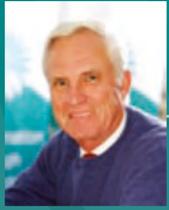
Kathy Tracey
PROJECT MANAGER



Jim Wotherspoon
BOARD MEMBER



Marianne MacRobert
BOARD MEMBER



Nigel Matthews
BOARD MEMBER



Godwin Khosa
PROGRAMME DIRECTOR



Gcina Hlophe
PROJECT MANAGER



Jane Roach
PROJECT MANAGER



Thelma Dibakwane
PA & OFFICE ADMINISTRATOR



Nathan Johnstone
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Mike Rosholt
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Nqabomzi Gawe
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Buyi Diba
RECORDS CLERK



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Cynthia Moeng
PROJECT MANAGER



Nevina Smith
MARKETING MANAGER



Nick Taylor
CEO



Nkululeko Dube
JUNIOR BOOKKEEPER



Selby Xinwa
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FINANCE DIRECTOR



Peter Verbeek
DIVISIONAL MANAGER



Phumzile Dhludhlu
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Thoko Jali
ACCOUNTS CLERK



Debbie Mogorosi
RECEPTIONIST



Elizabeth Koaho
ACCOUNTS CLERK



Roshan Seedat
BOOKKEEPER



Ruth Magoro
ADMINISTRATOR



Tebogo Kibe
ACCOUNTS CLERK

meet the

TEAM

meet

the

team

