

Emigration takes toll on Advtech's enrolment numbers

By [Robert Laing](#)

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Private education group Advtech said the high number of South African families emigrating was hurting enrolment numbers at its schools.



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"The difficult economic climate and unsettled sociopolitical environment had a more significant effect on enrolment numbers than had been anticipated," Advtech said in its interim results for the six months to end-June released on Monday morning, 21 August 2017.

"We have seen a consistent rise in the number of families emigrating and this trend had a particularly negative effect on enrolled numbers as we lose students in grades where it is difficult to replace. In addition, we have seen an increase in withdrawals and exclusions as a result of financial pressures. Therefore, while actual new enrolments have been in line with expectations, net student numbers have been adversely affected by these two negative influences."

Acquisitions during the reporting period of University of Africa group and Glenwood house helped the group's revenue grow 22% to R2bn while its aftertax profit grew 13% to R213m.

Since June 30, Advtech has completed its acquisitions of Summit College and Elkanah House, and has bought 80% of The Private Hotel School.

It declared an interim dividend of 15c, 11% higher than the matching period's 13.5c.

Its tertiary education division - whose brands include Varsity College, Rosebank College and Vega - grew revenue 33% to R789m, contributing 39% of the group's total.

Its school division - whose brands include Abbotts College, Advtech Academies, Centurus Colleges and Crawford Schools - grew revenue 10% to R904m, representing 45% of group revenue, while operating profit grew by 5% to R172m.

Source: BDpro

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