



Heritage Community School

“Towards a better future”

Strategic Plan
2024 – 2028



Anok cell
Western Ward
Dokolo Town Council

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About Heritage Community School

We are Goretti and Isaac, parents to a family of eight - five children of our own and three others. We are also the founders of Heritage Community Project. This project wasn't a planned decision for us, but it came to be during the COVID-19 lockdown when we found ourselves back in the village after years of living in the city. At first, we only wanted to do home-schooling for our children, who had forgotten even how to write their names after weeks of lockdown.

But as other children began to join us on their walks to the water well, we realised the urgent need for a school in the area. Although it's a government policy in Uganda, there was a complete lack of Early Childhood Development (ECD) services in our community, making access to basic education conditional and a distant dream for many.

We started with a small group at home, which quickly grew beyond our expectations. For a year, we taught the children under a tree, and the following year, we put up a temporary structure which we currently use. Today, we have 278 learners, and what began as a temporary solution has become a lifeline for these children and their parents.

To close Heritage today would mean depriving many children of access to quality education, and leaving the only public school in this area as an alternative, where more than 250 learners share one classroom and one teacher. The passion and determination of the parents, even if limited in their ability to fully meet the school costs, reflect the value they see in Heritage. It's not just a school; it's a source of hope and opportunity. The support and belief of the community fuel our commitment to keeping Heritage alive and thriving, ensuring every child's right to a quality education and a chance for a better future.



Introduction

The strategic planning process provides an opportunity for Heritage Community School to focus on its primary objectives today and in the future. This strategic plan serves as a reflective tool to identify the school's direction, objectives, challenges, and opportunities. Covering the period from 2024 to 2028, this plan focuses on key areas such as management, finances, and infrastructure development, all aimed at enhancing the well-being of learners, staff, and the broader community. It establishes a clear mission, core values, core functions, and goals that will guide the operations and development of the school.

As part of this planning process, the school's management has conducted a thorough analysis of strengths, weaknesses, opportunities, and threats (SWOT) affecting the institution. This analysis will inform strategic objectives and guide decision-making. Ultimately, the finalised plan will serve as a roadmap for the school's development, outlining actionable steps to achieve its strategic objectives and foster sustainable growth. This project aligns with the 2030 Agenda for Sustainable Development Goals signed by UN member countries. We are actively contributing to several SDGs, particularly focusing on the following goals:

1. Clear Contribution Goals



2. Indirect Contribution Goals



This strategic planning process reflects Heritage Community School commitment towards a strategic and sustainable direction. It is the result of consultations and inputs from diverse stakeholders, including: School Management Committee (SMC), Learners, Parents and guardians, Teaching staff, Support staff, Local authorities, Community partners and organisations, as well as individuals of good will to the school. *The final version of the document was shared with representatives of various stakeholders for their information.*

Strategic direction

This chapter serves as the foundation of our strategic plan, outlining the essential elements, resources, and actions that will shape our school's future direction. It provides the framework from which we will articulate our tasks and objectives. These foundational elements will guide our decision-making and strategic initiatives as we work towards our long-term goals.

1. Rationale

Heritage Community School, established in 2021, has encountered significant economic challenges that jeopardise its sustainability. In response, there is an urgent need to enhance operational efficiency and effectiveness. The development of this strategic plan is crucial as it charts a course forward to address these challenges strategically.

This plan aims to establish successful management practices encompassing planning, organising, coordinating, and controlling the limited financial and non-financial resources. By doing so, we aim to not only overcome immediate hurdles but also pave the way for long-term sustainability and growth.

A strategic plan is a document that outlines the objectives, specific actions, and necessary resources required to achieve set objectives. We will define the vision, mission, and values of the school to strengthen the integration and cooperation of all involved parties, and instil a managerial, strategic, and forward-looking culture that ensures effective planning and efficient resource utilisation for the success of the school and its impact on the community.

2. Foundational Pillars

In this chapter, we introduce and explore the foundational elements of our strategic plan: the mission, vision, core values and functions of Heritage Community School. These statements serve as fundamental principles that define our identity, purpose and aspirations. Understanding the significance of a clear mission and vision is crucial, as they provide direction, shape our decisions, inspire action, and promote unity across our community.

Mission

Creating a supportive and stimulating learning environment that empowers children to nurture their dreams and realize their aspirations.

Vision

A society where every child has the power to shape their own destiny and the opportunity to become who they want to be.

Core values

Stewardship: Responsibility, Transparency, Accountability, Teamwork

Competence: Excellence, Quality in Service Delivery, Innovation, Collaboration

Culture of Respect: Kindness, Tolerance, Unity in Diversity, Appreciation

Leadership: Courage, Progress, Integrity, Communication

Personal growth: Confidence, Curiosity, Internal Reflection, Spiritual Growth

Contextual analysis

The contextual analysis is a vital aspect of strategic planning at Heritage Community School, offering a comprehensive understanding of our operational environment. This analysis encompasses key elements such as school data, providing insights into our size, characteristics, and operational dynamics. Additionally, we explore the unique attributes of our community and territory, understanding the socio-economic, cultural, and geographical factors that influence our educational landscape.

1. School's Profile and Demographics

In this chapter, we present a snapshot of key statistics and demographics that define our institution:

- **Total Learner Enrolment:** 269 (**8 more children started but did not complete Term 1*)
- **Learner Capacity (with Permanent Structures):** 455
- **Teaching Staff:** 13
(Diverse Gender Representation: 8 Female, 5 Male)
- **Learner-to-Teacher Ratio:** 1:20
(Surpassing Government's Recommendation of 1:45)
- **Grade Levels Offered:** Early Child Development
(ECD: Baby, Middle, Top Class) & Primary (P1-P6)

These figures reflect the scale and scope of Heritage Community School and highlight our commitment to inclusivity, diversity, and providing a conducive learning environment for all learners.

2. Community and Geographic Context

Heritage Community School operates within a community and geographic context that profoundly influences our educational landscape. This knowledge is instrumental in shaping our approach to education, fostering meaningful partnerships, and ensuring our programs are responsive to the needs and aspirations of our community.

- **Community demographics (Western Ward):**

12 Villages

Average number of households per village: 120

Average household size: 6 members

Youth Population: 64%¹

- **Socio-economic landscape:**

75% of Uganda's population live in rural areas¹

Average household earnings 750'000 UGX/year (185€/year)²

Average expenditure: 0,5€/day

- **Economic activity:** subsistence farming, micro-business

- **Higher education enrollment rate:**

Only 5% of boys and 4% of girls progress to tertiary education³

In 2023, for the first time in the local history, two girls two girls passed ordinary level (lower secondary) education in division one and qualified for higher secondary education.

- **School drop out rate:** 68%⁴

- **Predominant tribes:** Langi and Kumam

¹ Lira University, 2024

² Farm Africa, 2024

³ Local council one, 2023

⁴ ibid, Rafiki Thabo Foundation, 2015

⁵ Local council one and Atur primary school records, 2023

3. Stakeholders

Heritage Community School impact and operations are deeply influenced by a diverse network of stakeholders. In this sub-chapter, we outline the key stakeholders involved in and affected by our institution's activities. Understanding the roles, interests, and contributions of these stakeholders is essential in fostering strong partnerships, aligning efforts, and collectively working towards the common goal of empowering learners and empowering our community.

Learners: the primary beneficiaries of our institution and its services.

Teaching body: professionals committed to fostering learning, growth, and development through education and mentorship.

Support team: essential team members ensuring smooth operations and learner well-being.

Parents and guardians: vital partners providing support and guidance for learners' educational journey.

School Management Committee (SMC): decision-making body that provides strategic guidance and oversight.

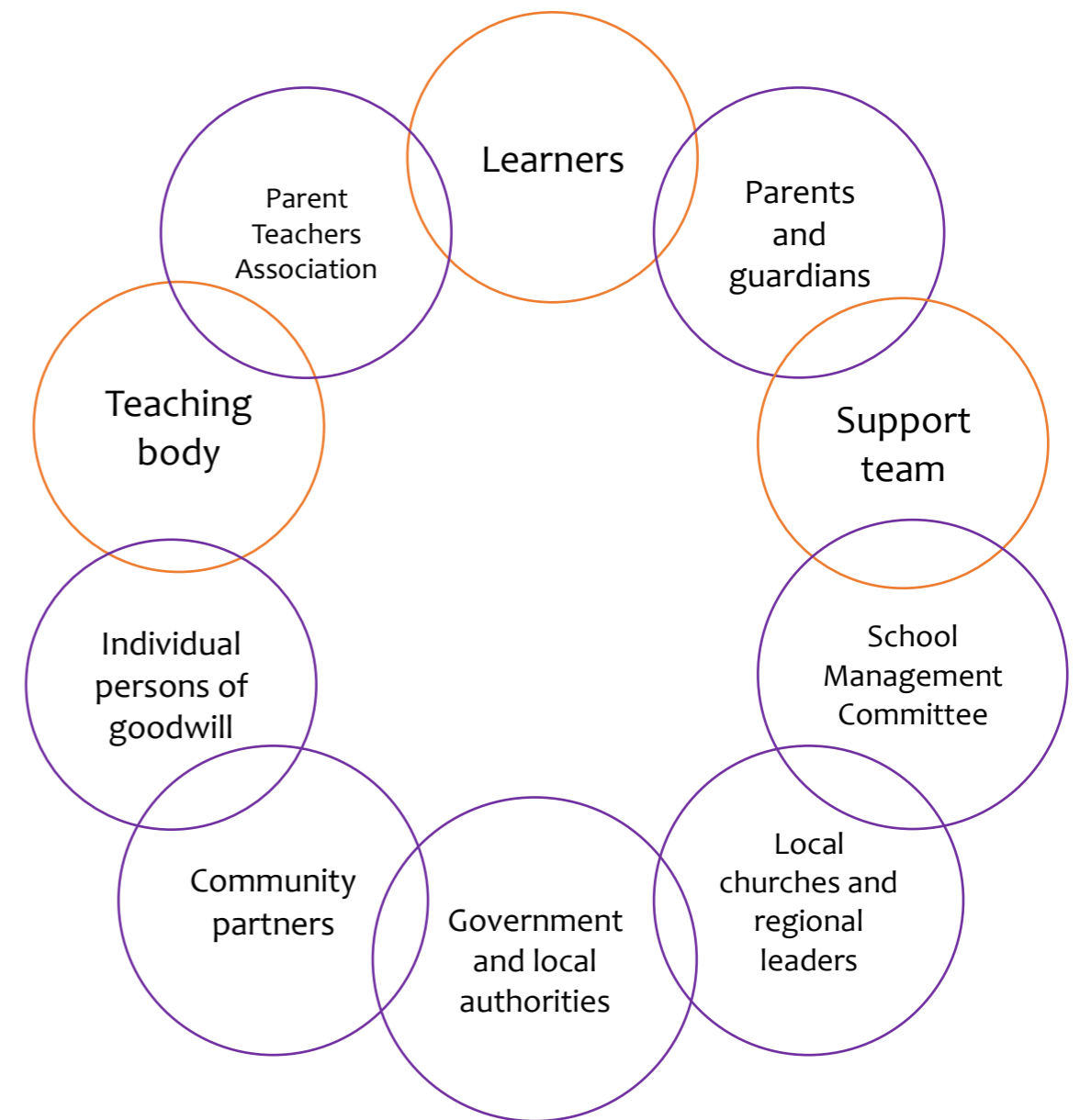
Parent Teachers Association (PTA): enhance collaboration between parents, teachers and management.

Government and Local authorities: collaborative partners in compliance and maintaining standards.

Community partners and organisations: partners in initiatives that enrich our learners' learning journeys and benefit the wider community.

Local churches and regional leaders: influence the community's environment.

Individual persons of goodwill: their generosity and commitment play a crucial role in driving our projects forward.



During a Strategic Plan working session with our teaching body, we were able to conclude that employees at Heritage Community School are motivated by:

- *Equal treatment regardless of gender.*
- *Timely provision of needs (e.g., salaries).*
- *Providing educational opportunities for their children.*
- *Continuous capacity building in various areas (free training programs).*
- *Emphasis on teamwork and collaboration.*
- *Focus on creating a conducive learning environment.*
- *Support for school projects in science and computer education.*
- *Promotion of sporting activities.*
- *Appreciation for effective school administration.*
- *Availability of adequate learning materials.*
- *Acknowledgment of the setup and organisation of the educational system by the administration.*
- *Access to improved technology and free services like internet.*
- *Provision of sufficient teaching materials, with responsiveness to requests.*
- *Valuing teachers through workshops and training opportunities.*

Management basis

This chapter offers an in-depth exploration of the foundational elements that shape our management approach. By examining these key components, we enhance our understanding of what management is based on and how strategic management practices are developed to drive effectiveness and continuous improvement.

- **SWOT Analysis:** A comprehensive assessment of our internal strengths and weaknesses, as well as external opportunities and threats, guides our strategic decision-making and resource allocation.
- **Strategic Objectives:** Clear and measurable goals derived from our mission and vision statements which provide a roadmap for achieving organisational success and fulfilling our educational mission.
- **Collaborations and Outreach:** Engaging with stakeholders, community partners, individuals and organisations allows us to leverage resources, share best practices, and enhance our impact in education and community development.

1. SWOT

In this chapter, we delve into a comprehensive assessment of Heritage Community School internal strengths, weaknesses, as well as external opportunities and threats.

Strengths <ul style="list-style-type: none">- Conducive learning environment and holistic development for children- Physical space for expansion and project development- Exposure to nature, green areas, and rural life (deeper connection to the environment and well-rounded educational experience)- Continuous evaluation practices- Effective curriculum implementation and adherence to capacity building programs- Spiritual activities and emphasis on personal growth- Strong sense of unity and teamwork (committed team with a shared belief in the project)	Weaknesses <ul style="list-style-type: none">- Unstable and insufficient revenue collection due to limited financial capacity of families- Inadequate infrastructure and difficult school access- Weak data analysis and record-keeping practices- Limited provision of clean water- Significant school debts indicating inadequate financial management- Insufficient transport facilities- Inadequate resource management practices and deficient inventory management- Poor time management culture across stakeholders (teachers, learners, parents)
Opportunities <ul style="list-style-type: none">- School at a young age with potential for growth- Potential for income-generating projects and enterprises within the school- Easy access for extension purposes- Access to agriculture due to available land, facilitating practical skills learning- Quality education offered / few well-performing private schools in the area- Physical proximity of the school to the local community	Threats <ul style="list-style-type: none">- Official registration status uncertainty- Emergence of new competitors- Issues with water and power supply- Political environment cooperation- Regulatory landscape and government policies- Nature of temporary buildings

2. Strategic Objectives

In this subchapter, we outline clear and measurable goals that are rooted in Heritage Community School’s vision, mission, core values, and core functions, providing a strategic roadmap for achieving organisational success and fulfilling our educational mission.

Strategic goals for immediate priorities

Objective	Description	Projected costs	Timing (start/end)
1. Water system	<p>Establish a reliable water system to ensure consistent access to clean water for drinking, sanitation, and agricultural needs, promoting health and environmental sustainability.</p> <p>Currently, we have two employees who manually fetch water at least five times a day, with each journey covering 3.4km and carrying 80 liters on a bicycle.</p> <p>Considering our significant growth from last academic year, with an increase of 100 learners, we anticipate reaching at least 350 learners in the upcoming academic year. This expansion would necessitate either doubling the number of water- fetching trips per day or hiring two additional workers.</p>	<p>10’345 €</p> <p>42’260’141 UGX</p>	December 2024
2. Infrastructure development	<p>Permanent classroom blocks (34’985): construction of a new classroom block (3 classrooms) to foster a conducive learning environment and to accommodate upper grades within appropriate standards.</p> <p>Others: Toilets (6’750), Storage facility (541), Office spaces (6’997), Playground and sporting facilities (3’237), Perimeter fence (6’011)</p> <p>Our school is currently registered as a community-based organisation; however, we have not yet received official registration from the education department due to our current infrastructure and hygiene facilities not meeting the minimum standards required for formal registration. We also face significant challenges with the weather, especially rainy days, which not only disrupt the teaching but also deteriorate furniture, books, and other teaching/learning materials.</p>	<p>51’524 €</p> <p>210’479’607 UGX</p>	December 2025

<p>3. Learning material and resources</p>	<ul style="list-style-type: none"> • Classroom furniture (2'238) • Books and other reference materials (1'215) • Equipment for practical lessons (e.g., microscope, magnifying glasses) (1'750) • IT integration and alternative teaching methods (remote teaching) (7'500) <p>Budgets for most items reflect annual expenditure. Currently, the quality and type of furniture used significantly undermines the learning environment.</p> <p>Whilst some of these may not be an immediate call for action (e.g. IT lab), they would significantly improve the quality of education, particularly by enhancing collaboration and benefiting from a wider knowledge base not limited by location.</p>	<p>12'702 €</p> <p>43'810'000 UGX</p>	<p>Ongoing</p>
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Other strategic goals

No.	Name	Objective
1	Provide Safe and Conducive Learning Spaces	Improve infrastructure and security measures to create a safe and conducive learning environment.
2	Ensure Clean Water Source	Seek funding and support to establish a reliable clean water source within the school premises.
2	Achieve Academic Excellence	Implement strategies to enhance academic standards, including regular assessments, mentorship programs, and teacher training workshops
3	Support Vulnerable Children / Establish Foundation for Education	Develop sponsorship programs to ensure learners' educational needs are met. Identify and provide study bursaries for orphans and vulnerable children.
4	Capacity Building in Production Skills	Establish school projects and conduct training sessions for learners, teachers, and parents on basic production skills.
6	Improve health facilities and establish health clinic	Improve health facilities such as sickbays, toilets, changing rooms, and incinerators. Establish health clinic in school premises to provide first aid care for children.

7	Acquire Land for Expansion	Secure additional land for future school expansion and development projects (e.g., sports field, income generating projects, etc.).
9	Acquire School Transport	Secure a school van for transportation needs, addressing current challenge of long distances walks for some children (up to 7km walks).
13	Educational Tours and Community Outreach	Conduct regular educational tours and community outreach programs to enhance learning experiences and community engagement
10	Promote Academic and Personal Resilience	Foster a culture of diligence and perseverance among learners to achieve their academic and personal goals
11	Enhance Customer Care and Parental Involvement	Facilitate collaborative initiatives and open communication channels between parents and school staff
12	Build Strong Foundation for Teacher-Learner Relationships	Promote a culture of mutual respect and support between learners and teachers

4. Collaborations and outreach

In this subchapter, we outline our strategy for seeking long-term partners who are willing to support the Heritage Community School project until it achieves self-sufficiency. Collaborations and outreach efforts will be directed towards establishing sustainable partnerships that align with our vision and mission.

Objectives

- Identify potential long-term partners who share our commitment to education and community development.
- Foster meaningful collaborations that contribute to the financial stability and growth of the school.
- Develop outreach strategies to engage stakeholders, donors, and supporters in our mission.

Approach:

- Conduct thorough research to identify organisations, foundations, and individuals with a track record of supporting similar initiatives.
- Tailor partnership proposals to showcase the mutual benefits and impact of collaborating with Heritage Community School.
- Implement targeted outreach campaigns through various channels.

Expected Outcomes

- **Secure long-term funding and resources to ensure the sustained operation and growth of the school (see particularly 3 main priority areas) until self-sufficiency and sustainability.**

Financial Plan

In this chapter, we analyze the school's financial status in relation to its population and revenue, highlighting key areas of financial planning for a comprehensive understanding of the school's operational activities. The School Management Committee will create, adopt, and implement a Financial Plan that will help the school to attain the following objectives:

1. Control operational costs
2. Achieve stable revenue collection
3. Reach financial sustainability

These objectives will be achieved through proper cash management techniques (account keeping), budgeting, and rational debt management practices. The School Management Committee will review current expenditures and prepare a budget that is in line with the school's goals on an annual basis. Cash will be managed prudently to create savings and enable the school to re-invest in other business opportunities (local income generating enterprises, e.g, chicken rearing, vegetable growing (dry season), piggery) with the aim of steadily increasing revenues. Cost benefit analysis will be done to determine which of these projects should take priority.

Taking into account the factors mentioned above, this financial plan is designed to address the school's current financial challenges and pave the way for long-term stability and sustainability. The successful implementation of this plan is crucial for the school's recovery and future financial health.

Our guiding principles in this endeavor are transparency, accountability, and a mindset of value for money, ensuring that every aspect of the plan is clear, responsible, and in line with our commitment to financial integrity.

1. Situation analysis

The financial plan is a critical aspect of our strategic framework, marking the equilibrium point (break-even point) where revenues align with costs, signifying a balance between income and expenditures. At this stage, the school neither incurs losses nor generates profits, ensuring financial stability. The analysis delves into identifying the minimum learner enrollment required for the school's economic viability and sustainability.

Current Cost Structure for 269 Learners (*8 more children started but did not complete Term 1)

Weekly Fixed Costs

Grinding / milling maize for posho	75000	1	75000	19
Cooking oil	8000	3	24000	6
Onions	6000	1.5	9000	3
Tomatoes	5000	1	5000	2
Tee leaves	1000	1	1000	0.30
Bread	7000	6	42000	11
Salt	5000	1	5000	2
Brooms	6000	1	6000	2
Transport	6000	4	24000	6
Parents contributions: beans, sugar, maize				
Total weekly			191000 UGX	52€

Termly Fixed Costs

Weekly fixed costs	191000	12	2292000	561
Salaries and wages (13 teachers, 5 support staff)	3200000	3	9600000	2350
Housing rent for teachers (8 teachers)	200000	4	800000	196
Liquid soap 60 litres/term	2000	60	120000	30
Compound slashing/mowing	75000	2	150000	37
Learner's examinations (3 sets: beginning, mid-term and end)	320000	3	960000	235
Total termly			13922000 UGX	3'408 EUR

Yearly Fixed Costs = 3 x 13'922'000 = **41'766'000 UGX = 10'224 EUR**

Termly Variable Costs

Fuel Wood for cooking (50) + transport (75)	125000	3	375000	92
Casual labour	50000	3	150000	37
Printing and stationary (e.g., chalk, pencils)	400000	1	400000	98
Textbooks and resource materials	280000	1	280000	69
Meetings and community engagements (e.g., hiring of chairs)	150000	3	450000	110
Events: Sports day (Term 2) and Graduations (Term 3) * <i>separate contributions from parents</i>	750000	1	750000	184
Communications (e.g., letters, internet data, airtime, radio announcements)	100000	3	300000	74
Total termly			2705000 UGX	664 EUR

Yearly Variable Costs = $3 \times 2'705'000 = 8,115,000 \text{ UGX} = 1'992 \text{ EUR}$

Total Yearly Fixed + Variable Costs = 49,881,000 UGX = 12'216 EUR

Current Break-Even Point Calculation (269 learners)

Cost structure

- Total **termly fixed** costs = 13'922'000 UGX (3'376 EUR)
- Total **yearly fixed** costs = 41'766'000 UGX (10'128 EUR)
- Total **termly variable** costs = 2'705'000 UGX (656 EUR)
- Total **yearly variable** costs = 8'115'000 UGX (1'968 EUR)

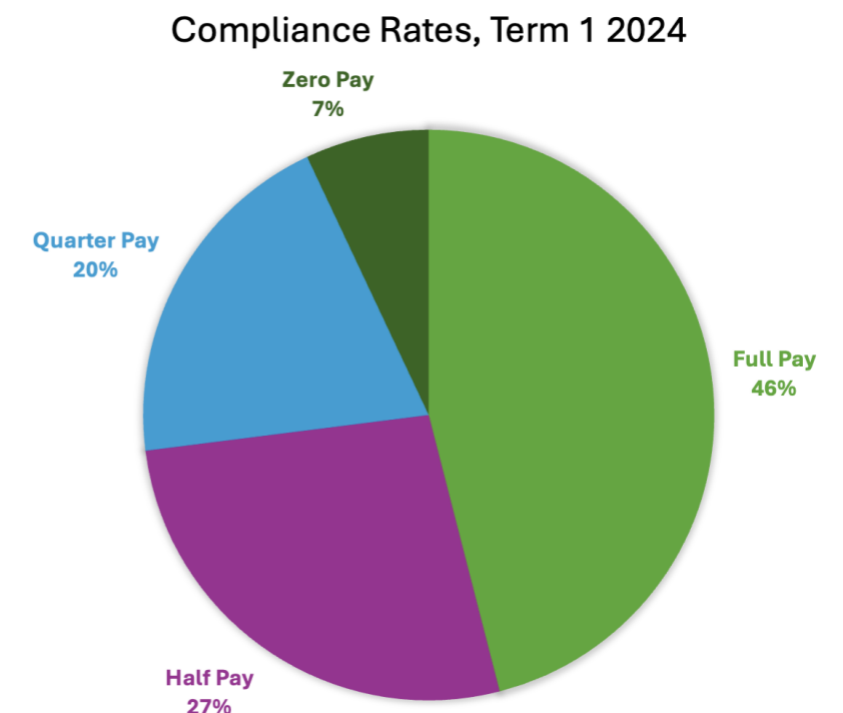
Revenue structure

- Kindergarten: top 43; middle 51; baby 42 → 75'000 UGX / child (18 EUR) = 10'200'000 UGX / term (2'473 EUR)
- P1 – P2: 63 → 85'000 UGX / child (21 EUR) = 5'355'000 UGX / termly (1'298 EUR)
- P3 – P6: 70 → 95'000 UGX / child (23 EUR) = 19'950'000 UGX / termly (4'838 EUR)

Break even calculation

Key Data

- Current Enrollment: 269 learners
- Fixed Costs: 41,766,000 UGX per year
- Variable Cost per learner: 30,167 UGX per year
- Revenue per learner (Full Compliance assumption) = $R_{full} = 247,639$ UGX (60 EUR)
- Revenue per learner for each compliance rate
 - **Full Compliance (46%):** $R_{full} \times 46\% = 247,639 \times 0.46 = 113,913.94$
 - **Half Pay (27%):** $R_{full} \times 27\% \times 50\% = 247,639 \times 0.27 \times 0.5 = 33,430.27$
 - **Quarter Pay (20%):** $R_{full} \times 20\% \times 25\% = 247,639 \times 0.20 \times 0.25 = 12,381.95$
 - **No Pay (7%):** $R_{full} \times 7\% \times 0\% = 247,639 \times 0.07 \times 0 = 0$
- Sum the **Effective Revenue** per Learner
 - $R_{effective} = 113,913.94 + 33,430.27 + 12,381.95 = 159,726$ UGX (39 EUR)



Break-even calculation – effective revenue ($R_{\text{effective}}$)

BEP = Fixed costs / Contribution margin

(Contribution margin = fees charged per learner – variable cost per learner)

BEP = 41,766,000 / (159,726 - 30,167) = **322 learners**

Break-even calculation – full compliance assumption (R_{full})

BEP = 41,766,000 / (247,639 - 30,167) = **192 learners**

Current financial situation

Total Revenue: 269 × 159,726.16 = 42,957,736.04 UGX

Total Variable Costs: 269 × 30,167 = 8,109,823 UGX

Total Costs: 41,766,000 + 8,109,823 = 49,875,823 UGX

Deficit = 42,957,736.04 ($R_{\text{effective}}$) – 49,875,823 (Total costs) = **- 6,918,087 UGX (1'694 EUR)**

The situational analysis has revealed the need to formulate the following policies:

- School fees payment policy
- Scholarship and targeted support policy
- Donations and contributions policy

Further considerations

Not everyone can afford these fees, we have a very high default rate (some make partial payments and others do not pay at all). Full payment compliance since we started has been between 25 - 46%. We have 10 children supported by family friends. Due to compliance issues and community dynamics, we have had to be very flexible. Usually some of the school mothers cover their fees by providing firewood, bricks, cassava, stone aggregate. Some of the fathers offer their labor, especially when we started the constructions (temporary structure, kitchen, store and the new classroom block). At the end of the 2023 school year, there was no way to pay the teachers. Isaac stopped working at the end of April. We pushed through the second semester (which ended in August), but in the third semester it was really difficult to pay the teachers. Not only did we have to sell maize to compensate for the salary, but the teachers themselves had to help us prepare the maize to sell.

For the constructions that have been made until today (temporary classrooms, kitchen, store and new classroom block), money has been raised from different sources. From the beginning, the money came mainly from Isaac's salary (on a monthly basis, he contributed more than 2'000'000 UGX, i.e. more than 50%) and individual donations/support by Ebarhard Hauser, Silvia Laria, Chris and Brenda, and Dr. Agamile Peter. We have also organised several mini-fundraisers in collaboration with Daniela (especially for the new classroom block and desks/chairs).

We have observed a gradual increase in the payment of fees, with a significant reduction in the number of students who don't pay any fees, now down to less than 10% this semester. This marks a significant improvement compared to previous semesters, indicating a rise in the number of families making an effort to contribute financially. The percentage of students paying 100% of their fees has risen from under 30% to 47%. This positive trend indicates a growing appreciation for education, suggesting that within four years, we will likely see a substantial shift in mindset towards valuing and investing in education

We would like to note that there is one particular person who contributes UGX 200,000 per month towards the running costs of the school.

2. Financial projections

Projected Costs/Revenue for 455 Learners (Year 2027)

To project the costs for 455 learners, we will assume that both fixed and variable costs will increase proportionally, and we will add additional costs for increased staffing.

Assumptions:

Fixed costs will increase due to additional teachers and resources needed.

Variable costs will increase proportionally with the number of learners.

Projected Increase in Fixed Costs:

Salaries and wages: Increase by 1.5 times (assuming more teachers and support staff)

Housing rent: Proportional increase

Other fixed costs: Proportional increase

Projected Increase in Variable Costs:

Proportional increase based on the number of learners

Calculation

Fixed Costs Increase:

Salaries and wages: $9,600,000 \text{ UGX} * 1.5 = 14,400,000 \text{ UGX}$ per term

Housing rent: $800,000 \text{ UGX} * (455/269) = 1,353,159 \text{ UGX}$ per term

Other fixed costs: $3'522'000 \text{ UGX} * 455/269 = 5'957'286 \text{ UGX}$ per term

Variable Costs Increase:

Variable costs will increase proportionally:

New Variable Costs = $8,115,000 \text{ UGX} * (455/269) = 13,726,115 \text{ UGX}$

Total Projected Fixed + Variable Costs:

Total Projected Yearly Costs = New Fixed Costs + New Variable Costs

Total Fixed Costs: $21'710'445 * 3 = 65,131,335 \text{ UGX}$

Total Variable Costs: $13,726,115 \text{ UGX}$

Projected Total Yearly Costs:

Total Yearly Costs (adjusted for inflation 5%) = $65,131,335 * (1 + 0.05)^4 + 13,280,180 * (1 + 0.05)^4 = \underline{95'310'950 \text{ UGX} = 23'325 \text{ EUR}}$

Potential Revenue Projections

If we had infrastructure able to accommodate 455 learners and 400 of them able to have 100% compliance...

- Two fee structure
 - o For local community $250'000 \text{ UGX}$ (without any other contributions)
 - o For those coming from far or other places $430'000 \text{ UGX}$
- 40% external = 182 learners (100% compliance) -> $182 * 430'000 = 63'700'000 \text{ UGX}$
- 60% local = 273 learners (50% compliance) -> $136 * 250'000 = 34'000'000 \text{ UGX}$
- **TOTAL = $97'700'000 * (1 + 0.05)^4 = 118,717,923 \text{ UGX} / \text{term} \rightarrow 29,058 \text{ EUR} / \text{term} \rightarrow 87,174 \text{ EUR} / \text{year}$**
- **Average per learner = $261,091 \text{ UGX} / \text{term} \rightarrow 64 \text{ EUR} / \text{term} \rightarrow 191 \text{ EUR} / \text{year}$**

Potential Revenue Projections - Projected Total Yearly Costs = $118,717,923 - 95'310'950 = + 23'406'973 \text{ UGX} (+ 5'729 \text{ EUR})$

3. Key areas of focus

- Budgeting: determine revenue sources and expense allocation.
- Cash flow management: monitor cash inflows, cash outflows and cash reserves.
- Debt management: control loans and borrowings, sundry creditors.
- Risk management: reduce chances of fraud, liquidity and human resource risk.

Budgeting

An annual forecast of expected revenues, fixed, and variable expenses (budget) will be prepared at the beginning of each financial year by the Finance Committee. This process allows the school management to project the annual financial performance and implement corrective measures to mitigate any undesirable projected outcomes.

Cash flow management

The Finance Committee and School Management Committee will collaborate to implement measures ensuring effective cash collection, timely payment of expenses and liabilities, and adequate funds availability for future needs.

1. Cash collection strategies
2. Expenses and liabilities settlement strategies
3. Cash reserve

Debt management

1. Short term creditors (suppliers): suppliers will be settled in full at the end of every month.
2. Future debts: The school management will prudently avoid unnecessarily committing to long-term debts to address short-term liabilities. High-cost borrowings will also be avoided. Should the school necessitate borrowing, the following considerations will be taken into account:
 - Consider credit facility with the longest grace period, the least interest charges, smallest monthly installments, and the longest repayment period.
 - Consider borrowing to finance growth opportunities instead of recurrent expenditure.
3. Fall back plan: in the event that the school needs to meet financial obligations, and there is no ready cash, the School Management Committee can resolve to take a short-term bank loan, as a last resort.

Risk management

The major financial risks the school may face have been identified as:

1. Liquidity risks: the likelihood that the school may be unable to meet its current financial obligations.
 - Recommendation: Finance Committee to determine a percentage of the year's profit to be retained as reserves.
2. Human resource risks: people, culture, or governance factors that cause uncertainty and could negatively impact the school's operation.
 - Recommendation: implement measures and benefits to reduce chances of employee turn-over, conduct thorough background check on new recruits, develop the institution's culture to encourage leadership, accountability and a safe and healthy environment for all, structure training and competence development for employees, institute other measures that contribute to employee well-being.
3. Legal risks: these involve the risk of financial or reputational losses due to insufficient awareness and understanding of the legal framework and regulations governing school operations.
 - Recommendation: the school management is advised to collaborate with local and regulatory authorities to stay informed about the laws and regulations pertinent to the educational sector.
4. Fraud risks: the possibility of the school being subjected to fraudulent activities.
 - Recommendation: the Finance Committee will establish a comprehensive fraud detection and prevention mechanism, structure both internal and external audits, and provide training to all staff on recognizing and addressing fraudulent practices.

4. Conclusion

This financial plan is designed to optimize operational costs while maximizing revenues, thereby ensuring the financial health and long-term sustainability of Heritage Community School. This solid financial foundation will empower the School Management Committee to achieve the strategic objectives outlined in its strategic plan.

The successful implementation of this plan will bring the following benefits to Heritage Community School:

- ⇒ Ensuring the availability of funds
- ⇒ Facilitating proper utilization of funds
- ⇒ Establishing financial sustainability
- ⇒ Bridging the school's present with its future



**“We did not come to fear the future.
We came here to shape it”
Barack Obama**

