

Ref. : ISB/CR/EC-08/16

8 September 2016

Dear Parent,

Warm Greetings!!!

Welcome back after the much needed summer break and hope you all are rejuvenated.

Out of the many challenges this Executive Committee inherited from the past, the financial and working capital deficit have been the major ones and all of you are aware of it. Being a community school the challenge lays in the smooth maneuvering of the school finances without affecting the functioning and its continuity. Added to this there has been an exorbitant increase in various charges including that of electricity and water. On the transport side there was a huge debt over BD 345,000 inherited from the past committee's term. The payment for loans of the Riffa Campus Building started during this tenure only. The interest payments and the lease totals to BD 63,000 per month which has been a huge drain on the operational capital. The staff indemnity and the available building fund have been pledged for the same with banks and it cannot be withdrawn. To manage the huge deficit and the ongoing losses; the parents in the AGM conducted in Nov. 2015 proposed an increase in the fees against the agenda "Current Financial situation and Way ahead". The proposal of AGM was submitted to the Private Education Directorate of Ministry of Education and they have permitted the increase of fees partially over a period of two years with effective from this academic year.

This is the only way out to stabilize the working capital deficit and take the school to financial stability in the years to come. We will also venture into all sort of possible fund raising mechanisms with the help of the community. The recent Mega-Fair was a classic example of this, which has given us a breather to support our staff and student welfare initiatives. The fate of over 12,000 students and 650 staff members and their families cannot be left to chance. The Ministry of Education has been kind enough to spread out the fee increase in a phased manner that will not tax the parents but will help us to stabilize the finances in the long run. The revised fee structure of Phase-I is mentioned below for your reference and will be applicable from the academic year 2016-2017.

Revised Tuition Fee – From Academic Year 2016-2017			
Class	Current Tuition Fee Per month (BHD)	New Tuition Fees Per month - From Academic Year 2016-2017 (BHD)	Increase (BHD)
LKG to IV	19	20.9	1.9
5 to 8	20	22	2
9 & 10	23	25.3	2.3
I I Humanities & Commerce	33	35.3	2.3
I I Science	38	40.2	2.2
I I Bio-Technology	43	45.5	2.5
I 2 Humanities & Commerce	33	35.3	2.3
I 2 Science	38	40.2	2.2
I 2 Bio-Technology	43	45.5	2.5



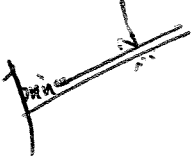
The transport service provider is finding it difficult to ply the buses due to huge dues that the school owes to them. It is a service wherein the school collects the necessary transport fees from the parents and pays it to the service provider. The school does not keep any share of the transport fees. To cover the mounting operational cost of BD 92,054 and the past transport debt of BD 345,000, the transport fees will be increased by BD 1/- per month from September 2016. This will help the school to be free of operational and past debt.

The austerity measures initiated by the Executive Committee are yielding results and the overall expenditure has come down as per the recent audit report. But the mounting deficits have called for stringent measures to tide over the crisis. These measures are part of our initiatives to bring the school to a break-even point in terms of finance so that our students and staff are not deprived of their basic rights.

Expecting your co-operation in this regard in the best interest of The Indian School, Bahrain

Yours sincerely,

On behalf of the Executive Committee



Prince S. Natarajan  
Hon. Chairman

