

UNIVERSITY OF VENDA
ANNUAL REPORT

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CREATING FUTURE LEADERS



University of Venda
Creating future leaders





University of Venda

Creating future leaders

VISION

The University of Venda aspires to be at the centre of tertiary education for rural and regional development in Southern Africa.

MISSION

The University of Venda, anchored on the pillars of excellence in teaching, learning, research and community engagement, produces graduates imbued with knowledge, skills and qualifications which are locally relevant and globally competitive.

University of Venda 2019 Annual Report and audited financial statements compiled in terms of the Regulations for reporting by Public Higher Education Institutions, published under Government Notice No R 464 of 9 June 2014. Incorporated in terms of the Higher Education Act, 1997 and the Statute of the University of Venda.



Highlights of 2019

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- Univen conferred 44 doctoral degrees in 2019 - the highest number ever produced by the university. One candidate received a doctoral degree co-badged with the University of Toulouse in France.
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- More than 3 000 qualifications were conferred in 2019.
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- From 2 in 2009, National Research Foundation-rated researchers increased to 28 in 2019.
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- A total of 3 500 student tablets were supplied.
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- The Bachelor of Commerce in Accounting Sciences programme was accredited.
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- Following a review of all LLB programmes in South Africa by the Council on Higher Education, the Univen programme received unconditional reaccreditation.
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- Univen's Disability Unit welcomed 17 first-year students – some with physical disabilities, partially sighted, hearing impaired and learning disabilities. They were all assisted to register for academic support. The university's infrastructure accommodates people living with disabilities. A recruitment drive targets women and people living with disabilities in job adverts. To become a fully comprehensive university, all efforts are being pursued to serve the entire community.
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Report of the Chairperson of Council

Meeting strategic objectives and targets

During the past few years, the University of Venda has made remarkable improvements in various areas. The progress made is demonstrated through the stability on campus characterised by responsible and mature student and union leadership. This has allowed an institutional culture in support of the university's core business - its academic project.

The stability on campus reflects a future with exciting opportunities that would enable Univen to be financially sustainable and deliver high level professional and occupational skills, research and innovation relevant to the economic growth and the development of the region and the nation. Furthermore, it will greatly assist with the employability of Univen's graduates.

The university's vision is to become a top South African university as measured by the quality of programmes on offer. This includes undergraduate teaching and learning, relevant research and innovation with a high impact value and in reciprocal community engaged initiatives. In turn this addresses critical areas of rural development and poverty alleviation as well as job creation.

Univen continues to meet the strategic objectives and associated targets that were set to strengthen the university's core business or academic project. This is reflected in the progress made in a range of measurable indicators of academic success, which include -

- The undergraduate student throughput rate for 2019 was 56.6%.
- Against a ministerial target of 40 graduates with doctoral degrees by 2019, the university conferred 44 doctoral degrees in 2019. One of the candidates received a doctoral degree co-badged with the University of Toulouse in France.
- The number of National Research Foundation rated researchers was 26 in 2019. In addition, Univen submitted 11 more new applications.



*Mr Juneas Lekgetha
Chairperson of Council*

- Research outputs per capita have increased to 1.03 in 2017.
- The number of special category academics in support of the academic core project has increased in 2019.

All the programmes on the university's programme and qualification mix have been recredited as part of the Council on Higher Education's revised higher education qualifications framework process. This includes approval by the Department of Higher Education and Training and accreditation, where appropriate, by the relevant professional bodies.

Financial sustainability continues to feature high on the risk register of Univen. A management action plan approved by Council in 2017, monitored by the Finance Committee of Council, was implemented in 2019. The plan entails the implementation of cost control, particularly in terms of personnel expenditure, and austerity measures in non-core business. The Council is pleased to note the unqualified external audit opinion on the 2019 annual financial statements.

Council statement on sustainability

The year 2019 continued to show strong co-governance between the university management and students. One of the most important oversight roles of the Council in any university is the financial sustainability of the institution.

From a financial point of view, management ensured that the financial well-being of the university was uppermost in their minds. Through prudent financial management planning, Univen ensured that critical infrastructure, academic projects and maintenance of existing assets were not compromised.

Through the realignment of portfolios, management has reemphasised the needs to focus on the generation of third-stream income. This source of income is becoming more critical in ensuring the longer-term sustainability of the university.

Council is assured that it has adequately exercised its oversight and governance roles on the management of the University of Venda in 2019. This is a result of Council putting in place mechanisms that ensured effective implementation of its tasks and execution of key objectives, which were -

- Conversion to a comprehensive university;
- Quality of teaching and learning;
- Research and innovation;
- Integration of community engagement initiatives;
- Financial sustainability;
- Integrated people management;
- Linkages, partnerships and internationalisation; and
- Enhancing the quality of student life.

A complete report on the university's performance against each of these objectives is presented in the Vice-Chancellor's performance report.

Council is appreciative of the hard work and commitment to the effective implementation of the university's strategic plan by all stakeholders. It is through focused commitment that the university would remain on track towards realising its objectives.

The Committees of Council were constituted consistent with requirements of relevant national legislation and they fulfilled their delegated functions. This statement presents an account of Council's responsibilities in discharging its duties in terms of governance for 2019.

Quality infrastructure supportive of an optimal learning environment remains a major challenge due to the ever-increasing number of students. This is not unique for Univen but for higher education in general. I am encouraged that the university will meet the demand due to positive interest from the private sector and government to meet its infrastructure needs.

University Management has exercised sufficient control over funds received from subsidy – which remains our largest source of income – student fees and third-stream income.

The consolidated financial statement of activities presented in accordance with generally accepted accounting principles with clear recognition of revenue earned and expenses incurred is included in this report. Overall, I am convinced that the funds have been used in the interest of the university to the best extent possible.

Effective ethical leadership and corporate citizenship

The Council of the University of Venda has put in place policies, procedures and processes to ensure that its core business is conducted in an ethical manner. This is with due consideration of the impact of education and skills on the economy, society and the environment in the interests of its diverse stakeholders.

To instil an ethical culture, the University of Venda has implemented a code of ethics for Council and staff, guided by King IV. The report has since been completed for implementation of projects towards improving our governance framework.

A code of conduct also exists and is communicated to all Council members. University staff has conditions of service documents

that guide their ethical conduct and behaviour. In addition, both Management and Council members declare conflict of interests annually.

The University of Venda has implemented an independently managed tip-offs anonymous system managed by Deloitte and Touché to serve as a deterrent against corruption.

Further, all employees and service providers are discouraged from corrupt activities by regular declaration of possible conflict of interest.

The university has continued to implement various initiatives and programmes to ensure that we promote community engagement to assist communities in rural areas. To this end Univen has continued to engage, among others, to these initiatives -

- The use of the Vuwani Science Centre as a flagship for Science and Mathematics development and support for schools;
- Partnership with secondary schools in the Vhembe District Municipality as part of a three-year community engagement initiative, creating a sustainable learning environment in selected schools; and
- Community assessment analysis for interventions to improve the health of teenage mothers in rural Limpopo Province.

Leadership and institutional transition

Through a search committee, Council was engaged to appoint a new Vice-Chancellor and Principal and the process was concluded in November 2018. Dr Ndanduleni Bernard Nthambeleni was appointed in January 2019.

The Deputy Vice-Chancellor: Academic's contract was renewed for another four years and six months term from January 2019. The University Registrar, Prof Edward Nesamvuni resigned in September 2019 and the Director Legal Services, Adv Edward Lambani was appointed as Acting University Registrar in October 2019.

Statement on effective governance and risk management

The Council of the University of Venda holds office for five years. However, student leaders who are also members of Council only hold office for one year. The Council is constituted of members representing different constituencies within and outside the university.

Further, members bring diverse competencies and skills in areas such a legal, financial, auditing, human resources and human rights. This diversity, coupled with executive management's academic background, provides a reasonable balance of expertise to attend to matters before Council.

A Risk Management Committee has been established to assist Council and the Vice-Chancellor to manage residual, current and projected risks. This was mainly due to the university's growth, both in terms of student enrolment, financial portfolio and infrastructure construction.

Of consideration was also the magnitude of infrastructure and value of construction projects. The supply chain policy, its processes and governance had to be reviewed and strengthened to mitigate to the risks of lack of delivery in infrastructural projects.

Primarily, the Committee discharges risk management and control responsibilities in accordance with prescribed legislation and corporate governance principles. The sub-committee is chaired by an external person and met on four occasions during 2019.

Governance of information technology

The COBIT 5 framework for the governance and management of enterprises information technology is a leading-edge business optimisation and growth roadmap. It leverages proven practices, global thought leadership and ground-breaking tools to inspire IT innovation and fuel business success.

The university's disaster recovery plan approved by Council was implemented as per the procedures to recover and protect the ICT infrastructure in the event of a disaster.

The IT department has finalised the development of an ICT project charter to manage the quality of the deliverables, budget for the project and risks associated with implementation. The service delivery charter was piloted to ensure the quality of service offered to users.

Compliance with overall national statutory framework

The Council has delegated various responsibilities to the Audit and Risk Committee. These include the role of ensuring compliance with all relevant legislation, statutory requirements, Council directives and the code of ethics as well as the critical role of enterprise risk management.

This includes the assessment and management of organisational risk. Monitoring compliance with the code forms part of the mandate of the Audit and Risk Committee of Council.

The University of Venda's Directorate of Legal Services has ensured constant advice on new regulations and required institutional adjustments for compliance.

While this is an ongoing process, I am delighted to report that Univen is fully compliant with statutory provisions on human resources, finance, student matters, occupational health, accreditation of courses offered and associated built environment regulations.

Remuneration of Councillors

It is the responsibility of Council to ensure effective governance of the university's finances and avoid conflict of interest. External members of Council receive an honorarium per meeting in recognition of their role and commitment to institutional cause.

Members are also reimbursed expenses for travelling within the prescribed rates approved by Council – at a level lower than prevailing national Treasury regulations. Council reviews prescribed rates based on inflation rates to remain within reasonable reimbursement costs.

Overall, there are no disclosures on the remuneration of Council members as they are not paid for their services. I wish to thank all Council members for their commitment to the University of Venda.

Matters approved by Council

Procurement

The University of Venda's procurement process is governed by the supply management policy and implemented by Supply Chain Management, guided by Council's Bid Adjudication Committee.

Identification of procurement requirements remains the responsibility of management with approval from full Council. During 2019, these bids were approved -

- Supply, delivery and repairs of 3 500 student tablets per year;
- Supply and installation of audio-visual equipment;
- Supply and installation of VoIP system;
- Provision of fleet management services;
- Refurbishment of the Riverside student residences;
- Alteration of the Natural Sciences building;
- Rectification of the total cost of the bid for the provision of fleet management services;
- Provision of fish and chips services; and
- The upgrade of the water pipeline.

Policies

New policies

To meet new requirements and introduce policies consistent with institutional growth, new policies for proper governance of operations were introduced. These policies included -

- Policy on bereavement for Council members
- Infrastructure project handover policy
- Laptop policy
- ICT access control policy
- Risk management policy

Other policies were amended or revised due to their prescribed review date or for proper governance of operations. These included -

- Accounting policy for financial instruments
- Accounting policy for revenue

Additional matters

Council approved these matters -

- Revised constitution of the Institutional Forum
- Amendments to the School of Law's assessment policy for the LLB programme
- Application to re-introduce the LLM degree in Human Rights (by course work and dissertation)
- Student appeal cases
- Addition of the Vice-Chancellor and Principal, Dr Nthambeleni as an authorised signatory for all documents relating to the university's banking services
- Application to change the name of an existing qualification - Postgraduate Diploma in Public Health Care and District Health Management to Postgraduate Diploma in Public Health

- Changes to the existing qualification - Bachelor of Arts to include MUS0306 as a new major field of study
- ICT governance framework
- ITS access control procedure
- ITS call logging procedure
- Univen's Innovative Growth Company (UIGC)'s Memorandum of incorporation
- Appointment of Mr. MV Mangena as Council member and Chairperson of the Appeals Committee, following the demise of Mr ML Mashego
- Consolidated financial statements for the year ended 31 December 2018
- 2018 annual report
- Request to change the designation of Director: Internal Audit and Risk to Director: Internal Audit as well as to lower the requirements for the position
- Creation of a temporary position of a Professional nurse P9 on a six month contract basis in the Department of Student Affairs (Campus Health Unit)
- Request for the approval of the academic staff progression
- Network security procedure
- Physical and environmental security procedure
- Infrastructure project handover of standard operating procedure
- Request to establish a Student Housing Management Committee
- Approach the National Research Foundation to designate a member on the Council of the University of Venda
- The analysis of Council self-assessment
- Reviewed risk management charter
- 5% inflation-related adjustment of honoraria for external Council members and experts on the Audit Committee from 1 July 2018
- Request to advertise the reduction/waiver of debt upon settlement at a certain percentage on existing debt per debtor (debt recovery strategy)
- Appointment of Adv EN Lambani as Acting University Registrar until a University Registrar is appointed and assumes office.
- Management's decision to constitute interim reporting arrangement in the Registrar's division from 1 October 2019
- That university's staff members on the board of the UIGC should not be paid sitting allowances, with immediate effect.
- Process flow and advertisement for the appointment of the University Registrar
- Applications to introduce new programmes -
 - Diploma in Food and Culinary Studies in the School of Agriculture
 - Master of Public Health in the School of Health Sciences
- Approach three bodies to designate members on the Council of the University of Venda:
 1. National Institute for the Humanities and Social Sciences
 2. Engineering Council of South Africa
 3. Mapungubwe Institute for Strategic Reflection

It is through these reviews and approvals that the University of Venda continues to remain relevant to its vision and mission, its statute and national statutory provisions governing South African Higher Education.



The Council of the University of Venda as at 31 December 2019

In 2019, in terms of Section 14(6) of the Statute, the University of Venda Council was constituted as -

Section of the statute	Names	Term
1. Section 14.6 (a) Vice-Chancellor	Dr NB Nthambeleni	-
2. Section 14.6 (b) Two Deputy Vice-Chancellors	Prof JE Crafford Dr RL Martin	-
3. Section 14.6 (c) Three members with specific competencies in the fields designated by the Council	Mrs ES Mabusela Mr KK Maimela Mr MV Mangena	12/12/2014 to 22/11/2019 12/12/2014 to 22/11/2019 21/06/2019 to 22/11/2019
4. Section 14.6. (d) Chairperson of the Institutional Forum	Mr KR Razwiedani	27/05/2015 to 22/11/2019
5. Section 14.6 (e) Five members appointed by the minister	Ms ST Baloyi Mr Serobi Maja (Chairperson) Mr JM Seoloane Mr MP Molapo Mr T Telite	21/11/2014 to 22/11/2019 21/11/2014 to 22/11/2019 21/11/2014 to 22/11/2019 21/11/2014 to 22/11/2019 24/04/2019 to 22/11/2019
6. Section 14.6 (f) One member appointed by the Premier of the Limpopo Province	Mr ME Selomo	21/11/2014 to 22/11/2019
7. Section 14.6 (g) Two members elected by the Senate from among its members.	Prof VO Netshandama Prof GRA Mchau	21/11/2014 to 22/11/2019 21/11/2014 to 22/11/2019
8. Section 14.6 (h) Two members elected by the Convocation	Mr LL Ndou Ms KS Makgoka	21/11/2014 to 22/11/2019 21/11/2014 to 22/11/2019
9. Section 14.6 (i) Two members elected by the donors	Vacant	
10. Section 14.6 (j) One academic employee of the university other than members of the Senate, elected by the academic employees	Mrs MG Maluleke	21/11/2015 to 22/11/2019
11. Section 14.6 (k) Two Student Representative Council members in accordance with the rules	Mr TM Hakamela Mr SM Patel	30/10/2019 to 11/10/2019 30/10/2019 to 11/10/2019
12. Section 14.6 (l) One member of the service employees of the university elected by the service employees	Mr NA Mutoti	21/11/2014 to 22/11/2019
13. Section 14.6 (m) One member of the administrative employees of the university elected by the administrative employees	Mr JAM Mogashoa	27/06/2019 to 22/11/2019
14. Section 14.6 (n) One member designated by the Thulamela Municipality	Mr AS Tshifhango	14/09/2016 to 22/11/2019
15. Section 14.6 (o) Other members, not exceeding six in number, designated by such bodies as determined by the Council	<i>Council for Scientific and Industrial Research</i> Dr LJ Phahlamohlaka <i>Human Sciences Research Council</i> Prof K Zuma <i>Women's University in Africa</i> Dr S Mombeshora <i>SA College Principal's Organisation</i> Mr KR Madzhie <i>Mines</i> Mr RC Chhagan <i>Local Traditional Authority</i> Thovhele Vho-MPK Tshivhase (Deputy Chairperson)	21/11/2014 to 22/11/2019 18/09/2017 to 22/11/2019 26/10/2017 to 22/11/2019 21/11/2014 to 22/11/2019 20/11/2015 to 22/11/2019 21/11/2014 to 22/11/2019

Members who served on Council for only part of the period

- (i) Mr MV Mangena was appointed from 21/06/2019 following the demise of Mr ML Mashego - Section 14.6 (c).
- (ii) Mr T Telite was appointed from 24/04/2019 to fill vacant position of ministerial appointee - Section 14.6 (e).
- (iii) Mr.JAM Mogashoa was appointed from 27/06/2019 to fill vacant position of administrative staff - Section 14.6 (m).
- (iv) Prof AE Nesamvuni, University Registrar – Secretary to Council, resigned from the university from 1 October 2019.
- (v) Adv EN Lambani was appointed Acting University Registrar Secretary to Council from 11 October 2019.
- (vi) The term of SRC members on Council, Messrs TM Hakamela and SM Patel expired on 11/10/2020.

Attendance of Council meetings for 1 January to 31 December 2019

	11/04/2019	21/06/2019	26/07/2019 (Special)	13/09/2019	11/10/2019 (Special)	22/11/2019
1. Mr Serobi Maja	X	X	X	X	X	X
2. Thovhele MPK Tshivhase	X	A	X	X	X	X
3. Dr NB Nthambeleni	X	X	X	X	X	X
4. Prof JE Crafford	X	X	X	X	X	X
5. Dr RL Martin	X	X	X	X	X	X
6. Ms ST Baloyi	X	X	X	X	X	X
7. Mr ME Selomo	X	X	X	X	X	X
8. Mr MP Molapo	A	X	X	X	X	X
9. Ms KS Makgoka	X	X	X	X	X	X
10. Prof VO Netshandama	X	X	A	X	X	X
11. Mr KR Madzhie	X	X	X	X	X	X
12. Mr AS Tshifhango	X	X	X	X	X	X
13. Prof K Zuma	X	X	X	X	X	X
14. Dr S Mombeshora	A	X	X	X	X	A
15. Prof GRA Mchau	X	X	X	X	X	X
16. Mr NA Mutoti	X	X	A	X	X	X
17. Mr L Ndou	X	X	X	X	X	X
18. Dr NB Nthambeleni	X	X	X	X	X	X
19. Dr LJ Phahlamohlaka	X	X	X	X	X	X
20. Mr JM Seoloane	A	X	X	X	A	X
21. Mrs ES Mabusela	X	X	X	A	X	X
22. Mr KK Maimela	X	X	X	X	X	X
23. Mrs MG Maluleke	X	X	X	A	X	X
24. Mr KC Razwiedani	X	X	X	X	X	X
25. M. RC Chhagan	X	A	X	X	X	X
26. M. MV Mangena	NYA	NYA	A	X	X	X
27. Mr T Telite	NYA	A	X	X	X	X
28. Mr JAM Mogashoa	NYA	NYA	X	X	X	X
29. Prof AE Nesamvuni Secretary to Council	X	X	A	X	N/A	N/A
30. Adv EN Lambani Acting Secretary to Council	NYA	NYA	NYA	NYA	X	X
31. Mr TM Hakamela	X	A	X	X	X	N/A
32. Mrs SM Patel	A	A	A	A	A	N/A

Legend: X = Present A = Apology N/A = Not Applicable NYA = Not Yet Appointed.

In 2020, in terms of Section 14(6) of the Statute, the University of Venda Council was constituted as -

Section of the statute	Names	Term
1. Section 14.6 (a) - Vice-Chancellor	Dr NB Nthambeleni	-
2. Section 14.6 (b) - Two Deputy Vice-Chancellors	Prof JE Crafford Dr RL Martin	-
3. Section 14.6 (c) - Three members with specific competencies in the fields designated by the Council	Mr BP Thompson Mr SB Mampeule Mr MN Mangena	05/02/2020 to 22/11/2024 05/02/2020 to 22/11/2024 05/02/2020 to 22/11/2024
4. Section 14.6. (d) - Chairperson of the Institutional Forum	Vacant	-
5. Section 14.6 (e) - Five members appointed by the minister	Mr MJ Lekgetha (Chairperson) Ms NV Makhari (Deputy Chairperson) Dr O van Heerden Mr T Telite Mrs NB Mutheiwana	14/01/2020 to 22/11/2024 14/01/2020 to 22/11/2024 14/01/2020 to 22/11/2024 14/01/2020 to 22/11/2024 14/01/2020 to 22/11/2024
6. Section 14.6 (f) - One member appointed by the Premier of the Limpopo Province	Mr ME Selomo	23/11/2019 to 22/11/2024
7. Section 14.6 (g) - Two members elected by the Senate from among its members	Prof T van der Walt Dr NS Nethengwe	27/05/2020 to 22/11/2024 27/05/2020 to 22/11/2024
8. Section 14.6 (h) - Two members elected by the Convocation	Vacant	-
9. Section 14.6 (i) - Two members elected by the donors	Mr MI Mphaphuli Mr MM Mashilane	31/01/2020 to 22/11/2024 31/01/2020 to 22/11/2024
10. Section 14.6 (j) - One academic employee of the university other than members of the Senate elected by the academic employees	Mrs AD Tshithavhani	10/02/2020 to 22/11/2024
11. Section 14.6 (k) - Two Student Representative Council members in accordance with the rules	Mr G Chauke Mr Y Mxaku	21/11/2019 to 30/10/2021 21/11/2019 to 30/10/2021
12. Section 14.6 (l) - One member of the service employees of the university elected by the service employees	Mr AD Maphiswana	07/02/2020 to 22/11/2020
13. Section 14.6 (m) - One member of the administrative employees of the university elected by the administrative employees	Mr JAM Mogashoa	07/02/2020 to 22/11/2024
14. Section 14.6 (n) - One member designated by the Thulamela Municipality	Mr AS Tshifhango	23/11/2019 to 22/11/2024
15. Section 14.6 (o) - Other members, not exceeding six in number, designated by such bodies as determined by the Council	Engineering Council of South Africa Mr CV Gamede National Institute for the Humanities and Sciences Prof S Mosoetsa National Research Foundation Ms F Osman Council for Scientific and Industrial Research Dr NR Mbhele Local Traditional Authority Thovhele Vho-MPK Tshivhase	23/11/2019 to 22/11/2024 23/11/2019 to 22/11/2024 10/12/2019 to 22/11/2024 23/11/2019 to 22/11/2024 23/11/2019 to 22/11/2024
The university Registrar is Secretary to Council (Adv EN Lambani – Acting University Registrar)		

In each of the meetings members of Council signed a conflict of interest and confidentiality declaration form to ensure effective governance of proceedings and governance of knowledge management. Further, Council applied the code of practices and conduct and the code of ethical behaviour and practice in every meeting. I am confident that the Committees of Council fulfilled their mandated responsibilities satisfactorily. These committees were composed of individuals with the skills and knowledge to make informed decisions on matters before them. All committees were chaired by people with the requisite competencies and

experience to lead their respective portfolios. My sincere gratitude goes to the Executive Committee of Council, Committee Chairs, Council members, Executive Management, Senior Management and staff for a productive 2019.

Mr Juneas Lekgetha
Chairperson of Council



Vice Chancellor's report on management and administration

“To become a fully comprehensive university, we are committed to serve the entire community”

At the beginning of the academic year 2019, the University of Venda welcomed its new Vice-Chancellor and Principal, Dr Nthambeleni, to lead the university.

His inauguration, officiated by the then Minister of Higher Education and Training, Naledi Pandor was held on 15 March 2019.

In his inaugural address, Dr Nthambeleni said that universities are not built to serve themselves, but they are established and resourced to serve their communities and nations.

The University of Venda must be positioned to contribute meaningfully in the development of a critical mass of quality trained graduates and contribute in the knowledge production of the country.

Despite many challenges experienced by the South African higher education sector, 2019 has been a stable and successful year for the university. Univen was able to achieve most of its projected goals. However, some of the goals relating to the strategic objective of conversion to a comprehensive university which calls for a programme qualification mix reflective of the comprehensive mandate, were not achieved. We remain committed to meet this goal.

In 2019, the university continued to contribute enormously to the socio-economic development, not only of the province, but the entire country, by producing graduates that occupy significant positions in both the public and private sector. The university celebrated the accreditation of its Bachelor of Commerce in Accounting Sciences programme - being the last historically disadvantaged institution to receive such accreditation. Following a system wide review of all LLB programmes in South Africa by the Council on Higher Education, our LLB programme received full reaccreditation. We were among those few universities which received unconditional approval of this programme.

In 2019 our Higher Education Qualifications Sub-Framework comprised 227 registered programmes, the Programme Qualification Mix with 168 being in category A programmes, 20 in category B programmes and 39 new programmes.

Univen conferred over 3 000 qualifications in 2019. Most importantly, our doctoral graduations have increased to 44 in 2019. This doctoral degree output for the 2019 academic year was the highest number of doctoral degrees ever produced by this university. The university embraced blended learning as an effective training technique that combines face-to-face training



*Dr Bernard Nthambeleni
Vice-Chancellor and Principal*

with online instruction through a learner management system. The system has all the advantages of interacting directly with learners in a classroom environment along with the convenience of e-Learning. With blended learning, lecturers were able to hold a live training session with a group of learners, post some extra resources for them through the learner management system, and then assign tasks or assignments to test if students understood the topic completely.

To enhance our blended learning, Univen has since 2015 been issuing tablets to all first-year registered students. The intention was to ensure that all our students are conversant with other forms of teaching and learning. The rollout of personal computer tablets to all undergraduate students was successfully executed in 2019. Univen teaching staff was encouraged to load the course material and adopt the multimodal approach for teaching through the Blackboard technology.

In the reporting year staff with doctoral qualifications increased to 41% which is above the national average of 37% in the entire higher education sector. We look forward to maximising this numerical advantage by producing more research articles in high impact journals and providing more supervisory capacity for our students.

Our research output is steadily improving after experiencing a sharp decline in 2017. For the year under review, the University of Venda had submitted to the Department of Higher Education and Training 219.40 units, which is comprised of book chapters 10.76 units, conference proceedings 5.41 units, and journal articles 163.53 units.

The number of our National Research Foundation (NRF) rated researchers continues to grow. In 2019 the number of NRF-rated researchers increased from 2 in 2009 to 28 in 2019. We also welcomed 4 newly rated researchers who obtained a C2 rating and 3 who obtained an Y2 rating. Equally important,

2 of our researches had their rating renewed by the NRF after the evaluation process from Y2 to C3 and C3 to C2 respectively.

To strengthen our governance and management capabilities, the Vice-Chancellor and Principal and his executives working together with the Chairperson of the Audit Committee concluded the appointment of the university's new internal auditors after the expiry of the contract of the previous service provider. The position of Director: Internal Audit which had been vacant for the entire 2018, was successfully filled in 2019.

In the year under review, the Vice-Chancellor and executive management led a process to review the current strategic plan. The goal was to develop a new strategic plan, a new operating model and a macro structure. This was to ensure that the university is positioned for impact and influence as an institution of higher learning.

Executive management provided support to assist the Chairpersons of Council and Committees to ensure that all statutory requirements were met by Council and its sub-committees. All scheduled meetings of Council and its subcommittees were held. Where necessary, special meetings of the subcommittees of Council were held to deal with outstanding matters.

The university has aligned its reporting in line with the new reporting framework of the Department of Higher Education and Training. Management facilitated the effective operation of key governing bodies such as Senate, Audit, Finance, Human Resources, Institutional Forum, Student Affairs, Convocation and Bid Adjudication Committees. All sub-committees met their requirements set out in the Institutional Statute and Higher Education Act. The University of Venda Council continued to provide effective oversight as a highly functional Council.

Through funding received from the ETDPSSETA in 2019, the university management organised training on supply chain management for Bid Committee members and staff members who participate in bid committees. In total 20 staff members attended the training.

To promote good governance, these policies were reviewed and approved by Council -

- Appointment and guidelines for non-academic staff;
- Attraction, retention and succession planning;
- Disciplinary code for staff members;
- Policy on appointment for acting in higher positions;
- Policy on delegation of authority;
- Policy on performance management;
- Policy on psychometric tests;
- Policy on recruitment, selection and placement;
- Policy on remission of tuition, board and lodging fees;
- Policy on staff development; and
- Policy on termination of employment.

These new policies were introduced and approved by Council to ensure effective and proper governance -

- Policy on bereavement for Council members.
- Infrastructure project handover policy,
- Laptop policy.

- ICT access control policy.
- Risk management policy.

With the expiry of the term of the Council in 2019, the Vice-Chancellor and executive management led the appointment and constitution process of the new Council and its committees. They also facilitated the constitution of the new Univen Innovative Growth Company (UIGC) PTY (LTD) board, following the approval of the Memorandum of Incorporation of the company by Council in September 2019.

The management of staff and student relations in 2019 has been very encouraging. The university relates to staff through recognised structures, for example the academic, administrative and service staff representatives and recognised trade unions. Students are represented through a Student Representative Council which interacts with management on a regular basis. This council is also represented on the Council, on the Student Affairs Committee, and on other academic and administrative structures.

To provide holistic support to our students, I, assisted by Wits University, led the process to develop an information technology tool to collect student biographic data like student socio-economic background information. The student biographical questionnaire tool was automated and integrated into the registration process with the aim to collect first-year students' data early in the academic year as they register. The collection of student's biographical information remains central to designing early student success interventions.

Importantly, the performance information management policy and guidelines for managing performance information were finalised and approved by Council on 22 November 2019 for immediate implementation. These will serve to guide planning and institutional performance reporting processes at the university.

In the year under review a series of performance management workshops were conducted for middle and senior managers. The aim was to inform all staff members about the introduction of a performance management system. A service provider facilitated all sessions and gave an overview of performance management systems in the workplace and its benefits. These workshops and information sessions took place during school boards and departmental meetings. The roll out of the system was an opportunity for each employee to see how their individual performance feeds to the overall objectives of the institution.

To ensure consistent performance and leadership, all senior management staff were required to sign their performance agreements. Institutional performance outputs were regularly reported to Council in the Vice-Chancellor's State of the Campus reports. A total of four Vice-Chancellor and Principal performance evaluation sessions were held by the Chairperson of Council, assisted by the Chairperson of the Human Resource Committee. Univen has aligned its reporting in line with the new reporting framework of the Department of Higher Education and Training.

In support of the academic project, these maintenance and major infrastructural projects were completed -

- Department of Higher Education and Training-funded male and female student residences
- Teachers education building
- Supply and installation of 11 KVA cable

- Upgrade of cafeteria equipment
- Refurbishment of Facilities Management offices
- Physiotherapy and bio kinetics
- ERF D196, Unit D Thohoyandou
- Refurbishment of A-Block theatres
- Refurbishment of Health Sciences and Geography
- Refurbishment of D-Block air-conditioning
- Student Centre

In the year under review Univen continued to strengthen its collaboration agreements with key international, regional and local institutions to support its strategy. In this regard, 28 memoranda of understanding were renewed. Our staff and students participated in several conferences, workshops and symposia, home and abroad.

In February 2019, the university's Disability Unit welcomed 17 first-year students. Among these were those with physical disability,

partially sighted, hearing impaired and learning disabilities. They were all assisted to register for academic support.

The university is committed to ensure that its infrastructure is designed to accommodate people living with disabilities. We have embarked on a recruitment drive, targeting women and people living with disabilities in our job adverts. This underpins Univen's belief that in line to become a fully comprehensive university, all efforts must be pursued to serve the entire community



Dr Bernard Nthambeleni
Vice-Chancellor and Principal





Council statement on corporate governance

The Council of the University of Venda operates under the principles of accountability, integrity and openness as expressed in the King IV Report on corporate governance. The composition of Council in terms of its sub-committees is designed to meet standard governance requirements and compliance with statutes.

Primarily, Council is aware of its responsibilities as required by the Higher Education Act, 1997, Act 101 of 1997 for governing the university as a public entity, committed to becoming a centre of excellence in creating future leaders.

The committees of Council

The Council consists of people elected in accordance with the University of Venda Statute of 2017. The ratio of Council members consists of 60% external members and 40% internal members. This ensures objectivity as well as stakeholder participation in university governance. For purposes of managing, controlling and executing its duties, Council has these sub-committees -

- (i) Executive Committee of Council
- (ii) Executive Management Remuneration Committee
- (iii) Appeals Committee
- (iv) Audit and Risk Committee
- (v) Bid Adjudication Committee
- (vi) Finance Committee
- (vii) Human Resources Committee
- (viii) Student Affairs Committee

The Senate deals with academic matters of the university and submit matters to Council for approval or ratification.

These committees meet four times per year prior to Council meetings and submit reports for consideration at each ordinary meeting of Council and makes recommendations to Council.

All Committees of Council are chaired by outside members of Council. Senate is chaired by the Vice-Chancellor and Principal.

These meetings of the Council were held in 2019 -

- (i) 11/04/2019
- (ii) 21/06/2019
- (iii) 26/07/2019 (Special)
- (iv) 13/09/2019
- (v) 11/10/2019 (Special)
- (vi) 22/11/2019

(i) Executive Committee of Council

The committee's responsibilities are to -

- (i) Advise Council on matters of policy.

- (ii) Decide on behalf of Council on matters of an urgent nature, provided that any such decisions be ratified by the Council at its next meeting.
- (iii) Consider and make recommendations to Council on the reports of all Council committees.
- (iv) Advise Council on any matter which it deems expedient for the effective and efficient management of the university.
- (v) Perform such other functions as the Council may determine.

Meetings of the Executive Committee were held on -

- (i) 07/01/2019 (Special)
- (ii) 08/02/2019 (Special)
- (iii) 05/04/2019
- (iv) 14/06/2019
- (v) 26/07/2019 (Special)
- (vi) 06/09/2019
- (vi) 11/10/2019 (Special)
- (viii) 15/11/2019

(ii) Executive Management Remuneration Committee

- The committee's responsibilities are to -
- Determine on behalf of Council remuneration packages of members of Executive Management.
- Enter into remuneration negotiations with newly appointed members of Executive Management.
- Review remuneration packages of members of Executive Management.

Meeting of the Executive Management Remuneration Committee were held on -

- (i) 21/06/2020

(iii) Appeals Committee

The committee is responsible for the hearing of appeals of students against the findings and sentences of disciplinary hearings.

Meetings of the Appeals Committee were held on -

- (i) 08/03/2019
- (ii) 15/03/2019
- (iii) 21/09/2019
- (iv) 22/09/2019
- (v) 12/10/2019
- (vi) 18/10/2019

(iv) Bid Adjudication Committee

The committee's responsibilities are to -

- Review tenders and expressions of interest for all procurement activity in excess of the university's procurement thresholds;
- Review the assessments undertaken by the Bid Evaluation Committee for all tender responses and where required;
 - Query discrepancies;
 - Request supporting documentation, more information or clarification if necessary;
 - Review recommendations provided by the Bid Evaluation Committee for all tender processes and where required amend, reject or endorse any recommendation(s);
 - Provide recommendations for all responses to tender to the Council.

Meetings of the Bid Adjudication Committee were held on –

- (i) 25/01/2019 (Special)
- (ii) 04/04/2019 (Special)
- (iii) 13/06/2019
- (iv) 04/07/2019 (Special)
- (v) 05/09/2019
- (vi) 14/11/2019

(v) Finance committee

The Committee has the responsibilities to -

- Consider matters of financial strategy and policy. These include procurement and supply chain management, risk management and insurance, as they relate to the operation of the university. Particularly this relates to the optimum use of available and potential financial resources, including internal investment options and their rate of return;
- Consider and assess all investment opportunities available to the university in respect of all funds which it administers.
- Determine the manner and extent to which funds are to be invested with a view to ensuring both security and optimisation of income.
- Consider proposals for the raising of loan finance to fund capital development projects, including the acquisition of equipment, and to make recommendations to Council.
- Receive and consider budget proposals from the executive and to recommend to Council the annual operating and capital budgets.
- Approve the level of tuition fees and residential fees payable by students, and to make recommendations to Council on the policies.
- Governing the levels of these fees.
- Recommend to Council the appointment of the university bankers, investment managers and financial advisers.
- Approve the classification of specific debts as irrecoverable.
- Monitor the insurance arranged to cover the university's property and liabilities.
- Approve the annual salary adjustments of staff.

Meetings of the Finance Committee were held on -

- (i) 28/03/2019
- (ii) 31/05/2019

- (iii) 04/07/2019
(Joint meeting with the Audit and Risk Committee)
- (iv) 25/07/2019 (Special)
- (v) 26/07/2019 (Special)
(Joint meeting with the Audit and Risk Committee)
- (vi) 05/09/2019
- (vii) 10/10/2019 (Special)
- (viii) 07/11/2019

(vi) Human Resources Committee

The committee has the responsibilities to -

- Recommend to Council on human resources policy matters, including but not limited to:
 - (i) the recruitment and appointment of employees
 - (ii) the training and development of employees
 - (iii) the applicable job evaluation system
 - (iv) the performance management of employees
 - (v) the promotion of employees
 - (vi) equity, including the equity plans of the university
 - (vii) the involvement of employees in external work
 - (viii) medical aid, group life and pension schemes
 - (ix) leave benefits of employees
 - (x) succession planning
- Advise Council on any matter which it deems expedient for the effective and efficient human resources management of the university.
- Recommend to Council on the delegation of authority to line managers within the University.
Recommend to Council on all new and revised human resources and employment equity policies.
- Monitor and evaluate the implementation of Council approved human resources and employment equity policies.

Meetings of the Human Resources Committee were held on –

- (i) 08/03/2019
- (ii) 03/05/2019
- (iii) 02/08/2019
- (iv) 10/10/2019
- (v) 22/11/2019 (Special)

(vii) Student Affairs Committee

The committee's responsibilities are to -

- Enhance the social, education and religious interest of students.
- Enhance the quality of lives of students, including but not limited to sporting and health related aspects of their lives.
- Determine and review entitlements of the student leadership.
- Review rules and regulations of student residences and management.
- Determine and review entitlements of the student leadership.

- Conduct student governance, including consideration of the SRC's annual programme of action and to recommend same to Council.
- Review the Student Affairs organisational structure and make recommendation to the Human Resources Committee.
- Consider recommendations on the review of the SRC constitution and other policy documents and make recommendations to Council.

Meetings of the Student Affairs Committee were held on –

- (i) 07/03/2019
- (ii) 03/05/2019
- (iii) 06/08/2019
- (iv) 17/10/2019

Senate

The Senate advises Council on all academic activities, enabling it to control and manage all activities of the university.

Audit Committee

The committee is responsible for -

External audit

- Considers the liaison with the Auditor-General and where appropriate, the appointment and retention of external audit services and deal with matters regarding dismissal and resignation of the external auditors. It nominates the external auditors for appointment, evaluate the independence, objectivity and effectiveness of the external auditor and considers any non-audit services rendered by such auditors as to whether this materially impair their independence.
- Reviews external auditors' proposed audit scope, approach and fees, including coordination of audit effort with internal audit.
- Approves the contract of non-audit service by external audit.

- Annually monitors the performance and effectiveness of the external auditor and makes recommendations to the Council concerning their re-appointment, where appropriate.

The committee must also -

- Be informed of reportable irregularities identified and reported by external auditors;
- Discuss and review, with the external auditor before the audit commences, the auditor's engagement letter, with particular reference to the terms, nature and scope of the audit function, the timing and nature of reports and the related audit fee;
- Negotiate procedures, subject to agreement, beyond minimum statutory and professional duties. There are certain minimum procedures required from the external auditors which are not negotiable;
- Agree to the timing and nature of reports from the external auditor;
- Consider any problems identified in the organisation as a "going concern" or statement of internal control;
- Make suggestions as to poor internal control environments where audit efforts can also be focused on;
- Consider any accounting treatments, significant unusual transactions, or accounting judgements, which could be continuous;
- Review accounting and auditing concerns identified as a result of internal and external audits and satisfy itself that these are being properly followed up;
- Consider whether any significant ventures, investments or operations are not subject to external audit;
- In relation to combined assurance, review overall audit role to explore objectives, minimise duplication, discuss, implications of new auditing standards and ensure that external audit fee will sustain a proper audit and provide value for money;



- Review and recommend the Combined Assurance Framework and Model to Council for approval;
- Obtain assurance from the external auditor that adequate accounting records are being maintained;
- Identify key matters identified in management letters requiring follow-up;
- Monitor the implementation of agreed audit-based recommendations;
- Ensure that all significant losses have been properly investigated and that the internal and external auditors have been informed.

Risk Management

- Determine the procedures for identifying business risks and control their impact on the university.
- Review and advise Council on risk management control activities undertaken by the University Executive, with a view to ensuring that Univen is managing all forms of risk effectively and adopting best practice in risk management generally.
- Review and recommend the Enterprise Risk Management Framework and Policies to Council for approval.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including corrective action) of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the code of conduct to university personnel, and for monitoring compliance therewith.
- Obtain regular updates from management and university legal counsel regarding compliance matters and status of legal action taken against the university.

Financial statements

- Review quarterly financial income and expenditure statements.
- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements, focussing on, among others -
 - (i) Completeness, consistency with information known to committee members, and whether statements reflect appropriate accounting principles;
 - (ii) The implementation of new systems;
 - (iii) Tax and litigation matters involving uncertainty;
 - (iv) Any changes in accounting policies and practices;
 - (v) Major judgemental areas;
 - (vi) Significant adjustments resulting from the audit and the efficiency thereof;
 - (vii) The basis of going concern determination;
 - (viii) Funding adequacy;
 - (ix) Internal control;
 - (x) Compliance with accounting standards and legal requirements;
 - (xi) Compliance with financial conditions of loan agreements; and
 - (xii) Major adjustments processed at year-end.
- Approve the annual financial statements before submission to the external auditors.
- Review other sections of the annual or integrated report and related regulatory filings before release and consider the accuracy and completeness of the information.



- Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
- Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.
- Review interim financial reports with management and the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to committee members.
- Assist Council in reviewing the expertise, resources and experience of the finance function/department.
- Consider the appropriateness of the expertise and experience of the Director: Finance.
- Annually evaluating the independence, effectiveness and performance of the internal audit function, and making recommendations to Council concerning the re-appointment of internal auditors, where appropriate;
- Have final authority to reviewing and approving the annual audit plan and all major changes to the plan;
- Reviewing externally appointed internal auditors' engagement letters, with particular reference to the terms, nature and scope of the function, the timing and nature of reports and the related audit fees;
- In consultation with the internal audit function, establishing an audit charter to guide the internal audit approach;
- Reviewing and approving the internal audit charter and internal audit's conclusions with regard to internal control – ensuring appropriate cover of risk areas in the scope of work;
- Reviewing the objectives and operations of the internal audit function;
- Reviewing the internal audit function's compliance with its mandate as approved by the committee;
- Ensuring there are no unjustified restrictions or limitations, and reviewing and approving the appointment, replacement, or dismissal of the chief audit executive;
- At least once a year, reviewing the performance of the chief audit executive and concurring with the annual compensation;
- Reviewing the effectiveness of the internal audit function, including compliance with applicable standards, the adequacy of available internal audit resources, reviewing the co-operation and co-ordination between the internal and external audit functions and other assurance providers;
- Co-ordinating the formal internal audit work programme with external auditors to avoid duplication of work;
- Reviewing significant differences of opinion between management and the internal audit function;
- Obtaining the status and advising on fraud cases under investigation;
- Reviewing the policies for preventing or detecting fraud;
- Reviewing the operational effectiveness of the policies and procedures;
- Reviewing the results of work performed by the internal audit relating to financial reporting, risk management and corporate governance.

Internal control and internal audit

An important role of the committee is to monitor and supervise the effective function of internal audit, ensuring that the roles and functions of external audit and other assurance providers with internal audit are sufficiently clarified and co-ordinated to provide an objective overview of the operational effectiveness of the university's systems of internal control and reporting.

- Reviewing the effectiveness of the university's systems of internal control, including internal financial control and business risk management;
- Reviewing the safeguarding of university assets against unauthorised use or disposal;
- Reviewing the controlling of the overall operational and financial reporting environment;
- Monitoring the maintenance of proper and adequate accounting records;
- Reviewing significant matters reported by the internal audit function and the adequacy and effectiveness of corrective actions taken in response to significant internal audit findings, including any significant differences of opinion between management and internal audit and monitoring the implementation of agreed audit-based recommendations;
- Satisfying itself that satisfactory value for money arrangements are in place to promote economy, efficiency and effectiveness;
- Directing and supervising investigations into matters within its scope, for example, evaluations of the effectiveness of the university's internal control, cases of employee fraud, misconduct or conflict of interest;
- Ensuring that a combined assurance model is applied to provide a coordinated approach to all assurance activities.
- Assisting Council in the discharge of its responsibilities relating to the governance of information technology.
- On a regular basis, meet separately with the chief audit executive to discuss any matters that the committee or internal audit believes should be discussed privately.
- Recommending to Council the appointment and retention, dismissal or re-assignment of the chief audit executive;
- Reviewing with management and the chief audit executive the charter, activities, staffing, and organisational structure of the internal audit function;

Ethics

- Monitoring the ethical conduct of the university's Council, its executives and senior officials through submissions made to the Audit Committee;
- Reviewing any statements, standards or requirements on business ethical standards;
- Making recommendations on any potential conflict or material questionable situations as requested by Council;
- Reviewing significant cases of employee conflicts of interest, misconduct or fraud, or any other unethical activity by employees or the university; and
- Reviewing and monitoring environmental and social issues as requested by Council.

IT governance

- Assisting the Council in carrying out its IT governance responsibilities and report quarterly to the Council;
 - Ensuring that reasonable steps have been taken in regard to implementing an IT governance framework;
 - Reviewing, on behalf of Council, IT policies, the university's IT governance framework and IT internal control frameworks;
 - Performing oversight over significant IT investments and expenditure;
 - Advising on IT and information projects to ensure it supports the achievement of university objectives;
 - Ensuring that IT forms an integral part of the university's risk management process; and
 - Reviewing independent assurance on the effectiveness of IT internal controls.
- mandated as and when requested by Council;
 - Annually reviewing adequacy of the committee charter annually, requesting Council approval for proposed changes, and ensuring appropriate disclosure as may be required by law or regulation;
 - Annually confirming that all responsibilities outlined in this charter have been carried out;
 - Ensuring assessment of the committee's and individual members' performance on a regular basis;
 - Disclosing the committee's views on the effectiveness of the Director: Finance;
 - Disclosing the arrangements in place for combined assurance and the committee's views on its effectiveness; and
 - Ensuring that the required disclosures are made in the integrated report.

Performance management

- Reviewing the adequacy and effectiveness of the performance management system and reporting for accurate and complete reporting;
- Reviewing the university's compliance with the performance management system and reporting requirements;
- Reviewing whether the performance reporting and information system uses appropriate targets and benchmarks;
- Reviewing whether performance management targets reflect the university's purpose and objectives; and
- Reviewing the performance information which has been quality assured by internal audit on a quarterly basis, based on proof of evidence as submitted by management.

Other responsibilities

- Performing other activities related to this charter as requested by Council;
- Directing and overseeing adhoc special investigations

Audit and Risk Committee

Audit and Risk Committee charter

The Audit and Risk Committee has adopted a formal charter that has been approved by the University Council. The committee has conducted its affairs in compliance with this charter and has discharged to a substantial extent its responsibilities.

The objective of the Audit Committee is to assist Council in fulfilling its oversight responsibilities. This is in regard to financial reporting, internal control and management of financial risks, the audit process and the university's process for monitoring compliance with laws and regulations and its own code of ethics.

Audit Committee members and attendance at meetings

The committee consists of six independent members with the requisite skills and experience and meets at least four times per year as required by the committee charter.

The university's Vice-Chancellor and Principal, Registrar, Deputy Vice-Chancellors Academic and Operations are ex-officio members of the committee.



Directors Finance, Information Technology, Legal Services, Human Resource, Head of Risk Management, Head of Institutional Performance reporting and internal and external auditors attend meetings by invitation as resource personnel.

During the financial year under review four meetings, including one joint Audit and Finance Committee meeting, were held -

- (i) 29 March 2019
- (ii) 25 July 2019 (Joint Audit and Finance Committee)
- (iii) 29 August 2019
- (iv) 8 November 2019

Roles and responsibilities

The role of the Audit and Risk Committee is to assist the Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, governance process, risk management, the audit process, and the university's process for monitoring compliance with laws and regulations and the code of conduct.

External auditors

The committee is satisfied that the external auditor, Ngubane & Co., is independent of the university, and that the firm is accredited with the Independent Regulatory Board for Auditors (IRBA). It also considered the firm's compliance with criteria relating to independence or conflicts of interest as prescribed by the IRBA.

The committee approved the audit planning memorandum for the 2019 financial year as presented by the external auditors. The 2019-year would see Ngubane & Co. serving their final term as the external auditors of the university.

Internal financial control

In addition to the report on internal operational structures and controls set out in this annual report, we have reviewed and discussed the formal reports submitted by the internal auditors of the university.

Based on these reports and the internal control checks carried out as part of their statutory audit by the external auditors, in addition, considering information and explanations given by management, the committee is of the opinion that the university's system of internal financial controls were effective and forms a basis for the preparation of reliable financial statements. This is apart for those identified in the report of external auditors.

Financial statements (including accounting practices)

The committee has reviewed the financial statements of the university and its subsidiaries and is satisfied that they comply with international financial reporting standards and regulation for reporting by public higher education institutions.

Expertise and experience of the finance function

The finance function is resourced and is currently going under review to ascertain if the current resource is still adequate.

Internal audit

The internal audit function is responsible for reviewing and providing assurance on the adequacy and effectiveness of the

internal control environment. The head of internal audit is responsible for reporting the findings of the internal audit work against the agreed internal audit plan to the committee on a regular basis. The head of internal audit has direct access to the committee.

Following the expiry of the contract between the university and Nexia SAB&T in May 2019, the committee approved and recommended to Council for ratification, the appointment of Motlanalo Chartered Accountants and Auditors Incorporated as the internal audit service provider for two years in November 2019.

Composition of the Audit Committee as at 31 December 2019

Recommendation of the annual report for approval

Names	Designation / Member status
Members	
1. Mr JM. Seoloane	Council representative (Chairperson)
2. Dr NB Nthambeleni	Vice-Chancellor and Principal
3. Vacant	Council representative
4. Mr RC Chagan	Council representative
5. Ms ST Baloyi	Council representative
6. Prof JE Crafford	Deputy Vice-Chancellor: Academic
7. Dr RL Martin	Deputy Vice-Chancellor: Operations
8. Adv EN Lambani	Acting University Registrar (Secretary to Council)
Auditor-General	
9. Ms M Manaka	Auditor-General
Auditor-General	
10. Mr J Gondo	External Audit (Ngubane & Co.)
11. Ms C Kurebwatira	External Audit (Ngubane & Co.)
12. Ms M Lekota	External Audit (Ngubane & Co.)
External experts	
13. Ms NV Makhari	External expert
14. Mr J Lekgetha	External expert
15. Ms MF Taukobong	External expert

by Council

The committee recommends the 2019 annual report for approval by the Council.

O van Heerden

Dr Oscar van Heerden

Chairperson: Audit and Risk Committee

Statement on conflict management and code of ethics

The university has a grievance procedure manual, which facilitates conflict resolution, among members of staff. The code of conduct and code of ethics that are Council approved documents, also facilitate good working relationships among staff members.

The university relates to staff through their staff structures in various categories:

- Academic
- Administrative
- Service staff representatives

Students have the Student Representative Council cabinet which interacts with Management on a regular basis.

The cabinet is represented on the Council, the Student Affairs Committee, and other academic and administrative structures.

These meetings of Senate were held -

- (i) 26/02/2019 (Special)
- (ii) 13/03/2019
- (iii) 22/05/2019
- (iv) 14/08/2019
- (v) 23/10/2019
- (vi) 23/10/2019 (Special)

Statement on worker and student participation (co-operative governance)

The university relates to staff through their staff structures in their various categories - academic, administrative and service staff representatives. Students have a Student Representative Council Cabinet which interacts with Management on a regular basis. The Student Representative Council is represented on the Council, on the Student Affairs Committee, and on other academic and administrative structures.

Students are represented on the Senate through the chairpersons of the different school councils. Students also participate on the Institutional Forum, and have regular and special meetings with Executive Management. Workers participate in statutory and non-statutory committees, such as the Institutional Forum,

Senate, and Council and some of the Council committees through their representatives.

Participation of students and workers in the business of the university in 2019 was satisfactory.

Mr Juneas Lekgetha
Chairperson of Council



Institutional Forum

The Institutional Forum has, since its establishment, been engaged in its advisory role in various activities on campus such as the appointment of the Vice-Chancellor and approval of the executive and senior management structure.

The members were elected from internal and external constituencies. These constituencies are represented by three of their members each in the forum -

- Council
- University Management
- Senate
- Academic staff
- Administrative staff
- Service staff
- Convocation
- Student Representative Council

The nomination of representatives was transparent and democratic. These members represented their structures on the forum -

Convocation

Mr KC Razwiedani (Chairperson), Mr T Modau (Deputy Chairperson) and Thovhele MJ Masia

Council

Ms ST Baloyi, Mr KR Madzhie and Thovhele MPK Tshivhase

Management

Prof VO Netshandama, Mr LG Tshikhudo and Prof NN Mutshaeni

Senate

Prof PK Chauke, Prof MP Mulaudzi and Dr LMP Mulaudzi

Academic staff

Dr LM Masehela, Mrs MG Maluleke and Dr K Choshi

Administrative staff

Ms SI Baloyi, Mr NC Muloiwa and Mrs MR Nelwamondo

Service staff

Mr NA Mutoti, Ms NE Masala and Ms T Marwala

Student Representative Council

Ms GF Mkhabela, Mr S Mavuso and Mr HC Chabalala

All participants on the forum have an identifiable and significant constituency and mandated capacity to act on behalf of their constituencies.

The Executive Committee of the Institutional Forum consists of -

- The Chairperson – Mr KC Razwiedani
- The Deputy Chairperson – Mr T Modau
- Three additional members – Prof MP Mulaudzi, Thovhele MJ Masia and Vacant

The functions of the forum are to -

- Advise Council on issues affecting the institution, including:
 - Implementation of the Act and the national policy on higher education;
 - Race and gender equity policies;
 - Selection of candidates for senior management positions;
 - Code of conduct, mediation and dispute resolution procedures; and
 - Fostering of an institutional culture which promotes tolerance and respect for fundamental human rights.
- Perform such other functions as determined by Council.

These meetings of the Institutional Forum were held -

- 25/03/2019
- 10/05/2019
- 16/08/2019
- 18/10/2019

Members of the forum sign the conflict of interest and confidentiality declaration form at the beginning of every meeting. The forum applies the code of practices and conduct and the code of ethical behaviour and practice at every meeting.

Attendance of the forum meetings for the period 1 January 2019 to 31 December was -

Names	26/03/2019	10/05/2019	16/08/2019	18/10/2019
1. Thovhele MP Tshivhase	A	A	A	A
2. Ms ST Baloyi	X	X	A	X
3. Mr KR Madzhie	X	A	X	X
4. Mr KC Razwiedani	X	X	X	X

Legend: X = Present A = Apology



Matters considered by the Institutional Forum

The Institutional Forum is fully operational. It meets regularly as scheduled or when the need arises. In 2019 it dealt with several matters, some of which are -

Transformative statutory reforms

The forum adopted the standards/criteria document for the appointment of Council members as submitted by the forum's task team on transformative statutory reforms.

Term of the Chancellor

The forum agreed that Council should be reminded to commence the process to appoint a new Chancellor as the term of the Chancellor of the University of Venda would expire before the end of 2019.

Appointment of senior management

The forum recommended that Council should ensure finalisation of the procedure document to appoint senior management of the university.

Appointment of Vice-Chancellor and Principal

The forum recommended that Council should provide feedback on the appointment of Vice-Chancellor and Principal.

The forum also noted these matters -

- (i) The Vice-Chancellor and Principal circulated and made a PowerPoint presentation on the University of Venda 2021 - 2025 draft strategic plan to forum members.

- (ii) Extracts of Council minutes on the reports submitted by the forum (report back from Council).
- (iii) The report on the employment contracts of directors.
- (iv) Performance management would form part of the strategic plan that was under review.
- (v) Statistical report on the attendance of meetings of the forum.
- (vi) The elections for the appointment of an administrative staff member on Council were successfully conducted by the Independent Electoral Commission on 26 June 2019. The candidate would serve on Council until the end of the term of Council in November 2019.
- (vii) The tenure of the forum would expire on 22 November 2019.
- (viii) Council approved the Executive Management's proposal on interim arrangements for the position of the Registrar and appointed the Director: Legal Services as the Acting University Registrar.

Adv EN Lambani
Acting University Registrar on behalf of
Chairperson of Institutional Forum.



Performance assessment report

This performance assessment report seeks to respond to Univen's commitment to provide an annual account and analysis on progress made towards the implementation of the 2019 annual performance plan, and the achievement of targets.

It indicates the extent to which the university's predetermined objectives, as well as agreements that Council have committed to, have been achieved. The report is linked directly to key performance indicators and targets as stated in the annual performance plan.

Reporting obligation

The university is statutorily required by the regulations for reporting by public higher education institutions, which are published in terms of the Higher Education Act 101 of 1997, to prepare and submit a Council approved annual performance plan which is aligned to the strategic plan and budget.

The regulations further obligate the university to ensure preparation and submission of the annual report, which entails the university's actual achievements against targets for the preceding academic/financial year.

Overall summary of the 2019 performance

It is important to provide an account of Univen's performance and to reflect on the achievement, challenges and corrective actions where certain targets have not been achieved. Thus, this summary highlights progress made towards the implementation

of the 2019 annual performance plan. The tables and figures below provide a summary of overall performance against targets contained in the 2019 annual performance plan.

Note

No progress has been made regarding Key Performance Area 2 (Programme Qualification Mix) reflective of the comprehensive mandate) under Strategic Objective 1: Conversion to a comprehensive university. There are also currently no prospects of successful implementation of this objective, pending the strategic review.

The conversion project is on hold on the advice of the Department of Higher Education and Training, due to financial constraints. The review of the current strategic plan will involve widespread consultation with stakeholders. Among others, new programmes in engineering are still being developed for approval and accreditation in addition to the Programme Qualification Mix.

The overall summary of the 2019 performance in terms of the implementation of APP 2019 is illustrated by these tables and figures.

Table 1 shows the university had a total number of 72 targets that make up the APP, of which 34 were achieved, while a total of 38 have not been achieved.

Furthermore, the table also illustrates among others, that a significant number of targets that were not achieved are related to Strategic objective 1 (23 out of 23) - 100% of all the targets.

Table 1: Progress per strategic objective: Highest number of targets that recorded poor performance/not achieved (7 out of 13) or 46%.

Strategic objective (SO)	Targets	Achieved	Not achieved
SO1: Conversion to a comprehensive university	23	0	23
SO2: Quality teaching and learning	13	6	7
SO3: Research and innovation	5	4	1
SO4: Integrated community engagement initiatives	3	3	0
SO5: Financial sustainability	4	2	2
SO6: Integrated people management	4	3	1
SO7: Linkages, partnerships and internationalization	5	4	1
SO8: Enhancing the quality of student life	15	12	3
Total	72	34	38

Figure 1 illustrates that the overall percentage of targets that were not achieved constitute 53% proportional to the overall percentage of 72 targets set out in the annual performance plan, while 34 of the targets or 47% have been achieved.

Figure 1: Overall percentage achievement/performance

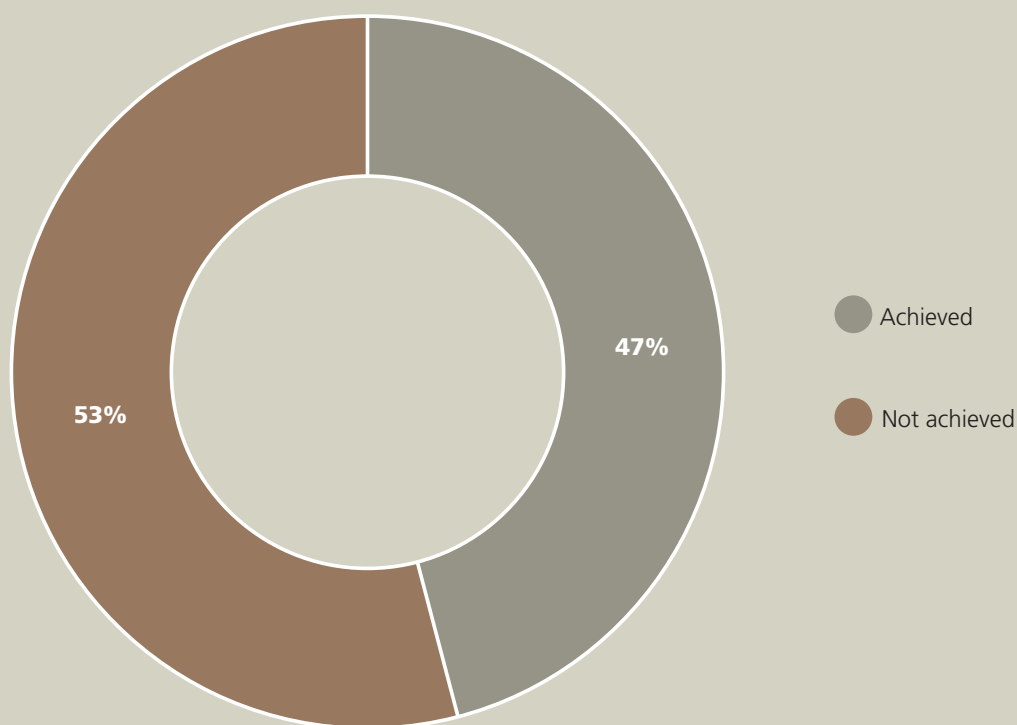
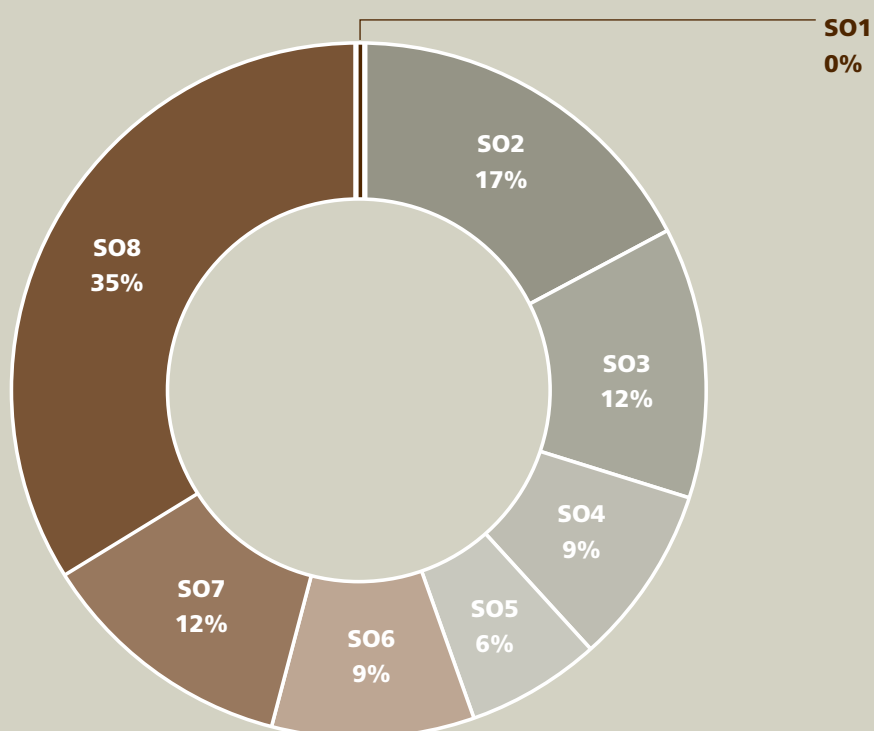


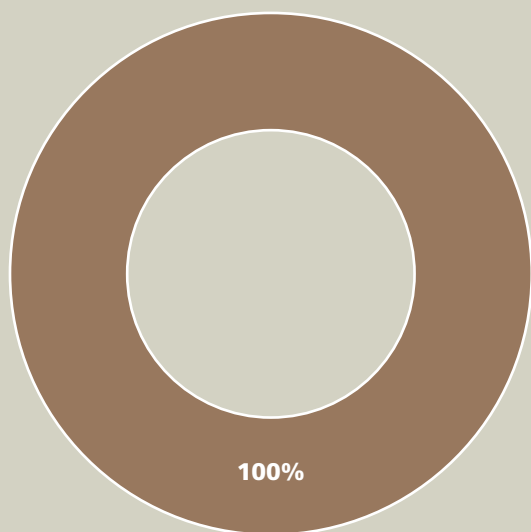
Figure 2 illustrates the percentage that each strategic objective account for among the overall number of targets of 34 that were achieved. Strategic objective 8 constitutes the highest proportion of 35% of the overall targets that the university has achieved in the period under review, followed by strategic objective 2 at 17%, and both strategic objectives 3 and 7 at 12% each.

Figure 2: Proportional achievement to total targets achieved



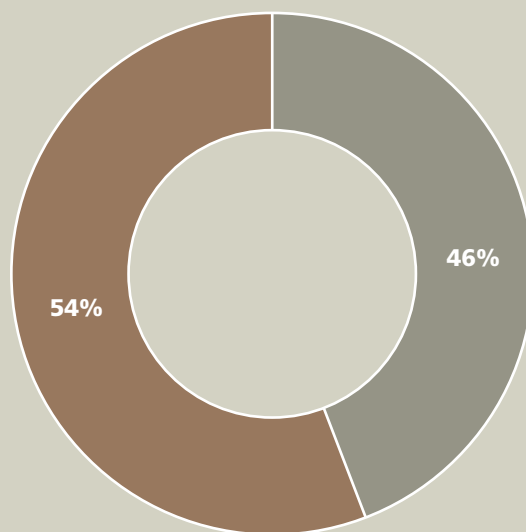
These figures provide the percentage breakdown of achieved targets against the total targets set per individual strategic objective.

Figure 3: Strategic Objective 1



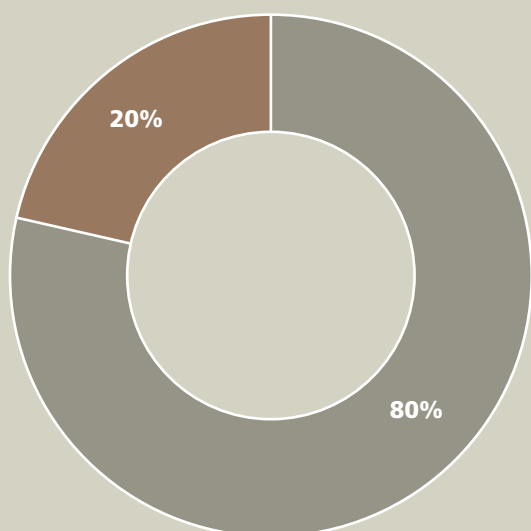
● Achieved
● Not achieved

Figure 4: Strategic Objective 2



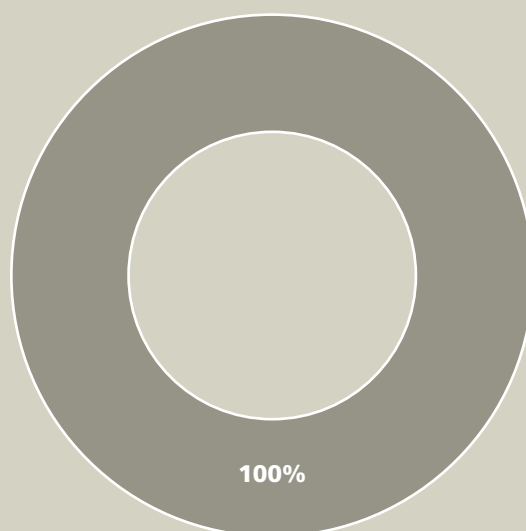
● Achieved
● Not achieved

Figure 5: Strategic Objective 3



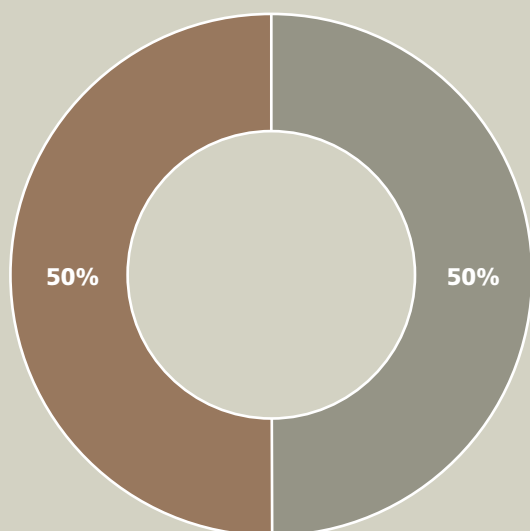
● Achieved
● Not achieved

Figure 6: Strategic Objective 4



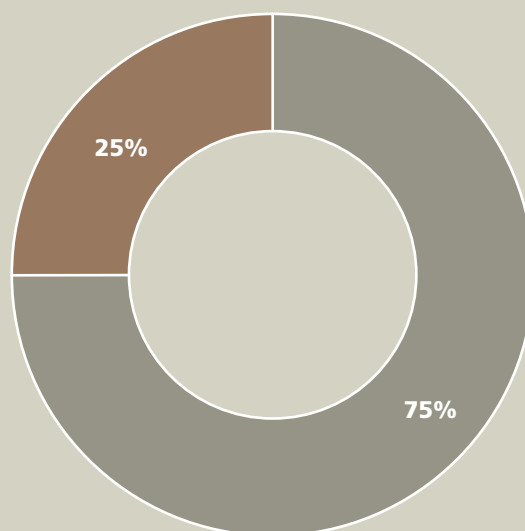
● Achieved
● Not achieved

Figure 7: Strategic Objective 5



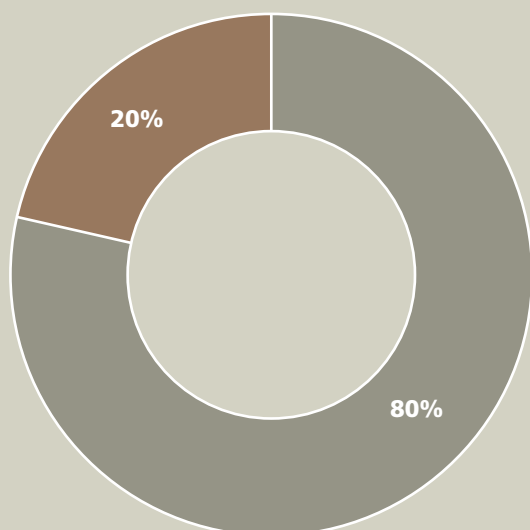
● Achieved
● Not achieved

Figure 8: Strategic Objective 6



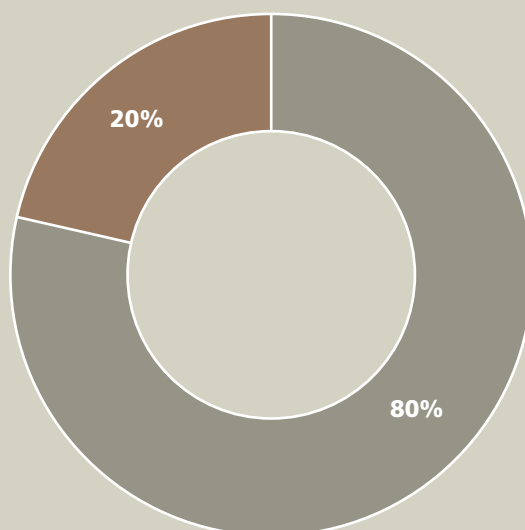
● Achieved
● Not achieved

Figure 9: Strategic Objective 7



● Achieved
● Not achieved

Figure 10: Strategic Objective 8



● Achieved
● Not achieved

Detailed actual performance against targets

This section provides a detailed presentation/analysis of performance information during the period under review. It includes actual performance against targets that are set out in the APP 2019 and reasons for under-achievement of targets.

The indication of how the university intends to address the shortcomings related to areas where targets were not achieved is also provided in this section of the report.

Strategic objective 1: Conversion to a comprehensive university

Table 2: Key performance area 1: Adherence to Department of Higher Education and Training size and shape directives to meet 2019 ministerial enrolment targets

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
1	Total headcount enrolments.	15 592	16 759	A notable deviation of 7,4% from set target as 1 167 more students were enrolled than anticipated. This was due to intense pressure throughout the sector, and at Univen in particular, to increase first-entering enrolments beyond the targets set in the enrolment plan. Increased number of re-admissions of previously unfunded students who dropped out due to financial reasons and now qualify for NSFAS funding.	Engagement with both DHET and USAf to find a better (sectoral) response to pressure by Student Representative Council's to increase enrolment targets.
2	Percentage enrolment in undergraduate diplomas and certificates.	4.1%	1.6%	Below target by 25% due to poor uptake of existing offerings and over-enrolment in degree programmes. Only 270 students enrolled for undergraduate non-degree programmes.	Strategic review of the conversion project. Strict enforcement of FTEN enrolment quota as per the enrolment plan.
3	Percentage enrolments for Science, Engineering, and Technology and Health.	45%	43.8%	Although the actual enrolments are below target by 1.2% and 0.6% respectively, they are still within the permitted deviation of 2%.	Strict enforcement of FTEN enrolment quota as per the enrolment plan.
4	Percentage enrolments for business and management.	19%	18.4%		
5	Percentage enrolments for education.	15%	12.4%		
6	Percentage enrolment for humanities and law.	21%	23.4%	The actual enrolment is above the set target by 2,4% due to increased uptake of offerings.	Engagement with both DHET and USAf to find a better (sectoral) response to pressure by Student Representative Council to increase enrolment targets.

Table 3: Key performance area 2: A Programme Qualification Mix reflective of the comprehensive mandate

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
7	Number of students intake for professional qualifications in engineering and related fields.	30 ¹	0	Introduction of engineering programmes on hold pending strategic review. This decision is informed by adverse findings of feasibility study submitted to DHET and ongoing financial constraints.	WITS collaboration to be deepened and curricularisation of Univen BEngTech to be completed for first intake in 2021. Co-curricularisation and articulation with WITS engineering offerings are being explored.
		25 ²	0		
		25 ³	0		
8	Number of students intake for new career-focused diploma programmes.	50 ⁴	0	The diploma in Agro-Ecology and diploma in Natural Resource Management were not accredited by the Higher Education Quality Committee.	Review and re-curricularisation for re-submission to Council on Higher Education.
		50 ⁵	0		
		40 ⁶	0	The Univen "conversion to a comprehensive university" objective has been put on hold pending strategic review and organisational restructuring in 2019. The project was never adequately costed for financially supported by DHET and the university's deteriorating financial position since 2016 has necessitated a re-think. DHET has expressed support for a strategic re-alignment of the university's strategy with its context and current realities.	Strategic plan review and organisational restructuring.
		40 ⁷	0		
		20 ⁸	0		
		75 ⁹	0		
9	Number of new career-focused bachelor, diploma and certificate programmes submitted for external review, approval and accreditation by DHET, CHE and SAQUA (Diploma in Dental Technology).	1 ¹⁰	0		
		1 ¹¹	0		
10	Number of students intake for career-focused certificate programmes	50 ¹²	0		
		50 ¹³			
		50 ¹⁴			
11	Number of students intake for career-focused bachelor programmes.	40 ¹⁵	0		
		80 ¹⁶	0		
12	Number of students intake in three new allied-health professional programmes in the School of Health.	40 ¹⁷	0		

¹ Mining Engineering

² Environmental Engineering

³ Construction Technology Engineering

⁴ Diploma in Agro-Ecology

⁵ Diploma in Natural Resource Management

⁶ Diploma in Mine Safety, Health and Environment

⁷ Diploma in GIS and Remote Sensing

⁸ Diploma in Travel

⁹ National Diploma in Information Communications Technology

¹⁰ Diploma in Dental Technology

¹¹ Bachelor in Optometry

¹² Court Interpreting

¹³ Communication in Business English

¹⁴ Sign Language

¹⁵ Disaster Risk Science

¹⁶ Heritage Studies

¹⁷ Clinical Associate, Physiotherapy and Radiography

Strategic objective 2: Quality teaching and learning

Table 4: Key performance area 1: Quality of the curriculum

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
13	Percentage of programmes reviewed and quality recommendations.	75%	0	No progress has been made during the year under review.	New cycle of programme reviews to resume in 2020.
14	Number of appropriate academic programmes for which work integrated and workplace learning is implemented.	10	4	Target not achieved.	There will be consultation with deans of schools to have more programmes with work integrated and workplace learning.

Table 5: Key performance area 2: Delivery of the curriculum

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
15	Number of projects on impact of student evaluation on quality of teaching conducted.	1	1	Target achieved. Journal article authored by Fhatuwani Ravhuhali, Hlayisani F Mboweni and Lutendo Nendauni, which is about "Students' perspective on aspects of their lecturers' teaching in a South African rural university: Unpacking students' mute voices", was submitted for publication in South African Journal of Higher Education Vol. 34 No. 1 of 2020. However, regrettably it has been withdrawn due to similarity issues.	Not applicable.
16	Percentage of academics trained in delivery of e-learning.	75%	82%	Participation in training by schools had a slight increase as compared to 2018. There is an increased awareness for the need for teaching technology at Univen.	Not applicable.
17	Percentage of modules in electronic format and uploaded onto the e-learning platform.	75%	100%	Target exceeded as 100% of 1 200 examinable modules from first- to fourth-year were loaded in 2019.	Not applicable.

Table 6: Key performance area 3: Academic support for students

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
18	Number of first-year students provided with academic support.	250	1 032	Target exceeded.	Not applicable.
19	Number of identified students with disabilities provided with academic support.	All first-year students with various disabilities will be trained on Adapted Technology ¹⁸ .	23	Good progress since all first-year students with disabilities were part of the training.	No applicable.
20	Number of identified modules-at-risk for which tutorial training is provided.	12	10	It is not practical to quantify the achievability of this target due to the open call used to invite academics and students to participate in the programme. Any academic who feels like joining the programme is at liberty to do so.	The change of policy can further ensure effective improvement of performance. Academic development programmes need to be made compulsory across disciplines. Hence there is a suggestion to introduce an integrated development programme - integration of academic development programmes into the mainstream curriculum. Currently, due to academic development programmes being voluntary, academics and students take these as add-ons and thereby fail to commit fully to their demands.
21	Number of identified students-at-risk for which academic support is provided.	200	72		The process of refraining from giving support to only at-risk students due to stigmatisation is currently underway. Thus, all first-year students in given modules, especially at risk modules, are encouraged to attend academic support programmes whenever they are provided. Hence the introduction of integrated student development programmes where academic development programmes form part of mainstream curriculum.

¹⁸ The total number to be trained depends on the number of registered students with disabilities

Table 7: Key performance area 4: Student success

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
22	Percentage decrease in first-year attrition/drop-out.	10%	28.9%	Target not achieved. High drop-out rate due to both academic and financial reasons.	University strategic review.
23	Increased undergraduate student throughput rate.	36%	56.6%	Target achieved.	
24	Increased student success rate.	87%	82.5%	Target not achieved.	
25	Increased graduation rate.	28%	21.2%	Target not achieved.	

Strategic objective 3: Research and Innovation

Table 8: Key performance area 1: Increased research capacity

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
26	Increased number of National Research Foundation-rated researchers.	28	26	Univen submitted 11 more new applications for 2019 in addition to the 26 current NRF-rated researchers. However, target have not been achieved due to a challenge of changing of work places by some rated researchers that we cannot help.	The university will continue with the recruitment of new rated researchers.
27	Increased number of special-category academics in support of the academic core project.	3	9	Target exceeded 2-Adjunct Professors 5-New Postdoctoral 2-Renewal Postdoctoral	Not applicable as target was exceeded.

Table 9: Key performance area 2: Research output

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
28	Increased research outputs per capita units aligned to Department of Higher Education and Training targets.	1.0	1.03	Target achieved. This can only be reported based on research outputs per capita as per 2017 DHET report. The new recording will only be updated next year when we report for 2018 research output.	Not applicable.

Table 10: Key performance area 3: Renewable energy

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
29	Number of integrated renewal energy projects (biogas and solar) implemented for teaching and research - as alternative energy sources on campus.	3	11	Target exceeded as the university has implemented 9 more integrated renewal energy projects against target of 3. Due to theft of one of the solar water pump systems in Lebowakgomo, the university is currently working on the issue of security around the other system which needs to be installed. The process of installing one at Makonde Moringa farm has been started. More than 10 biogas digesters in different villages have been installed.	Not applicable.

Table 11: Key performance area 4: Technology transfer

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
30	Number of technology transfer projects initiated for community use.	4	9	<p>Target exceeded as 5 more technology transfer projects were initiated than anticipated.</p> <p>Quarter 1</p> <ol style="list-style-type: none"> 1. Method of removing dye (Complete patent). 2. Femmoe instant cereal (Low Sodium breakfast cereal). 3. Antioxidants enhancement on ice cream using blackjack vegetable and prickly pear fruit. 4. Chocolate bar using muquaqua fruit. <p>Quarter 3</p> <ol style="list-style-type: none"> 1. Application of Equus Africanus Asinus dung for the removal of total and hexavalent chromium from tannery effluents. 2. Geographic bar and bags. 3. Finger millet varieties fortified with vitamin. 4. Instant morning porridge. <p>Quarter 4</p> <ol style="list-style-type: none"> 1. A production process for improvement of the lifetime of perovskite solar cells. The invention has been disclosed to the Office of Technology Transfer on 9 December 2019. 	Not applicable.



Strategic objective 4: Integrated community engagement initiatives

Table 12: Key performance area 1: Increased research capacity

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
31	Increased number of participating learners from rural schools in the maths and science and science-enhancement programme at Vuwani Science Resource Centre.	90 000	91 686	Target exceeded. Currently the centre needs a full-time coordinator for fundraising. The previous fundraising platform is no longer available. An additional staff member to manage bookings for in-house and outreach programmes is also required.	Not applicable.
32	Number of target rural communities for which evidence of positive impact on development and poverty alleviation is documented.	4	222	This far exceeds the annual target. Community workshops and meetings have been the major mode of engagement.	Not applicable.

Table 13: Key performance area 2: Science outreach and knowledge transfer

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
33	Number of structured engagements with communities in a well-publicised community engagement forum.	5	7	Target achieved.	Not applicable.

Strategic objective 5: Financial sustainability

Table 14: Key performance area 1: Prudent financial management

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
34	Percentage increase in university income.	5%	19%	Target achieved. Univen recognises income to the extent that performance obligation is satisfied for education services. At the end of the 2019 financial year income was expected to increase by more than 5%.	Not applicable.
35	Percentage decrease of financial management related audit queries per year.	10%	0%	Based on audit findings for 2017 and 2018 financial year, the target was not achieved.	<ul style="list-style-type: none"> - Intervention of audit performance management system. - Internal audit reviews. - Staff development.

Table 15: Key performance area 2: Continuously increase revenue

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
36	Percentage increase of third-stream income (UIGC, Foundation, Research and Agriculture revenue).	10%	10%	Target achieved.	Not applicable.
37	Implementation of investment strategy on short-, medium- and long-term investments (%).	100%	50%	Council controlled funds are used to finance operations-hence investments are short term to medium term. Earmarked funds, timing of when the funds will be needed is not clearly defined hence investment ranges from maximum 1-6 months under short and medium terms.	Review investment portfolios suitable for operations of the university. Preferably invest in a highly liquid pool.

Strategic objective 6: Integrated people management

Table 16: Key performance area 1: Staff development

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
38	Percentage of senior and middle managers completed higher education leadership programme.	60%	65.4%	Target exceeded. However, the number fluctuates due to replacements in senior and middle management positions.	Not applicable.
39	Percentage of female middle and senior managers completed Women in Leadership programme.	60%	70%	Target exceeded. However, the number fluctuates due to replacements in senior and middle management positions.	Not applicable.

Table 17: Key performance area 2: Become employer of choice

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
40	Number of human resources policies reviewed.	6	12	Target exceeded as 6 more policies were reviewed than targeted.	Not applicable.

Table 18: Key performance area 3: Transforming Univen

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
41	Submit report on the implementation of Univen's Integrated Transformation Plan via Institutional Forum to Council.	1 (by April)	0	No progress has been made on this indicator as the implementation of the plan has since been put on hold.	The plan will be addressed through the new strategic plan that the Vice-Chancellor is championing.

Strategic objective 7: Linkages, partnership and internationalisation**Table 19: Key performance area 1: Internationalisation of academic core project**

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
42	Number of students participating in international student exchange programmes or exchange visits.	35	101	Target exceeded as 66 more students participated in the exchange programmes/visits than targeted.	Not applicable.
43	Number of staff members participating in international staff exchange programmes, including training and workshops.	25	40	Target exceeded as 15 more staff members participated in the programmes than targeted.	Not applicable.
44	Number of International research collaborative projects.	4	6	Target exceeded as 2 more projects were undertaken than anticipated projects.	Not applicable.
45	Number of collaborative international and community engagement projects.	4	5	Target exceeded as 1 more project was undertaken than anticipated.	Not applicable.
46	Percentage increase of international students through the implementation of an international marketing and recruitment strategy.	3.5%	1.8%	Target not achieved.	Increasing the presence of Univen through engagement at international conferences and international visits to countries. Advertising in the SADC region by participating in exhibitions.

Strategic objective 8: Enhancing the quality of student life

Table 20: Key performance area 1: Student leadership and residences

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
47	Number of graduate students supported to register for postgraduate studies.	15	0	Target not achieved due to unavailability of internship opportunities in 2019.	A request has been made to HR to avail opportunities when they arise.
48	Number of quality living and learning support programmes implemented for students in residences.	4	5	Target exceeded as 1 more programme was implemented than targeted.	Not applicable.
49	Number of students in university residences participating in living and learning support programmes.	1200	1300	Target exceeded as 100 more students participated in the programmes.	Not applicable.
50	Number of accredited off-campus residences that complies with DHET minimum standards.	20	33	Target exceeded as 13 more residences complied with the minimum standards as prescribed by DHET.	Not applicable.

Table 21: Key performance area 2: Student diversity

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
51	Number of annual commemoration days celebrated ¹⁹ .	3	3	Target achieved.	Not applicable.
52	Number of religious activities carried out.	2	2	Target achieved.	Not applicable.

¹⁹ Freedom Day, Africa Day and Heritage Day

Table 22: Key performance area 3: Health and wellness

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
53	Number of wellness programmes in student residences.	3	4	Target exceeded as 1 more programme was implemented than anticipated.	Not applicable.
54	Number of health awareness campaigns in line with World Health Organization calendar.	2	5	Target exceeded as 3 more campaigns were carried out than planned.	Not applicable.
55	Number of health and wellness promotion workshops conducted.	2	3	Target exceeded as 1 more workshop was conducted than planned.	Not applicable.
57	Number of HIV/AIDS counselling, testing and safe sex campaigns.	4	4	Target achieved.	Not applicable.

Table 23: Key performance area 4: Student counselling and career development

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
56	Number of students trained in life skills programmes to enhance quality of life of students and future careers.	20	177	Target exceeded as 15 more students were trained than planned.	Not applicable.
57	Number of training workshops for peer helpers.	1	1	Target already achieved. Only 1 workshop is conducted a year.	Not applicable.

Table 24: Key performance area 5: Student welfare

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
58	Increased number of beneficiaries of the Thoho-ya-nzie sharing scheme.	200	24	Target not achieved because of most needy students now depending on NSFAS.	No action needed.

Table 25: Key performance area 6: Sports and recreation

	Key performance indicator	2019 Target	Actual achievement	Progress analysis	Corrective action
59	Increased number of students participating in arts and cultural programmes at national, regional and international levels.	45	176	Target exceeded.	Not applicable.
60	Number of students in adaptive sports.	45	34	Target not achieved. Only goal ball serves as an adaptive sport leading to limited number of participants. - Shortage of play facilities. - Unavailability of adaptive equipment.	The university has affiliated with the International Blind Sport Federation to increase the number of tournaments. To motivate for the purchasing of adapted wheelchairs so that wheelchair tennis and basketball can be included.



Senate report

Senate is the highest decision-making body on matters relating to the academic core business of the university. Through its Executive Committee, Senex, it oversees the day-to-day functioning of the core business. It also deliberates on strategic and operational matters affecting the core business. Furthermore, it receives and discusses quarterly reports from six standing Senate committees and from the academic boards of the eight academic schools.

Senate oversees the continuous review of the Programme Qualification Mix (PQM) of the university to ensure that only duly approved, recognised and accredited programmes are offered. During 2019 the PQM was fully aligned with the new higher education qualifications sub-framework with only a few of its category C programmes that required complete re-curriculation still awaiting accreditation and registration before any students will be enrolled. The Bachelor of Commerce in Accounting degree received professional accreditation from SAICA after several years of partnership with the University of Johannesburg and SAICA to develop the curriculum. This was also necessary to establish the required quality control mechanisms for the degree. The Bachelors of Urban and Regional Planning degree also received full professional accreditation in 2019.

The academic programmes leading to qualifications offered by Univen are delivered by 61 academic departments hosted in eight academic schools. These are -

- School of Agriculture
- School of Education
- School of Environmental Sciences
- School of Health Sciences
- School of Human and Social Sciences
- School of Law
- School of Management Sciences
- School of Mathematical and Natural Sciences

Enrolments only occurred in Department of Higher Education and Training approved, Council on Higher Education accredited and SAQA registered programmes, and in adherence to the institution's approved enrolment plan. Student numbers registered per qualification type were -

Calendar year	2019
Qualification type	Head-count
Higher certificate	21
Undergraduate diploma	264
Advanced diploma	6

Post-graduate diploma or certificate	200
General academic 3-year first bachelor's degree	5 941
Professional and 4-year first bachelor's degree	8 588
Honours degree	639
Master's degree	721
Doctoral degree	379
Total	16 759

In the review year institutional performance in the core business against the predetermined objectives set in the annual performance plan, are covered in the 2019 annual performance report. Other significant developments and achievements in the core business include -

- Continued roll-out and uptake of online teaching and learning on the Blackboard LMS, with 55% of students actively engaging with course contents online, and about 33% of lecturing staff actively engaging students online in various activities by the end of 2019.
- Against a ministerial target of 40 graduates with doctoral degrees by 2019, the university conferred 44 doctoral degrees. One of the candidates received a doctoral degree co-badged with the University of Toulouse in France.
- The NRF-SARCHI Chair in Biodiversity Value and Change was renewed for a further five-year term based on excellent performance against the agreed targets during its first term.

Senate reports to Council only on strategic matters that require approval. These include the introduction of new programmes and policies and the appointment of academic managers, heads of departments, deans and vice deans of schools.

The Committees of Senate

The standing committees of Senate, which receive reports from parallel committees at school level and meet on a quarterly basis, are -

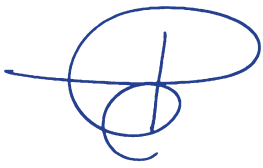
- Senate Teaching and Learning Committee
- Research and Publications Committee
- Community Engagement Committee
- Senate Higher Degrees Committee
- Senate Linkages, Partnerships and Internationalisation Committee
- Library Committee.

The Composition of Senate

1. The Senate consists of -
 - (a) The vice-chancellor, who is the chairperson;
 - (b) The deputy vice-chancellors, one of whom must be designated by the vice-chancellor to be the chairperson in the absence of the vice-chancellor;
 - (c) Two members of Council, elected by Council;
 - (d) All deans of schools;
 - (e) All vice deans;
 - (f) All heads of academic departments;
 - (g) 50% of the professors of the university who are not deans, vice deans or heads of academic departments, elected by the professors from their own ranks, provided there must be at least one professor from each school;
 - (h) 30% of the senior lecturers of the university who are not deans, vice deans or heads of academic departments, elected by the senior lecturers from their own ranks, provided there must be at least one senior lecturer from each school;
 - (i) 10% of the lecturers of the university who are not deans, vice deans or heads of academic departments, elected by the lecturers from their own ranks, provided there must be at least one lecturer from each school;
 - (j) The Director: Library Services;
 - (k) The director or head of a bureau, section or department of the university designated by the Senate;
 - (l) One student, other than a first-year student, for each school, elected by the students of the school concerned;
 - (m) The directors of academic centres and institutes; and
 - (n) One member of the Student Representative Council elected by the Student Representative Council.
2. The control and regulation of teaching, learning and research at the university is vested in the Senate in accordance with its rules for that purpose and approved by the Council.
3. A vacancy in the Senate must be filled in the same manner as that in which the member who previously held the office was appointed, elected or designated.
4. A person appointed, elected or designated holds office for the unexpired portion of the term of office of his or her predecessor.



5. Senate submits to Council –
 - (a) Reports of its activities;
 - (b) Recommendations as it may deem expedient regarding any matter or interest to the university; and
 - (c) Recommendations regarding any matter referred to it by Council.
 6. The Registrar is the secretary to Senate and has no voting powers.
 7. Members of Senate sign the conflict of interest and confidentiality declaration form at the beginning of every meeting.
 8. Senate applies the code of practices and conduct and the code of ethical behaviour and practice in every meeting.
- Meetings of Senate held -
- 26 February (Special)
 - 13 March (Ordinary)
 - 22 May (Ordinary)
 - 14 August (Ordinary)
 - 23 October (Ordinary)
 - 23 October (Special)



Dr Bernard Nthambeleni
Chairperson of Senate





Report on risk, internal administration, operational structures and controls

Risk management report

Committed to good corporate governance

Univen is committed to good corporate governance and has various internal control mechanisms in place to strengthen corporate governance. There are various management structures and Council committees in place with terms of reference which meet on a regular basis.

The university also has fully functioning assurance structures such as Internal Audit and Risk Management. These structures are supported and overseen by the Audit Committee and Risk Management Committee; both chaired by independent external non-executive experts. The university can report that both committees have contributed positively regarding audit and risk management processes.

The university Council has approved the risk management policy, risk management framework, risk management strategy and risk management committee charter. It conducted operational risk assessments and reviewed strategic risks in 2019. Identified risks were assessed for likelihood of occurrence and their impact on the operations of the university. Risk owners developed mitigating measures to manage the identified risks to acceptable levels. Emerging risks are regularly identified and monitored through appropriate reporting channels.

The Risk Management Committee consists of Executive Management and is chaired by an independent risk expert. The committee reviews and advises Audit Committee and Council on risk management control activities undertaken by the Executive Management. There is visible progress in the risk management maturity across the university. Univen is in the process of incorporating risk management in its planning activities. Executive Management Committee members have been assigned as risk owners. This ensures that management takes accountability for managing risks and to embed risk management in their day-to-day activities. The risk owners' performance on risk management is monitored through the performance management and development system.



Mr T Sibiya:
Risk Officer



Dr O van Heerden:
Chairperson: Audit and Risk Committee



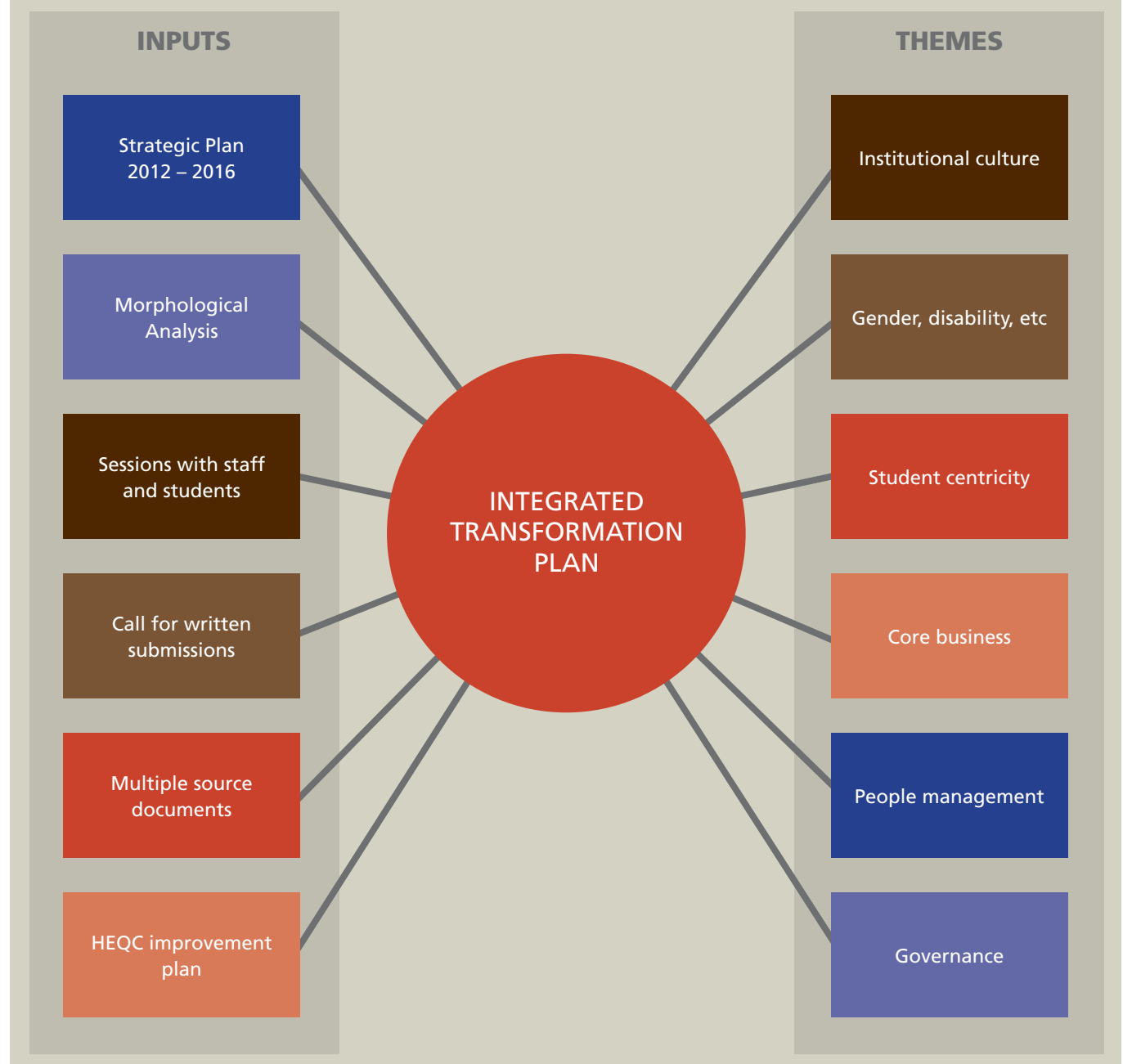
Report on transformation

Preamble

The University of Venda embraces transformation in the fullest sense that would result in a locally relevant, but globally competitive institution of higher learning in which all people, irrespective of race, gender and nationality would feel welcome to contribute.

In 2013, the university's integrated transformation plan was adopted. Six transformation themes have been defined - diversity, institutional culture, people management, student centricity, core business, and governance. In 2015, the Univen transformation charter was adopted.

Integrated Transformation Plan – Approved by Council on 21 June 2013



The process of transformation is catalysed through transformation task teams -

- Non-discrimination and diversity – Champion Dr Segun Obadire, Director: International Relations (Acting)
- Institutional culture - Champion Senior Prof Base Khoza, Dean of Health Sciences
- People management – Champion Mrs Mushoni Mulaudzi, Director: Library Services
- Student centricity – Champion Prof Edward Nesamvuni, University Registrar

- Core business – Champion Prof Jan Crafford, Deputy Vice-Chancellor: Academic
- Governance - Champion Dr Robert Martin Deputy Vice-Chancellor: Operations

It is important to note that some of the drivers for the different themes have left the university, hence several activities have been suspended.

Nevertheless, several activities took place in the reporting year. Substantive progress was made with the implementation of the integrated transformation plan -

Theme 1: Non-discrimination and diversity

	Objective	Progress	Targets and achievement dates
1	Create a culture among staff and students that embraces and promotes diversity in its broadest sense. This is through the creation and monitoring of an enabling environment for behavioural change, development of new and the review of existing policies, creating disability access and disability-friendliness infrastructure.	<p>Policy review is ongoing and taking place through an inclusive process involving Council members, staff and structures.</p> <p>Policies reviewed:</p> <ul style="list-style-type: none"> Remuneration policy Travel allowance policy Cell phone policy Business travel Termination of employment Staff development HIV and Aids delegation of authority <p>Some of these policies are still under review.</p> <p>The Disability Unit now has an adapted bus for use by disabled students. The new student residences now have disability-friendliness access facilities.</p>	2019.
2	A study conducted by the anti-Xenophobia task team was published in a journal in 2018. The recommendations and approved actions include the transformation charter, social dialogue platform, aggressive marketing and publicity, module on diversity, language policy, language skills, sharing local language and culture, mixing of cultures in residences, diversity celebrations, reaching out to 'silent' members of the community, student involvement, partnerships with other universities and enhancing positive institutional culture elements.	<p>Transformation charter was approved by Council and later launched.</p> <p>Cultural days - Africa Day, International countries Independence Days.</p> <p>Univen transformation charter launched in 2015. Several social dialogue platforms were held, including the Decolonisation and Africanisation of the curriculum in 2018, March against gender and sexual violence against women and the vulnerable in 2019.</p> <p>The Buddy programme is organised every year for the integration of local and international students for social cohesion. It is coordinated by the Directorate of International Relations. The programme continued in 2019.</p> <p>Memoranda of understanding were signed with the Far Eastern Federal University, Vladivostok, Russian Federation; Lucerne University, Switzerland; Memorial University of Newfoundland, Canada; Hubei University of Technology, China; The University of North Carolina Greensboro, USA; and others. Memoranda of understanding were also renewed with Botho University, Botswana; Linneaus University, Sweden and many others.</p> <p>Most of the expired memoranda of understanding were renewed, while others are still in the process of being renewed.</p> <p>It is important to note that many of these have been made very active with collaborative projects running between partners.</p>	<p>April 2015.</p> <p>Ongoing in 2019.</p> <p>2019.</p> <p>2019.</p> <p>2019.</p>

Theme 2: Institutional culture

	Objective	Progress	Targets and achievement dates
3	Dissemination of transformation charter.	Transformation charters are disseminated to relevant internal and external stakeholders.	Ongoing.
4	Enhance communication by creating formal engagement platforms between senior management and specific stakeholder groups like students, academic, support and service staff.	EMC meets schools and departments and divisional heads twice a year. Regular meetings with Student Representative Council and joint structures. Engagement with joint structures on in- and outsourcing.	Ongoing. Ongoing.
5	Ensure a corrupt and fraud-free environment by developing and implementing a fraud prevention strategy, anti-fraud and anti-corruption policy, whistleblowing policy and implementing an off-campus independent whistleblowing hotline for use by staff and students.	Fraud prevention plan developed and submitted to Risk Management Committee. A Risk Management Officer employed in 2018. Whistle-blowing policy adopted. Tip-off anonymous implemented in two ways - Policy on gifts part of revised and supply chain management policy adopted.	June 2015. 2016. 2016.

Theme 3: People management

	Objective	Progress	Targets and achievement dates
6	Developing a "Staff rights and responsibilities charter".	Work in progress.	Adopted in 2017.
7	Creating a staff performance and recognition framework in conjunction with all stakeholders directly affected. This framework to be de-linked from recurring remuneration and should emphasise non-cash recognition by means of celebrating specific extraordinary work-related achievements by both academic and support/service staff.	Performance management now allows for staff recognition. Long service recognition. Recognition of excellence for administrative staff document. Recognition of excellence for academic staff in this form of categories of the Vice-Chancellor's excellence awards - <ul style="list-style-type: none"> Teaching and learning Research Community engagement. 	June 2015. Ongoing .2016. Ongoing.
8	Develop staff attraction and retention strategy.	Consultant assisted with development of a recruitment and retention strategy. Consultant appointed to assist with the review of Univen's tax dispensation. The review has been completed and resulted in the review of the remuneration policy. Review of provident fund contributions.	2016. 2016. Ongoing.
9	Ensure that Univen becomes an employer of choice by benchmarking and reviewing the practical aspects of recruitment, selection and retention processes against best practice at comparable universities nationally and internationally.	The Directorate Human Resources is implementing e-recruitment, following comprehensive benchmarking. The university is currently using the PwC's Remeasure job evaluation system. Most positions have been evaluated.	Ongoing. 2017.
10	Verify CV's regarding qualifications and background checks.	Verification of CVs and background checks are conducted externally by Lexis-Nexis.	2016.

Theme 3: People management (continued)

	Objective	Progress	Targets and achievement dates
11	Ensure that staff has an equitable workload by reviewing workload versus staffing levels including but not limited to the staff/student ratio to comply to 2011 higher education, Quality Committee recommendation number 3.	The DVC Academic has developed a proposal on Univen's academic work Load. The proposal served on the agenda of school board meetings of 2017.	Implemented since 2018 academic year.
12	Devising people development strategy comprising programmes and initiatives aimed at raising levels of staff commitment/ improved work ethic and dedication.	People development is undertaken in various departments including staff development, research, ICT training and CHETL interventions.	Ongoing.
13	Develop mechanisms to monitor staff productivity.	Performance management has been implemented for all levels of staff.	2019.
14	Implement "Grow own timber" strategy.	<p>Growing next generation of academics programme (nGAP) and targeted employment of Univen's own graduates.</p> <p>These channels are currently in use -</p> <ul style="list-style-type: none"> • Teaching assistants: several part-time lecturers were appointed to support academic programmes • Research assistants: several appointments • Interns: various SETAS and DST-NRF interns were appointed • nGAP: the number is increasing gradually. <p>There were 37 Masters and PhD students sponsored by ETDP-SETA and MERSETA with the aim of building Univen's Next generation academics. About 15 staff members were funded through the US-SA Higher Education Network for University Staff doctoral programme for their doctoral programmes.</p>	<p>Ongoing.</p> <p>2019.</p>
15	Devising people development strategy, comprising programmes and initiatives to raise levels of staff commitment, an improved work ethic and implement a modern and effective staff code of conduct to ensure that it is in line with best practice at comparable universities.	<p>People development is undertaken in various departments including staff development, research, ICT training, IRO and Centre for Higher Education Teaching and Learning interventions.</p> <p>Over R47million was invested in various capacity development interventions within the university.</p>	<p>Ongoing.</p> <p>2019.</p>
16	Implement equity plan with emphasis on gender mainstreaming and achieving targets of staff with disabilities.	<p>Equity plan submitted to Department of Labour annually - for five years.</p> <p>Significant investment in training and development of female staff members at various capacity building programmes in and outside the university.</p> <p>Development of women professors' mentorship programme started in 2019.</p>	<p>Ongoing.</p> <p>Ongoing.</p>
17	Implement succession planning for key posts.	<p>Consultants appointed to conduct an online survey on staff retention.</p> <p>Views of service workers were collected through focus group discussions. The final report served in the Human Resources Committee of Council.</p>	Completed in 2017.
18	Insourcing.	Council approved the insourcing through UIGC mode. Security services, cleaning and grounds now resorts under UIGC.	Ongoing.

Theme 4: Student centricity

	Objective	Progress	Targets and achievement dates
19	Improve Univen's student centricity whilst maintaining a sound balance with the interests of other stakeholders while upholding standards of good governance.	<p>The strategic plan 2016 - 2020 has identified critical success factor 2 as an enabling environment - from admission to graduation of students. Some of the areas identified for student-centered services include - improved online application, efficient online registration, user-friendly information communications technology connectivity, fit for purpose class and examination time tabling, effective and efficient examination processes.</p> <p>Several projects have also been identified to enhance the quality of student life at Univen. These were implemented as part of the strategy 2016 - 2020 strategic objective 8. Interventions will be needed for risk students through the Centre for Higher Education Teaching and Learning. However, student housing will play a pivotal role in a project 'Resident leaving and learning' for students to also be tutored by their peers and seniors. The emphasis on student academic excellence to the Student Representative Council leadership should also be enhanced through the student development project which will encourage articulation from degree to postgraduate level.</p> <p>Several new student residences have been completed and occupied in 2019.</p>	2019.
20	Consider the region and geographic location of Univen's student population, novel ways and all existing forms of student financial aid to improve support to needy students.	<p>The student accommodation fees were reviewed in 2019.</p> <p>SETA and National Student Financial Aid Scheme (NSFAS) bursaries assist financially needy Univen students.</p> <ul style="list-style-type: none"> Univen wrote off R12 million in bad student debt Student not progressing were advised to exit. <p>Univen harnessed substantive funding from SETAs, NRF-DST, DHET and other international donors.</p> <p>Ongoing engagement with student leadership on fees.</p> <p>Social responsibility fund "Touch of Hope" established to help academically talented and deserving students.</p>	<p>2019.</p> <p>2019.</p> <p>Ongoing.</p> <p>Ongoing.</p> <p>Ongoing.</p> <p>2019.</p> <p>2019.</p>
21	Improve the student quality of life as articulated in strategic objective 8.	<p>These items have been captured under strategic objective 8 of the 2016 – 2021 strategic plan and continue to be monitored closely.</p> <p>PC tablets have been rolled out to all undergraduate students.</p> <p>Masters and PhD students have been issued laptops. This ensures equal access to e-learning and electronic knowledge resources.</p> <p>Additional concrete actions include -</p> <p>460 Student development and support programmes; mentors recruited; 2 wellness promotions workshops held; 4 health & wellness campaigns conducted; 4 HIV & testing campaigns implemented; 7 workshops conducted throughout the year on ready for work, education awareness on intellectual property, entrepreneurial skills. Comprehensive sports and cultural programmes implemented.</p> <p>Continuous support for students through the programmes of the Centre for Higher Education Teaching and Learning.</p> <p>A swimming pool and various sporting facilities have been erected. The student entertainment area is improved.</p> <p>Dedicated student services building constructed.</p> <p>Additional student residences to accommodate approximately 2 400 students are nearing completion. Some of the buildings have been occupied.</p> <p>Student Affairs building completed and occupied. The building houses the Student Centre, bookshop and Student Affairs offices.</p>	<p>Since June 2015.</p> <p>Ongoing.</p> <p>Ongoing.</p> <p>Ongoing.</p> <p>Ongoing.</p> <p>Ongoing.</p> <p>2019.</p>

Theme 4: Student centricity (Continued)

	Objective	Progress	Targets and achievement dates
22	Improve through the re-engineering of the student academic administration to move to a fully electronic system on- and off-campus and ensure that Univen is becoming an automated 'Smart' campus.	Registrar's Academic Committee meetings chaired by Registrar and all re-engineering projects managed from there. Wi-Fi facility available on campus, classrooms, library and student hostels. This is being upgraded from time to time.	Ongoing.
23	Improve the classroom experience of students through appropriate curriculum delivery modes and intervention for at risk students.	The Deputy Vice-Chancellor: Academic and the Director: International Relations conducted research on curriculum transformation in 2016. The recommendation has improved the classroom experience of students. Two public lectures on issues of curriculum transformation and contextualisation. Prof Tshilidzi Marwala, Vice-Chancellor, University of Johannesburg presented a public lecture on the 4IR and the society at Univen. Academics received training to capacitate them for curriculum transformation, for example, through enrolment in the post-graduate diploma in Higher Education. Regular curriculum reviews and departmental evaluations, which include an assessment of the curriculum of the relevant programmes, take place under the oversight of the Directorate Institutional Planning and Quality Assurance. Adequate resources for the relevant research and curriculum review processes are available. Increased research output to about 280 publication units. The increased NRF-rated researchers totalled 28 in 2019.	Ongoing. 2019. 2019.

Theme 5: Core business

	Objective	Progress	Targets and achievement dates
24	Performing an audit of programmes offered by Univen which have not yet been accredited by either the higher education quality committee and/or external organisations that the remaining programme accreditations be fast tracked.	The Univen Programme Qualification Mix has been audited and, in 2016, approved by Department of Higher Education and Training. Only programmes which are duly approved by the department and accredited by the Council on Higher Education are being offered. Several new programmes were approved during 2018 and added to the Programme Qualification Mix but were not offered in 2019 until all short- and long-term conditions set by the Council on Higher Education have been met. The South African Institute of Chartered Accountants (SAICA) has accredited the BCom Accounting profession degree. A review of academic departments and programmes was undertaken in 2019. Improvement plans have been submitted and will be implemented in 2020.	2016. 2019. 2019.

Theme 5: Core business (Continued)

	Objective	Progress	Targets and achievement dates
25	During the debates regarding the conversion of the university to become fully comprehensive, the debate takes internal shape and size modalities into account.	The size and shape directives of the Department of Higher Education and Training, in particular the 4% ministerial target for enrolments in diploma and certificate courses by 2020, has given urgency to the finalisation of new career-focused programmes currently being developed, fast-tracking the accreditation of those previously submitted.	Ongoing.
26	The Director of Communications and Marketing initiated the development of specific campaigns and initiatives in raising Univen's profile that go beyond generic marketing and brand building.	Close collaboration between the Director of Communications and Marketing, and deans and academic directors continued in 2019. This has resulted in more external communication of academic events and highlights.	Ongoing.
27	Developing standardised operating parameters that impact on delivery within the university's core business, for example setting and enforcing starting and stopping times for support/service staff and establishing/enforcing minimum campus presence parameters for academic staff.	Academic workload allocation model, which specifies minimum presence on campus for academic staff, was developed in 2016 and submitted to EMC, School board approval process is underway and enforcement will form part of the evolving performance management system. In collaboration with a service provider, a system for the collection of comprehensive quality data on workload and performance of academics is being developed and will become available in 2020.	2017.
28	Infrastructure and utilities masterplan for campus development in line with enrolment strategy of Univen for next ten years.	Ministerial targets regarding future enrolment to inform the infrastructure and utilities masterplan.	Ongoing.
29	Occupational health and safety and firefighting practises to be world-class.	New occupational health and safety consultant appointed. Approval of the process control manual for Occupational Health and Safety Committee.	Completed in 2017.
30	Implementing a disability access and disability-friendliness infrastructure audit and ensuring the implementation of the outcomes. Disability awareness, for example, notes to disability unity, recording.	Disability assessment done. Walkways and ramps under construction. Newly acquired adapted bus for the disability unit.	Ongoing.
31	Information technology – Ensure paid up site licences for software for staff and students with disabilities. Establish hi-tech Smart Campus.	Acquisition of the Blackboard e-Learning platform has been finalised. Three e-learning practitioners have been appointed at the Centre for Higher Education, Training and Learning and in-house training of academics in e-Learning commenced already.	Ongoing.
32	Information technology available to all students for teaching and learning.	Blackboard available to all students, PC tablets disseminated to all undergraduate students / Laptop PC's to all postgraduate students. Consequently, equal access for all students to electronic teaching and learning resources.	Ongoing.
33	IT support for core business.	Eduroam fully functioning across campus including residences. Accredited residences outside the campus are also improving their facilities to have Wi-Fi access.	Ongoing.

Theme 6: Governance

	Objective	Progress	Targets and achievement dates
34	Create an effective Institutional Forum by undertaking an independent external assessment of the current state of functionality of the forum.	Institutional Forum well-established under new leadership, especially in view of recent national student strikes. Co-option of more management and student members to facilitate healthy debate.	Ongoing.
35	Ensure Council members understand the role and responsibilities of the Council. Establish a clear understanding of the oversight monitoring role of Council. Monitoring of policy compliance and enforcement. Establish a clear understanding of the monitoring role of Council.	Council performance measurement instrument completed and approved. Council orientation and training session conducted. Approved reviewed statutes of Univen. Analyse risks and monitor effective and efficient Risk Management Committee established. Monitored formalisation of Council sub-committees with clear mandates.	Ongoing. Ongoing.
36	Monitor compliance with laws and regulations.	Approval of the creation and filling of the position Head: Legal Compliance.	2019.
37	Review of policies.	Build database of policies and monitor regular review.	Ongoing.
38	Monitor Information Communication and Technology compliance.	King IV compliance completed for Information and Communication Technology. Information and Communication Technology governance structure approved by Council. Technology disaster recovery plan finalised and approved. Information and Communication Technology strategy developed and implemented.	Ongoing.
39	Monitor fraud prevention.	Monitor accuracy of conflict of interest forms at various committees. Monitor implementation of blacklisting policy. Develop whistleblowing policy. Develop investigation mechanisms. New supply chain management policy. New controls on infrastructure projects.	Ongoing.

Integrated transformation plan

The integrated transformation plan describes institutional culture as “The way we do things at Univen”.

Arguably, it is the key transformation theme in that it is ultimately the “glue” that holds all facets of the university together. A positive institutional culture is therefore a powerful enabler of all transformation initiatives. A key sub-theme is social cohesion, which is inextricably interlinked with diversity. It is understood by the integrated transformation plan as the capacity of a society or of a community such as Univen to ensure the welfare of all its members, minimising disparities and avoiding polarisation.

The 2015 Durban Transformation Summit recommended that the role of universities must be strengthened to ensure the development of democratic citizenship. This gives concrete expression to the rights and responsibilities in the South African constitution and Bill of Rights, with an emphasis on building institutional cultures based on the right to dignity.

- Fundamental commitment to human rights, democracy and the rule of law;
- Continuous engagement between internal stakeholders;
- Everyone’s voice needs to be heard;
- Ability to raise issues without fear for adverse consequences;
- Zero tolerance for fraud;
- Excellence as a guiding principle for all actions;
- Centrality of the core academic project;
- Student centricity.

The aim is to create an environment in which ‘A locally relevant, but globally competitive institution of higher learning in which all people, irrespective of race, gender or nationality would feel welcome to contribute to the success of this great institution’.

Institutional culture includes –

Globally competitive and engaged – Univen is becoming a comprehensively internationalised, internationally competitive university.

Locally relevant – Responsive to the context, needs and opportunities of the region.

Africanised – the academic project should be informed by the shared knowledge, values, experiences, aspirations, and economic objectives of Africans.

Institutional values

- Quality and excellence: Strive for the highest standards as benchmarked with and evaluated by peers.
- Accountability: Commitment to good and responsible use of human, fiscal and physical resources entrusted to us to deliver on and be answerable to our mandate.
- Transparency: Openness to public scrutiny of our actions, processes and use of our resources.
- Integrity: Consistently espousing and practising honesty, truth and freedom in all we do.
- Respect: Treating all stakeholders with civility and dignity.
- Diversity: Recognising that diversity and excellence are mutually inclusive and using this to enhance our teaching, scholarship and community engagement.

- Social responsibility and community engagement: Contributing to the best extent possible, to the intellectual, social and economic well-being of the communities we serve.
- Ubuntu: Fostering a caring, mutually supporting environment and treating individuals with respect and dignity in the spirit of Ubuntu.

Objective 1

Appoint an internal social cohesion task team that represents interests of all stakeholders with an emphasis on inclusivity, gender equity and the representation of people with disabilities.

Task team to draft a charter that includes inputs from all stakeholders. Design social cohesion interventions for approval by Human Resources Committee of Council.

Action	Date
Social cohesion task team under chairpersonship of Director: International Relations integrated into transformation task team diversity.	January 2015
Social dialogue platform hosted by Vice-Chancellor. Wide participation, particularly from executive and senior management, academia, the Student Representative Council and student organisations, religious and cultural groups.	May 2015
Event marked beginning of process of internalisation of transformation charter and particularly highlights importance of diversity for the incubation of new ideas.	May 2015
At the launch 2 000 copies of the transformation charter were disseminated. Furthermore, appropriate banners and other marketing material produced. Major internal and external media coverage, as well as live coverage on radio.	May 2015



Objective 2

Enhance communication by creating formal engagement platforms between senior management and specific stakeholder groups like students, academic, support and service staff.

Action	Date
EMC meets schools and departments and divisional heads twice a year. Sessions with all staff.	Ongoing
Regular meetings with Student Representative Council and joint structures.	Ongoing
Engagement with joint structures, especially on in- and outsourcing.	Ongoing

Objective 3

Ensure a corrupt and fraud-free environment by developing and implementing a fraud prevention strategy, anti-fraud and anti-corruption policy, whistleblowing policy and implementing an off-campus independent whistleblowing hotline for use by staff and students.

Action	Date
Fraud prevention plan developed and submitted to Risk Management Committee.	June 2015
Whistle-blowing policy adopted.	2016
Tip-off anonymous implemented.	Ongoing
Policy on gifts adopted as part of revised supply chain management policy adopted.	2016

Objective 4

Commencing with an inclusive policy making and policy review approach that allows directly affected stakeholder groups to be consulted on and to comment in writing on proposed policy and planning.

Action	Date
Commencing with an inclusive policy making and policy review approach that allows directly affected stakeholder groups to be consulted on and to comment in writing on proposed policy and planning.	Revisions in policy done in workshops with all stakeholders involved or alternatively developed by management and consulted.

New focus area to respond to recommendation of Durban Transformation Summit

As mentioned, the 2015 Durban Transformation Summit recommended that the role of universities must be strengthened to ensure the development of democratic citizenship. This gives concrete expression to the rights and responsibilities in the South African constitution and Bill of Rights, with an emphasis on building institutional cultures based on the right to dignity.

The implementation plan commits Univen to relevant indicators to strengthen the role of the university to the development of democratic citizenship.

This gives concrete expression to the rights and responsibilities in the South African constitution and the Bill of Rights, with a particular emphasis on building institutional cultures according to the right to dignity by November 2017. 'This is to be achieved through a revision of transformation theme 2 'Institutional culture' and transformation theme 3 'core business'.

Univen has embraced transformation and is committed to rolling out its Council-approved integrated transformation plan. Enhancing this is the South African Constitution, Univen's institutional values and this set of principles -

- Equity and redress;
- Democratisation;
- Development;
- Quality;
- Effectiveness and efficiency;
- Academic freedom;
- Institutional autonomy; and
- Public accountability.

In implementing its integrated transformation plan, Univen recognises the challenges that arise from its history as an originally ethnic group-focused higher education institution.

The university focuses on -

- Pursuing excellence in its academic core project of teaching and learning; research and community engagement;
- Developing and sustaining a progressive and inclusive institutional culture that its diverse stakeholders embrace and that exhibits a broad range of positive attributes. All these inculcate and nourish a sense of belonging and pride among students and staff;
- Producing a pool of graduates relevant to the socio-economic needs of the country and thus readily employable whilst being conscious of their larger role as responsible citizens in South Africa's social transformation;
- Attracting and retaining competent academic and support staff;
- Operating as a truly comprehensive university in line with its government mandate;
- Instituting and maintaining high levels of governance that are compliant with best practice; and
- Providing and sustaining the requisite physical infrastructure and facilities to meet the needs of students and staff to realise quality performance.

The University of Venda shall be an institution of higher education where -

- a. The core business of teaching and learning, research and community engagement is executed within a constantly evolving and positively transforming environment whilst being socially and economically relevant;
- b. Enhanced relevance and quality delivery of our core business underpin our ultimate transformation to a fully comprehensive university;
- c. Diversity is valued and celebrated, ensuring that there is equitable treatment of all irrespective of race, gender, creed, disability status, sexual orientation, age, HIV status, ethnicity, language, nationality, religion and class. The university always strives to promote diversity in the composition of its student and staff bodies;
- d. Active participation, inclusivity, socially cohesion, mutual respect, tolerance, compassion and accountability are the integral pillars of our institutional culture;
- e. Freedom of expression is always actively encouraged and promoted, ensuring that the fundamental human rights of all are not infringed upon;
- f. Excellence in governance is always upheld and the university's limited resources are utilised effectively and efficiently to achieve our vision and mission;
- g. Institutional autonomy and academic freedom are both recognised, promoted and when necessary actively defended in a dignified fashion, in line with the objective reality within which the university exists and operates;
- h. At all times, stakeholders pursue the specific goals of our integrated transformation plan; and
- i. All stakeholders embrace collective responsibility and accountability for the transformation of the university.

Annual financial review

Focus continued on prudent financial management

The university shows a surplus of R118 million, compared to the previous financial year surplus of R162 million. Total income has increased by 17% primarily due to the increase of 5% from tuition and other fees in line with the Department of Higher Education and Training fee guidelines as well as state subsidy and grants increases by 37% due to unexpected additional Departmental grant allocations. The 25% increase in expenditure is due to a combination of a 30% increase in operating expenses and an 8% increase in employee costs. The prime reason for the reduction in the overall surplus for the year by 26% to R118 million is the need for an increased provision for credit losses.

Total assets have increased by 10% due to increase in investments and buildings. The increase in total liabilities by 7% is mainly due to an increase in trade and other payables. The funds and

reserves increased by 11% compared to the previous year due to the surplus reported in the current year.

Focus continued throughout the year on prudent financial management, conservative budgeting, managing cash flows, the generation of a modest annual surplus and a drive to increase third stream income. This was achieved by closely monitoring, managing and controlling expenditure, setting reasonable targets for contract research and research output and subsidiary contributions. Univen's current and future debt liabilities is managed carefully and investments are managed to deliver reasonable returns.

The external auditors, Ngubane & Co. were reappointed for 2019 audit and Motlanalo Auditors were appointed to assist with internal audit.

Financial results

Description	2019 Actual R'm	2018 Actual R'm	2017 Actual R'm	2016 Actual R'm	2015 Actual R'm
State subsidies	849	618	511	476	417
Tuition and other fees	565	537	475	438	405
Sundry income	151	152	87	114	133
Interest and dividends	41	31	36	30	27
Fair value adjustments	3	4	3	3	0
Total income	1 567	1 342	1 112	1 061	982
Personnel costs	728	672	627	541	467
Other operating expenses	510	393	423	454	425
Non-operating expenditure	4	6	-	-	-
Finance cost	10	10	9	8	8
Impairment and depreciation	240	100	106	57	47
Total expenditure	1 479	1 180	1 165	1 060	947
Net surplus / (deficit)	118	162	(53)	1	35

Conservative budgeting

The budget is actively driven through a zero-based budgeting approach. Univen is still growing its reserves to ensure financial sustainability. The short-term target is to ensure that at least 3% of the surplus are retained in reserves. The focus remains to grow the reserve to cover the salary bill for two years. The 2020 budget was submitted by Executive Management

in October 2019 for presentation to the Finance Committee. The Finance Committee recommended the budget for approval of Council on 7 November 2019 which was then approved on 22 November 2019. The approved budget consists of R1 386 million revenue and R1 302 million expenditure with an operating surplus of R84 million.

Cash flow management

The annual cash flow plan with a projected surplus was submitted to both Audit and Finance Committees in March 2019. The revised cash flow together with financial management

reports were submitted to the Finance and Audit Committees throughout the year. The cash flow plan was closely monitored and compared with the actual cash flow results.

Investment strategy and investments

The university has adopted a risk avoidance approach with regard to investments and invest its funds in fixed term deposits. This approach ensures that Univen will not lose capital and will earn

reasonable returns. The university also invests in a higher income fund and the return on this investment is on average 2% higher than that of a fixed term investment.

Investments	2019 R'm	2018 R'm	2017 R'm	2016 R'm	2015 R'm
Univen	359	280	203	22	111
Infrastructure	148	133	21	115	334
Earmarked	449	458	126	173	36
Total investments	956	871	350	310	481

Earmarked investments relate to monies received from DHET for specific purpose and DHET Infrastructure. The break down is provided on note 11 of consolidated financial statements.

Managing debtors

The government has made a commitment to assist universities with additional funding through historic debt for qualifying students. The university has also received some funding from government SETAs which had a positive impact on outstanding student fees. Univen communicates on a regular basis with students to inform them of their outstanding balances to ensure that they are aware of what they owe the university.

Univen is continuously engaging sponsors and the National Student Financial Aid Scheme to ensure that all student fees are paid within a reasonable period. The university had outstanding annual tuition fees of R334 million on 31 December 2019. R133 million was identified for students with financial difficulties due to slow recovery of fees.

Year	Other debtors R'm	Student debtors R'm	Total debtors	Percentage Increase / (decrease)
2015	73	135	208	56%
2016	41	157	198	(5%)
2017	38	230	268	35%
2018	42	263	305	14%
2019	65	202	267	(12)

Third stream income generation

The university did not receive contributions from the Univen Innovation Growth Company during the year under review. Income from research activities also decreased by 20%,

compared to the previous financial year. The management has implemented mitigating strategies to improve performance of third stream income activities.



Ms NR Mgobo
Director: Finance



Mrs NB Mutheiwana
Chairperson: Finance Committee

Consolidated financial statements

For the year ended 31 December 2019

General information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	<p>The university as an educational institution is primarily involved in tuition, research and community service in South Africa and beyond.</p> <p>Univen has two 100% owned subsidiaries - the University of Venda Foundation and the Univen Innovative Growth Company.</p>
Registered office	University of Venda Private Bag X5050 Thohoyandou Limpopo Province 0950
Bankers	ABSA Bank Limited 76 Schoeman Street Polokwane 0699
Auditor	Ngubane & Co (Jhb) Inc. Chartered Accountant (SA) Registered Auditor

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For the year ended 31 December 2019

Name	Council Member	Audit Committee
M. Serobi Maja	Chairperson	
Mr JM Seoloane	Member	Chairperson
Thovhele MPK Tshivhase	Deputy Chairperson	
Ms ST Baloyi	Member	Member
Mr ME Selomo	Member	
Mr MP Molapo	Member	
Ms KS Makgoka	Member	
Mr AS Tshifhango	Member	
Mrs ES Mabusela	Member	
Mr KR Madzhie	Member	
Mr LL Ndou	Member	
Dr NB Nthambeleni	Member	Member
Dr LJ Phalamohlaka	Member	
Mr T Telite (from 24/04/2019)	Member	
Dr S Mombeshora	Member	
Prof K Zuma	Member	
Mr NA Mutoti	Member	
Mr KK Maimela	Member	
Mr MN Mangena (from 21/06/2019)	Member	
Mr JAM Mogashoa (from 27/06/2019)	Member	
Mr TM Hakamela	Member	
Mrs MG Maluleke	Member	
Mr SM Patel	Member	
Dr RL Martin	Member	Member
Prof JE Crafford	Member	Member
Prof VO Netshandama	Member	
Prof GRA Mchau	Member	
Mr KC Razwiedani	Member	
Mr RC Chhagan	Member	Member

Name	Council Member	Audit committee
Mr MJ Lekgetha	Chairperson	
Ms NV Makhari	Deputy Chairperson	Member
Ms F Osman	Member	Member
Mr MN Mangena	Member	
Mr T Telite	Member	Member
Dr O van Heerden	Member	Chairperson
Mrs NB Mutheiwana	Member	
Mr BP Thompson	Member	
Mr ME Selomo	Member	
Dr NR Mbhele	Member	
Mr CV Gamede	Member	
Mr AS Tshifhango	Member	
Thovhele MPK Tshivhase	Member	
Mr MI Mphaphuli	Member	
Mr ML Mashilane	Member	
Prof S Mosoetsa	Member	
Mr SB Mampeule	Member	
Dr RL Martin	Member	Member
Prof JE Crafford	Member	Member
Dr NB Nthambeleni	Member	Member
Mr G Chauke	Member	
Mr Y Mxaku	Member	
Mr JAM Mogashoa	Member	
Mr AD Maphiswana	Member	
Mr ND Tshithavhane	Member	
Dr NS Nethengwe	Member	
Prof T van der Walt	Member	
Mr KC Razwiedani	Member	
Mr RC Chhagan	Member	Member

The term of the outgoing Council and Audit Committee has come to an end on 31 December 2019. The new committee members of the Audit Committee and Council were appointed on 1 January 2020.

Consolidated financial statements

For the year ended 31 December 2019

Council's responsibilities and approval

The Council is responsible for the preparation and fair presentation of the consolidated financial statements, comprising the consolidated statement of financial position at 31 December 2019, consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ("IFRS") and the requirements of the Minister of Higher Education and Training, as prescribed by section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997), as amended.

The Council's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these consolidated 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.

The Council's responsibility also includes maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these consolidated financial statements.

The Council has reviewed the university's cash flow forecast for the year to 31 December 2020 and, in light of this review and the current financial position, they are satisfied that the university has or had access to adequate resources to continue in operational existence for the foreseeable future.

The Council is not aware of any post balance sheet events after the reporting period which may have a material effect on the amounts and disclosures in the consolidated financial statements except as disclosed in note 35 to the consolidated financial statements.

The auditor is responsible for reporting on whether the consolidated financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of financial statements

The consolidated financial statements set out on pages 66 to 110 which have been prepared on the going concern basis, were approved by the Council on 27 August 2020 and are signed on its behalf by:



Mr Benji Ngobeni
Head of Department:
Management Accounting and Reporting



Dr Bernard Nthambeleni
Vice-Chancellor and Principal



Mrs NB Mutheiwana
Chairperson of Finance Committee



Dr O van Heerden
Chairperson of Audit Committee



Mr Juneas Lekgetha
Chairperson of Council

Consolidated financial statements

For the year ended 31 December 2019

Independent auditor's report to the Council of the University of Venda

Report on the consolidated financial statements

Opinion

- We have audited the consolidated annual financial statements of the University of Venda which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows as well as the notes to the consolidated financial statements, including a summary of significant accounting policies.
- In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University of Venda as at 31 December 2019 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa, 1997 (Act No. 101 of 1997).

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing. We are independent of the University of Venda in accordance with section 290 and 291 of the Independent Regulatory Board for Auditors' Code of professional conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors and other independence requirements applicable to performing audits of financial statements in South Africa.

We have fulfilled our other ethical responsibilities, as applicable in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively.

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

Emphasis of matter

- We draw attention to the matters below. Our opinion is not modified in respect of these matters.

Subsequent events: The impact of COVID-19

- Without qualifying our opinion, we draw attention to Note 35 in the financial statements, which deals with subsequent events and specifically the possible effects of COVID-19 on the University of Venda's future prospects, performance and cash flows. Management have also described how they plan to deal with these events and circumstances. Our opinion is not modified in respect of this matter.

Land

- Without qualifying our opinion, we draw attention to note 5 to the consolidated financial statements which indicate that there are land parcels belonging to the university which have not yet been transferred to the university at the deed's office. There are also land parcels belonging to other parties currently registered in the university's name. Our opinion is not modified in respect of these matters.

Material Impairment

Without qualifying our opinion, we draw attention to the following:

- As disclosed in Note 5 to the consolidated financial statements there was significant impairment on property, plant and equipment to the amount of R46 101 000 (2018: R35 008 000).
- As disclosed in note 10 to the consolidated financial statements, material provision for credit losses to the amount of R190 293 000 (2018: R105 541 000) was raised to provide for irrecoverable student debtors.

Unallocated receipts

- Without qualifying our opinion, we draw attention to note 18 to the consolidated financial statements, which indicate that trade and other payables balance include a balance of R63 000 000 unallocated receipts from NSFAS as at 31 December 2019.

Responsibilities of Council for consolidated financial statements

The Council is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

- In preparing the consolidated financial statements, the Council is responsible for assessing the University of Venda's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise

Consolidated financial statements

For the year ended 31 December 2019

from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

- A further description of our responsibilities for the audit of the consolidated financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

- In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, we have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. We performed procedures to identify findings but not to gather evidence to express assurance.
- Our procedures address the reported performance information, which must be based on the approved performance planning documents of the university. We have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. Our procedures did not examine whether the actions taken by the University enabled and contributed to the achievement of service delivery outcomes as planned. Our procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, our findings do not extend to these matters.
- We evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the annual performance report of the university for the year ended 31 December 2019:

Programmes/ objectives	Pages in the annual performance report
Strategic objective 1: Conversion to a comprehensive university	Page 35-36

- We performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. We performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

- We did not raise any material findings on the usefulness and reliability of the reported performance information for strategic objective 1 above.

Report on the audit of compliance with legislation

Introduction and scope

- In accordance with the PAA and the general notice issued in terms thereof, we have a responsibility to report material findings on the compliance of the university with specific matters in key legislation. We performed procedures to identify findings but not to gather evidence to express assurance.
- The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements

- The consolidated annual financial statements submitted for auditing were not prepared in accordance with International Financial Reporting Standards as required by Regulation 7(4) (b) (xii) of the Regulations for Reporting by Public Higher Education Institutions, issued in terms of sections 41 and 69 of the Higher Education Act.
- Material misstatements of property, plant and equipment and trade and other receivables identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Other information

- The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes report of the chairperson of the council, report of the Vice-Chancellor, report of the Senate of Council, report of the Institutional Forum of the Council, the statement of the Finance Executive Manager and the Chairperson of the Finance Committee on the financial results and the Audit Committee's report. The other information does not include the consolidated financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.
- Our opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.
- In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the selected objective presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
- We have nothing to report in this regard.

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For the year ended 31 December 2019

Internal control deficiencies

- We considered internal control relevant to our audit of the consolidated financial statements, reported performance information and compliance with applicable legislation; however, our objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

Financial and performance management

- The financial statements are not adequately reviewed for accuracy and completeness by the Council as the financial statements submitted for audit contained numerous uncorrected material misstatements
- The council did not adequately review and monitor adherence to financial reporting framework by the college.

Other reports

- We draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the university's consolidated financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.
- Agreed upon procedures engagements performed for the University of Venda during the period under review:
- As requested by the university, an engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the 2018/19 Capacity Development Grant. The report covered the period 1 January 2019 to 31 December 2019 and was issued on 2 March 2020.
- As requested by the university, an engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the National Research Foundation. The report covered the period 1 January 2019 to 31 December 2019 and was issued on 11 March 2020.
- As requested by the university, an engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the 2019/20 Clinical Training Grant. The report covered the period 1 April 2019 to 31 March 2020 and the report was issued on 7 August 2020.
- As requested by the university, an engagement was conducted on the grants received and expenditure incurred specific to the grant allocation letters from the Department of Higher Education and Training regarding the 2016 infrastructure and efficiency funded projects. The reports

covered the period 01 April 2019 to 31 March 2020 and the report was issued on 03 August 2020.

- As requested by the university, an engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the 2019/20 New Generation Academics (NGAP) Programme. The report covered the period 01 April 2019 to 31 March 2020 and the report was issued on 14 August 2020.
- As requested by the university, an engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the 2019/20 Historical Disadvantaged Institutions Development Grant. The report covered the period 01 April 2019 to 31 March 2020 and the report was issued on 07 August 2020.
- As requested by the university, an engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the 2019/20 Foundation Programme. The report covered the period 01 April 2019 to 31 March 2020 and the report was issued on 14 August 2020.
- As requested by the university, an engagement was conducted on the research output journals to be claimed as grant from the department of higher education and training. The report covered the period 01 January 2019 to 31 December 2020 and the report was issued on 31 May 2019.
- As requested by the university, an engagement was conducted on the HEMIS information. The report covered the period 01 January 2019 to 31 December 2019 and the audit is still in progress.
- As requested by the University, an engagement was conducted on the Clinical grant head count enrolment. The report covered the period 01 January 2019 to 31 December 2019 and the audit is still in progress.

Auditor tenure

In terms of the IRBA rule published in Government Gazette Number 39475 dated 04 December 2015, we report that Ngubane and Co. (Jhb) Inc has been the auditor of the University of Venda for 3 years.

Ngubane & Co. (Jhb) Inc.

Ngubane & Co. (Jhb) Inc.

Per: James Gondor – CA(SA) Director
Registered Auditor 31 August 2020
Polokwane

Consolidated financial statements

For the year ended 31 December 2019

Annexure – Auditor's responsibility for the audit

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated financial statements, and the procedures performed on reported performance information for selected objective and on the university's compliance with respect to the selected subject matters.

Financial statements

In addition to our responsibility for the audit of the consolidated financial statements as described in this auditor's report, we also:

- identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit 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 university's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council
- conclude on the appropriateness of the Council's use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant

doubt on the University of Venda and its subsidiaries ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a university to cease continuing as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

Communication with those charged with governance

We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also confirm to the accounting authority that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, related safeguards.

Consolidated financial statements

For the year ended 31 December 2019

Consolidated statement of financial position

	Notes	31 December 2019 R' 000	31 December 2018 R' 000
Assets			
Non-current assets			
Property, plant and equipment	5	2 453 620	2 397 108
Right- of-use assets	6	4 104	-
Deferred tax	37	14	14
Investments in associate	7	926	1 374
Investments at fair value	8	1 262	1 318
		2 459 926	2 399 814
Current assets			
Inventories	9	1 670	1 453
Trade and other receivables	10	235 313	305 010
Investments at amortised cost	8	-	3 905
Current tax			858
Investments at fair value	8	57 616	43 754
Cash and cash equivalents	11	1 149 342	822 107
		1 443 941	1 177 087
Total assets		3 903 867	3 576 901
Equity and liabilities			
Equity			
Asset revaluation reserves		963 154	978 193
Unrestricted funds		687 195	526 392
Restricted funds		207 146	207 146
		1 857 495	1 711 731
Liabilities			
Non-current liabilities			
Borrowings	12	264 159	281 110
Lease liability	13	-	4 963
Post-retirement medical obligation	14	84 251	75 445
Deferred income	17	1 057 909	1 108 013
Leave obligation	15	15 764	15 044
Long service award	16	1 761	1 637
		1 423 844	1 486 212
Current liabilities			
Trade and other payables	18	445 004	261 424
Borrowings	12	16 951	18 890
Lease liability	13	4 429	3 311
Post-retirement medical obligation	14	3 131	2 423
Deferred income	17	133 925	76 898
Provisions	19	1 300	1 300
Leave obligation	15	17 592	14 393
Long service award	16	196	319
		622 528	378 958
Total liabilities		2 046 372	1 865 170
Total equity and liabilities		3 903 867	3 576 901

Consolidated financial statements

For the year ended 31 December 2019

Consolidated statement of profit and loss and other comprehensive income

		Council-controlled funds unrestricted	Specifically, funded activities restricted	Sub-total	Student and staff accommodation unrestricted	Total 2019	Total 2018
	Notes	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
TOTAL INCOME		1 292 328	191 241	1 483 569	44 870	1 528 439	1 306 079
		-	-	-	-	-	-
Income from contracts	20	39 523	73 573	113 096	-	113 096	143 222
Tuition and other fee income	21	520 610	-	520 610	44 870	565 480	536 957
State subsidies and grants	22	731 072	117 668	848 740	-	848 740	617 594
Sale of goods and services	24	936	-	936	-	936	1 766
Private gifts and services	23	187	-	187	-	187	6 540
TOTAL EXPENDITURE		1 204 920	191 241	1 460 555	18 093	1 414 254	1 164 451
Personnel costs	25	698 828	19 528	718 356	-	718 356	671 622
Academic professional		341 174	17 424	358 598	-	358 598	342 809
Other personnel		357 654	2 104	359 758	-	359 758	328 813
Other current operating expenses	26	265 206	171 713	438 884	18 093	455 012	392 738
Expected credit loss on student debt and bad debts write off	10	129 855	-	129 855	-	129 855	-
Depreciation and impairment	5	109 809	-	109 809	-	109 809	100 091
OPERATING SURPLUS FOR THE YEAR		87 408	-	87 408	26 777	115 408	141 628
Finance income	27	44 426	-	44 426	-	44 426	34 555
Finance costs	28	(10 324)	-	(10 324)	-	(10 324)	10 230
NON-RECURRENT EXPENDITURE		(3 745)		(3 297)		(3 745)	4 314
Actuarial (losses) / gains		(1 222)	-	(1 222)	-	(1 222)	(4 785)
Share of loss in associate	7	(448)				(448)	(37)
(Profit) / loss on sale of assets		(2075)	-	(2075)	-	(2075)	9 136
Surplus for the year		118 987	-	118 987	26 777	145 764	161 638

Consolidated financial statements

Consolidated statement of changes in funds

	Restricted funds	Unrestricted funds	Revaluation reserves	Total
	R' 000	R' 000	R' 000	R' 000
Opening balance 01 January 2018	207 146	350 232	993 531	1 512 850
Transfer between reserves	-	14 519	(14 519)	-
Other movements	-	3	(819)	(816)
Surplus for the period	-	161 638	-	161 638
Balance at 01 January 2019	207 146	526 392	978 193	1 711 731
Surplus for the period	-	145 764	-	145 764
Transfers between reserves	-	15 039	(15 039)	-
Other movements	-	-	-	-
Balance at 31 December 2019	207 146	687 195	963 154	1 857 195

Consolidated financial statements

For the year ended 31 December 2019

Consolidated statement of cash flows

	Notes	31 December 2019 R' 000	31 December 2018 R' 000
Cash flows from operating activities			
Cash generated from operations	30	503 206	359 607
Investment revenue		40 620	30 053
Finance costs		(37 592)	(36 864)
Net cash from operating activities		506 234	352 796
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(148 509)	(168 125)
Proceeds on disposal of property, plant and equipment		4 912	
Investment received / (made)		(9 902)	248 450
Net cash from investing activities		(153 499)	80 325
Cash flows from financing activities			
Borrowings (paid) / acquired		(18 891)	90 000
Finance lease payments		(6 609)	(9 731)
Net cash from financing activities		(25 500)	80 269
Total cash movement for the period		327 235	513 390
Cash at the beginning of the period		822 107	308 717
Total cash at end of the period	11	1 149 342	822 107

Accounting policies and notes to the financial statements

Corporate information

University of Venda is a comprehensive rural based university, incorporated and domiciled in South Africa.

The consolidated financial statements for the period ended 31 December 2019 were authorised for issue in accordance with a resolution of the Council on Thursday, 27 August 2020.

1. Accounting policies

1.1 Statement of compliance

The consolidated financial statements of the University of Venda are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and Interpretation issued by the International Financial Reporting Interpretation Committee. In addition, financial statements are in accordance with Higher Education Act of South Africa (Act No 101 of 1997) as prescribed by the Minister of Higher Education and Training.

1.2 Basis of preparation

The consolidated financial statements are prepared under the historical cost basis, except for Land and Buildings measured at revalued amount and financial instruments measured at fair value. The principal accounting policies adopted in the preparation of these financial statements are set out below and are consistent with those of the previous year, except where otherwise indicated. Historical cost is generally based on fair value consideration given in exchange for goods and services. Fair value is the price that would be received to sell or paid to transfer liability in order transaction between market participants at the measurement date, regardless of whether that prices is directly observable or estimated using other valuation techniques.

Going concern

The consolidated financial statements have been prepared based on the expectation that the university will continue to operate as a going concern for the next twelve (12) months.

Functional currency

The consolidated financial statements are presented in South African Rand, which is the university's functional currency, rounded to the nearest thousand.

Basis of consolidation

Subsidiaries are entities controlled by the university. Control exists where the university has the power, directly or indirectly, to govern the financial and operating policies of an entity or is the sole beneficiary. Subsidiaries are consolidated from the date on which control is obtained by the university and until they are disposed of or control ceases. All inter-entity transactions, balances and unrealised surpluses and deficits are eliminated. Where necessary, appropriate adjustments are made to the accounting policies of subsidiaries on consolidation to ensure consistency with the policies adopted by the university.

Loss of control

On the loss of control, the university derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the university retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as fair value through profit and loss financial asset depending on the level of influence retained.

Separate activities reporting and accumulated funds

The format of the consolidated statement of profit and loss and other comprehensive income is designed to disclose separately:

- The utilisation of the resources of the university that are under the absolute control of its Council.
- Those for which the utilisation is prescribed in terms of the legal requirements of the providers of such resources.
- Because universities vary significantly in the provision of accommodation for students and/or staff, this component, is also treated separately.

Specifically, funded activities restricted (Education and general)

Specifically, funded activities restricted consist mainly of funds for purposes that have been specified in legally binding terms by the provider of such funds or by another legally empowered person. Here decision-making rights over income earned and related expenses rest with funders. Council retains an oversight role regarding ensuring that expenditure incurred is in accordance with the mandate received from funders.

Unrestricted Council-controlled funds

The unrestricted council-controlled activities predominantly represent the teaching component of the University of Venda. Decision-making rights relating to income earned rests with Council.

Restricted use funds (Residences)

Restricted use funds (Residences) consist of student housing activities. These activities are not funded from government subsidy funds. Decision-making rights relating to income earned rests with Council. However, the use of income is restricted to these activities.

1.3 Critical accounting judgments and key estimation uncertainties

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

Financial assets at amortised cost

The university model on these financial assets is to hold them to collect contractual cash flows that are solely principal and interest.

Discount rate used in actuarial valuations

The university's post-employment medical leave obligation and long service awards obligations are discounted at a rate set by reference to market yields at the end of the reporting period on high quality corporate bonds.

Deferred revenue

The University of Venda recognises private grants received, to compensate for expenses incurred as income. The grants are often subject to various requirements and therefore each grant is recognised over a certain period (specific to each grant) under the terms of the grant. In several instances, the contract's terms do not specifically determine that unspent amounts are refundable, but the nature of the grants and historic experience necessitated the deferral of unspent amounts to deferred income.

Grants received are therefore limited to the expenses and balance is recognised as deferred grant liability in the statement of financial position. Grants obtained to reimburse expenses incurred, are analysed on a 'portfolio' basis by grouping similar grants together. The deferral of income therefore necessitates a degree of judgment by management. The carrying amount of deferred revenue as at 31 December 2019 was R1 189 411 (2018: R 1 184 910).

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 19.

Useful lives of property, plant, and equipment

At the end of each reporting year, material assets within property, plant and equipment are reviewed to assess whether the estimated useful lives and residual values are appropriate. Disclosure of impact for changes in useful lives and residual value are disclosed in note 5.

Provision for credit losses - receivables

The university applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Refer to credit risk note 10 for detailed workings of impairment of trade receivables.

The carrying amount of trade and other receivable as at 31 December 2019 is R235 313 (2018: R305 010) after providing for expected credit losses in 2019 amounting to R190 293 (2018: 105 541).

Post-retirement medical obligation

The post-employment medical obligation is determined by an actuarial valuation at the end of the reporting period. The actuarial valuation involves assumptions and professional judgment by the actuary. Refer to note 14 for the detailed assumptions and amounts recognised for post-employment medical at 31 December 2019.

Leave obligation

The leave obligation is determined by an actuarial valuation at the end of each reporting period. The actuarial valuation involves assumptions and professional judgment by the actuary. Refer to note 15 for the detailed assumptions and amounts recognised for the leave obligation at 31 December 2019.

Long service award obligation

The long service award obligation is determined by an actuarial valuation at the end of each reporting period. The actuarial valuation involves assumptions and professional judgment by the actuary. Refer to note 16 for the detailed assumptions and amounts recognised for the long service award obligation at 31 December 2019.

1.4 Foreign currency transactions

Foreign currency transactions are accounted for at spot rates, being the exchange rates prevailing at the dates of the respective transactions. Gains and losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the consolidated statement of profit and loss in the year in which they arise. Assets and liabilities designated in foreign currencies at the consolidated statement of financial position date is translated at the rates of exchange ruling at the reporting date.

1.5 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises all cost of purchase. Cost is determined by the weighted-average method and includes costs incurred in acquiring inventories and bringing them to their existing condition and location. Net realisable value is the estimated selling price of inventory, should it be sold at arm's length, less estimated selling expenses.

The costs of minor departmental stocks acquired during the year are charged against current income and are not brought into account as inventory at the financial year-end.

1.6 Employee benefits

Post-retirement benefits

The university provides post-retirement medical benefits to its retirees. The entitlement to these benefits is usually based on the employee remaining in service up to retirement age and the completion of a minimum service period. The benefit is applicable to employees employed before 30 June 2016 (Refer to note 14). The post-retirement benefits obligation is unfunded. As such, the expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans. The post-retirement benefits obligation is determined by an actuarial valuation at the end of each annual reporting period. Current service costs and interest costs are recognised immediately in profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Privately administered fund

The university contributes to a defined contribution scheme (provident fund). A defined contribution plan is a pension plan under which the university pays fixed contributions into a separate entity. The university has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due. Past-service costs are recognised immediately in the statement of comprehensive income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

Leave obligation

Employee entitlements to annual leave, are recognised when they accrue. An accrual is made for the estimated liability for accumulated leave as a result of services rendered up to the consolidated statement of financial position date. An accrual is made in respect of pro rata service bonuses paid annually to qualifying employees.

The university permanent staff and fixed contract workers are allowed to accumulate up to 20 days leave that is payable upon resignation, death or retirement, termination / expiry of the contract. Temporary staff members are not allowed to accumulate leave days. Leave is only encashed when an employee resigns, retire or die in service, termination/ expiry of the contract. As a result, it is not possible to estimate the anticipated repayment periods. The leave obligation is determined by an actuarial valuation at the end of each annual reporting period. Current-service costs and interest costs are recognised immediately in profit or loss. Actuarial gains/losses are recognised in other comprehensive income in the period in which they occur.

Long service award obligation

The university awards long service payments to qualifying staff as predetermined milestones are reached. The actuarially determined liability which is reduced by the provision made by the university was valued at 31 December 2019 and accounted for in 2016 for the first time. This obligation is funded from university reserves. Current-service costs and interest costs are recognised immediately in profit or loss. Actuarial gains/losses are recognised in other comprehensive income in the period in which they occur.

1.7 Property, plant and equipment

Property plant and equipment include land, building, work in progress, other infrastructure assets, motor vehicle, computer equipment, office equipment and other equipment. Land comprises university land, land with the residential houses and vacant land. Buildings comprise mainly lecture halls and facilities, students' residence, staff residence and administrative offices. Other infrastructure assets include internal roads, streets, walkways and parking.

Recognition and measurement

Assets are recognised upon purchase and when it is probable that the future economic benefits associated with the assets will flow to the university and the cost of the asset can be measured reliably.

Item of property, plant and equipment shall be measured at its cost at initial recognition. The cost of the asset is an amount of cash paid or fair value of the other consideration given to acquire an asset at acquisition including all cost involved in acquiring the asset. Property, plant and equipment acquired by means of donations are recorded at fair value at the date of the donation. Property, plant and equipment items are capitalised if the life expectancy of an item is more than one year and the cost thereof exceeds R5 000.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, directly attributable to borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. For assets funded through government grants, the grant income is netted against these costs.

Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the university and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance costs are charged to the statement of profit and loss and other comprehensive income during the financial period in which they are incurred.

Land is stated in the consolidated statement of financial position at revalued amounts, being the fair value at the date of revaluation.

Buildings and other infrastructure assets are stated in the statement of financial position at revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Work in progress includes all expenditure that is directly attributable to the construction of property plant and equipment, until the construction is completed, and the certificate is issued. Work in progress is capitalised when the asset is available for use and only depreciated once the building is available for occupation. Properties during construction are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing cost capitalised in accordance with university accounting policy. Depreciation of these assets, determined on the same basis as other property assets, commence when the assets is ready for occupation.

Other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, the assets are depreciated over the shorter of the lease term and useful life.

Revaluation

Land and buildings are revalued by independent professional valuers every 3 years. Revaluations are carried out with sufficient regularity such that the carrying amounts do not differ materially from those that would have been determined using fair values at the end of each reporting period. When assets are revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to that asset.

Asset revaluation reserve

This reserve relates to the revaluation of land and buildings. The surplus arising from the revaluation of land and building is transferred to unrestricted use funds as the asset is used by the university. The amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Transfers from revaluation surplus to unrestricted use funds are not made through profit or loss.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in accounting estimate accounted for on a prospective basis. Depreciation is charged to profit or loss for the period. The depreciation rates are -

Land	Infinite
Buildings	10-100 years
Street lights	10 years
Motor vehicles	4-5 years
Computer equipment	3-5 years
Office equipment	5-10 years
Other equipment	3-20 years

The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

De-recognition

The carrying amount of an item of property, plant and equipment is de-recognised on disposal; or when no future economic benefits are expected from its use or disposal.

On disposal of an item of property, plant and equipment, any amount in revaluation reserve relating to that asset is transferred to retained funds directly.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within profit or loss in the statement of comprehensive income.

Recognition and measurement of impairment

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. At the end of each reporting date, the university reviews the carrying amount of its tangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If such indication exist, the recoverable amount of the individual assets is estimated to determine the extent of impairment loss.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The impairment loss is recognised in profit or loss unless the asset is carried at revalued amount in accordance with IAS 16. When impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimates of the recoverable amount, but so that the increase carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for asset in the prior period. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with IAS 16.

Calculation of recoverable amount

The recoverable amount of assets is the greater of their fair value in use and their fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

1.8 Accounting for leases

University as a lessee

The university assesses whether a contract is or contains a lease, at inception of a contract. The university recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the university recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the university uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The university re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

The university did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the university incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the university expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The university applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The university has not used this practical expedient.

University as lessor

The university provides accommodation to staff members and charge rental income based on a price specified in the lease contract. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease in the statement of profit and loss and other comprehensive income over the period of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Deposits provided by staff are treated as current liabilities until the termination of the contract. The respective leased assets are included in the balance sheet based on their nature.

1.9 Provisions

Provisions are recognised when the university has a present legal or constructive obligation because of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

1.10 Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition and measurement

Financial instruments comprise investments, trade and other receivables, cash and cash equivalents, borrowings, and trade and other payables. Financial instruments are recognised in Univen's statement of financial position when, and only when, the university becomes party to the contractual provisions of the instrument.

Financial assets / liabilities are initially measured at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of financial asset or financial liability.

The university classifies its financial assets subsequently measured at amortised cost, fair value through other comprehensive income and fair value through profit and loss on the basis of both:

- University's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial assets.

The university classifies the financial assets as at amortised cost if both the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payments of the principal and interest on the principal amount outstanding.

The university classifies financial assets at fair value through other comprehensive income if both the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset; and
- The contractual terms of the financial assets give rise on specified dates to cash flow that is solely payments of the principal and interest on the principal amount outstanding.

Financial asset is classified as at fair value through profit or loss.

The university classifies the following financial assets at fair value through profit or loss (FVPL):

- Debt investments that do not qualify for measurement at either amortised cost or fair value through other comprehensive income;
- Equity investments that are held for trading, and
- Equity investments for which the university has not elected to recognise fair value gains and losses through OCI.

The university can designate financial assets as such upon initial recognition. Financial asset is designated at fair value through profit or loss if the university manages such investments and makes purchase and sale decisions based on their fair value in accordance with the university's business model.

Investments

Investments are divided into two categories and are accounted for as:

• **Investments at amortised cost**

Investments are financial assets with fixed or determinable payments and fixed maturity date. The investments have been classified to financial assets at amortised cost on adoption of IFRS 9 Financial Instruments. Investments are measured at amortised cost as they are held within the university business model whose objective is to hold investments to collect contractual cash flows and the contractual terms of the investments give rise on the specified date to cash flows that are solely the payments of the principal amount and interest on outstanding principal amount.

• **Investments at fair value through profit and loss**

Investments are shares held with Old Mutual Limited and Quilter plc which pays dividend based on the performance of the shares. The investments have been classified to financial assets at fair value through profit and loss.

Trade and other receivables

Trade and other receivables are recognised initially measured at fair value including transaction costs. The university holds the trade receivable with objective to collect the contractual cash flows and therefore are subsequently measured at amortised cost using the effective interest method, adjusted for loss allowance.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, and other short term highly liquid investments with original maturities of three months or less from the date of acquisition and are payable within 24-hour notice with no loss of interest. Cash and cash equivalent is measured at amortised cost adjusted for loss allowance.

Loans to related party

Loans to related parties are measured at amortised cost adjusted for loss allowance.

De-recognition of financial assets

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial assets and transfers qualifies for de-recognition. On de-recognition of financial assets in its entirety, the difference between the asset's carrying (measured at the date of de-recognition) and consideration received is recognised in profit and loss.

Financial liabilities

Financial liabilities of the university comprise trade and other payable and borrowings.

Financial Liabilities at amortised cost

Debts of the university are classified as financial liabilities in accordance with the substance of the contractual arrangements and the definition of financial liability. Financial liabilities are classified as subsequently measured at amortised cost.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are unsecured and are usually payable with 30 days of recognition. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value including transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

De-recognition of financial liability

The University of Venda removes financial liability from its statement of financial position when, and when, it is extinguished, for example, when the obligation specified in the contract is discharged or cancelled or expires. Any difference between the carrying amount of financial liability extinguished or transferred to another party and consideration paid is recognised in profit and loss.

Impairment of financial assets

The university has three types of financial assets that are subject to the expected credit loss model:

- Investments
- Cash and cash equivalent
- Trade and other receivables

The university recognises a loss allowance for expected credit losses on the financial asset that are measured at amortised cost.

Measurement of expected credit losses

Univen measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables and trade receivable do not contain significant financing component in accordance with IFRS 15. Univen considers the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and possibility that no credit loss occurs even if the possibility of credit loss occurring is very low. The maximum period Univen considers when measuring expected credit losses is the maximum contractual period over which the university is exposed to credit risk and not a longer period even if that longer period is consistent with Univen practice. A provision matrix was used in determining the amount for credit losses for receivables.

1.11 Revenue

Tuition, residence fees and other fees

The university provides educational services to registered students and charges tuition and other fees and residence fees based on a price specified in the university fee booklet.

To determine whether to recognise revenue, the university follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Income from rendering educational services is recognised as revenue when the performance obligation is satisfied at fair value of the consideration received or receivable in the period to which they relate (academic year). The performance obligation is satisfied once the services are rendered, therefore revenue is recognised over time. Deposits provided by prospective students are treated as current liabilities until the related fees become due to the university.

The university assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the university estimates the recoverable amount of the asset.

1.12 State appropriations: subsidies and grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the university will comply with all attached conditions.

The university follows the income approach whereby the grant is taken to income (over one or more periods, where relevant) and not the capital approach whereby the grant is credited directly to funds and reserves. Government grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the statement of comprehensive income on a straight-line basis over the expected lives of the related assets. The portion of the grants that will be released to the statement of comprehensive income during the next 12 months are included in current liabilities.

Other grants, donation and bequests from non-government organisation or individuals / private grants.

Grants with specific condition

Private gifts, grants and donations are recognised as income at the fair value of the consideration received or receivable in the period to which they relate. Any such income is recognised as income in the financial period when the university is entitled to use those funds. Therefore, funds that will not be used until some specified future period or occurrence are deferred to deferred income and released to the statement of comprehensive income as the university becomes entitled to the funds. Grants received to compensate for expenses to be incurred are often prescriptive in nature and therefore it is recognised over a certain period under the terms of the grant. Prescriptive grant income is recognised with reference to the stage of completion at the reporting date. If the stage of completion cannot be measured reliably, the recognition of this income is limited to the expenses incurred. The balance is recognised as deferred income in the statement of financial position.

Grants with no specific conditions

Private gifts, grants and donations with no specific condition relation to either the expense it aims to compensate, period in which it needs to be spend, conditions to repay when certain conditions are not fulfilled, etc. but with stipulation that the grant should be used to compensate certain type of expenditure (e.g. bursaries, research (whether in general or within certain areas) are recognised as income at the fair value of the consideration received or receivable in the period in which they are received or the university becomes entitled to it.

Any unspent portion of such grant at the end of the financial year is transferred on the statement of financial position to restricted funds (separately from unrestricted funds / Council-controlled funds). When expenditure is incurred in following years, a transfer from these restricted funds is made to unrestricted funds / Council controlled funds.

1.13 Finance income

Finance income is recognised using the effective interest method taking account of the principal outstanding and the effective interest rate over the period to maturity, when it is determined that such income will accrue to the university. When a loan and receivable is impaired, the university reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

1.14 Sale of goods and services

Income derived from the sale of goods or provision of other services is recognised at point in time when goods or services are delivered.

1.15 Income from contracts with customers

Contract income is recognised when the conditions are met and to the extent that expenses are incurred over the period. The balance is recognised as deferred income in the statement of financial position. Revenue is recognised overtime as and when the services are provided.

1.16 Research and development expenditure

Research costs are written off in the year in which they arise, since these types of costs are inherent in the normal operations of a university.

1.17 Related parties

Related parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operational decisions. Key management staff and their close family members are also regarded as related parties. Key management staff are those persons having authority and responsibility for planning, directing and controlling the activities of the university.

1.18 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to university on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- Expenditures for the asset have occurred;
- Borrowing costs have been incurred, and
- Activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.19 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the university, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

2. Standards and Interpretations effective and adopted in the current year period

In the current year, the university, for the first time, has applied IFRS 16 Leases (as issued by the IASB in January 2016).

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets.

In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new requirements are described in Note 3. The impact of the adoption of IFRS 16 on the university's annual financial statements is described below.

The date of initial application of IFRS 16 for the university is 01 January 2019.

The university has applied IFRS 16 using the modified retrospective approach, with adjustment to the opening balance of funds and reserves as at 01 January 2019.

3. Changes in accounting policy

The consolidated financial statements have been prepared in accordance with international financial reporting standards on a basis consistent with the prior periods except for the adoption of International Financial Reporting Standards (IFRS 16) Leases.

3.1 The Impact on the annual financial statements

The requirements of the IFRS 16 are not reflected in the restated consolidated statements of financial position as at 31 December 2018 but are recognised in the opening balance 01 January 2019.

Application of IFRS 16 lease

The effect of adoption of the standard is -

Original IAS	New IFRS 16 category	31 December 2018	IFRS16 Impact	01 January 2019
Lease assets – computers	Right of use of asset	7 695,00		7 695,00
Finance lease	Lease liability	- 8 274,00		- 8 274,00
Operating lease - asset - hired equipment	Right of use asset		1 946,00	1 946,00
Operating lease – liability	Lease liability		- 1 946,00	- 1 946,00

4. New standards and interpretations

4.1 Standards and interpretations not yet effective

The university has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the university's accounting periods beginning on or after 01 January 2020 or later periods:

IFRS 17 insurance contracts

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS.

- IFRS 17 requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and take into account any uncertainty relating to insurance contracts.
- The financial statements of an entity will reflect the time value of money in estimated payments required to settle incurred claims.
- Insurance contracts are required to be measured based only on the obligations created by the contracts.
- An entity will be required to recognise profits as an insurance service is delivered, rather than on receipt of premiums. This standard replaces IFRS 4 – Insurance contracts.

The effective date of the standard is for years beginning on or after 01 January 2021.

The standard is unlikely to have a material impact on the financial statements of the university.

IAS 28 investments in associates and joint ventures

Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

Annual improvements 2014-2016 cycle: Clarification that a venture capital organisation, or a mutual fund, unit trust and similar entities may elect, at initial recognition, to measure investments in an associate or joint venture at fair value through profit or loss separately for each associate or joint venture.

The effective date of this amendment has been deferred indefinitely until further notice 01 January 2018.

Amendments to IAS 1 and IAS 8: Definition of materiality

The International Accounting Standards Board (IASB or the Board) issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the amendments) to align the definition of 'material' across the standards and to clarify certain aspects of the definition.

The effective date of the amendment is for years beginning on or after 01 January 2020.

5. Property, plant and equipment

			2019 R'000			2018 R' 000
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	19 088	-	19 088	19 088	-	19 088
Buildings	1 879 503	(46 339)	1 833 165	1 593 721	(21 521)	1 572 200
Street lights	1 437	(303)	1 133	1 437	(144)	1 293
Furniture and fixtures	21 097	(14 260)	6 837	33 310	(24 744)	8 566
Motor vehicles	42 982	(24 419)	18 563	28 187	(17 518)	10 669
Computer equipment	48 320	(39 805)	8 515	85 259	(61 886)	23 373
Other equipment	161 056	(93 206)	67 850	151 609	(75 319)	76 290
Capital - work in progress	498 469	-	498 469	685 629	-	685 629
Total	2 671 952	(218 332)	2 453 620	2 598 240	(201 132)	2 397 108

Reconciliation of property, plant and equipment - 2019

Opening balance	Additions	Interest on qualifying asset	Transfers	Depre- ciation	Impair- ment	IFRS 16 - Right of use	Disposal/ Write-off	Total	
Land	19 088	-	-	-	-	-			19 088
Buildings	1 572 200		-	285 795	(23 394)	(1 437)			1 833 165
Street lights	1 293	-	-	-	(160)	-			1 133
Furniture and fixtures	8 566	787	-		(2 114)	-		(403)	6 837
Motor vehicles	10 670	16 318	-	-	(7 899)	-		(525)	18 564
Computer equipment	23 373	2 094	-	-	(5 803)	-	(7 695)	(3 454)	8 515
Other equipment	76 291	13 369	-	-	(19 202)	-		(2 608)	67 850
Capital - work in progress	685 629	115 942	27 358	(285 795)	-	(44 664)			498 469
	2 397 108	148 510	27 358	-	(58 571)	(46 101)	(7 695)	(6 990)	2 453 620

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Interest on qualifying asset	Disposals	Transfers	Depre- ciation	Impair- ment loss	Adjust- ment of useful life	Total
Land	17 906	5 605	-	(4 423)	-	-	-	-	19 088
Buildings	1 577 918	3 766	-	(625)	11 400	(21 521)	-	1 262	1 572 200
Street lights	1 437	-	-	-	-	(144)	-	-	1 293
Furniture and fixtures	10 907	279	-	(344)	-	(2 276)	-	-	8 566
Motor vehicles	16 557	-	-	(935)	-	(4 952)	-	-	10 670
Computer equipment	42 852	742	-	(1 479)	-	(18 742)	-	-	23 373
Other equipment	89 158	9 451	-	(3 610)	-	(18 708)	-	-	76 291
Capital - work in progress	553 221	152 182	26 634	-	(11 400)	-	(35 008)	-	685 629
	2 309 956	172 025	26 634	11 416	-	(66 343)	(35 008)	1 262	2 397 108

Capital - work in progress relates to buildings under construction; upgrading walkways and ramps; construction of Punda Maria road and air-conditioners.

During current year management assessed buildings under construction for impairment.

Disposal of immovable property must be approved by Council.

Part of the university campus was built on land belonging to the Tshivhase Traditional Council and part on proclaimed land. The parties involved are in the process of transferring the title deed of the land to the university.

University has three stands that were sold to Individual persons. The parties involved are in the process of transferring the title deed of the land to the buyers.

The last revaluation of the university was as at 31 December 2017, by DDP valuers, independent valuers not related to the university. DDP valuers are members of the South African Council of the Property Valuers Profession and they have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations.

The university does not have assets that have been encumbered as security.

Changes in estimates

The University reassesses the useful lives and residual values of items of property, plant and equipment at the end of each reporting period, in line with the accounting policy and IAS 16 Property, plant and equipment. These assessments are based on historic analysis, benchmarking, and the latest available and reliable information. In the current financial year there has been no changes in assessed useful life and residual values.

6. Right-of-use assets

During the 2018 financial year hired computer equipment was included in property plant and equipment. In the 2019 financial year the university has adopted IFRS 16 for the first time. The details of changes in accounting policy are disclosed in note 3.1.

	Cost or revaluation	Accumulated depreciation	Carrying value
Hired computer equipment	12 403	(9 272)	3 131
Hired equipment	2 919	(1 946)	973
	15 322	11 218	4 104

7. Interests in associate

This table represent the investment in associate held though UIGC which is University of Venda subsidiary statements.

Investments	2019 Carrying amount	2018 Carrying amount
UIGC investments in Barotta farm	926	1 318
	-	-
	926	1 318

UIGC (Pty) Ltd (Subsidiary) has a 45% stake in Tshakhuma Barotta farm in Limpopo and has significant influence on the operations of the business. The farm is involved In banana farming in Tshakhuma. The farm is owned by a community trust. The associate had no contingent liabilities or capital commitments as at 31 December 2018. The parent has no contingent liabilities relating to its interests in the associate.

UIGC has the right to cast 45% of the votes at shareholder meetings of Tshakhuma Barotta farm. The financial year end date of Tshakhuma Barotta farm is 31 December. This was the reporting date established when that company was incorporated, and a change date is not permitted in Tshakhuma. For the purposes of applying the equity method of accounting, the financial statements of Tshakhuma Barotta farm for the period ended 31 December 2019 have been used.

Investments	2019 Carrying amount	2018 Carrying amount
Opening balance	1 374	1 337
Share of profit (loss) associates	(448)	37
	926	1 374

8. Investments

At fair value through profit or loss - designated

Listed shares

These are listed shares with Old Mutual (34 387 shares), Quilter plc (11 462 shares) and Nedbank Group Limited (1 104 shares). The dividend are paid annually.

Short term investments

High income fund. The dividend is paid annually. Interest on high income fund is paid on maturity of investment.

At amortised cost

Short term deposits at amortised cost

These are short term investments with maturity of less than 1 year placed with banks.

Total investments

	31 December 2019 R' 000	31 December 2018 R' 000
	1 262	1 318
	57 616	43 754
	58 878	45 072
	-	3 905
	58 878	48 977

9. Inventories

Consumables

	1 670	1 453
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10. Trade and other receivables

Financial instruments:

Trade receivables

Provision for credit losses

Trade receivables at amortised cost

Deposits

Other receivables

Non-financial instruments:

VAT

Goods in transit

Provision for credit losses

Prepayments

Total trade and other receivables

Split between non-current and current portions

Non-current assets

Current assets

Categorisation of trade and other receivables

Trade and other receivables are categorised in accordance with IFRS 9: financial instruments:

At amortised cost

Non-financial instruments

	360 246	368 227
	(190 293)	(105 541)
	169 953	262 686
	4 150	11 494
	34 266	19 728
	5 908	3 671
	22 147	8 491
	(1 111)	(1 111)
	-	51
	235 313	305 010
	-	-
	235 313	305 010
	235 313	305 010
	213 166	293 908
	26 944	11 102
	235 313	305 010

Exposure to credit risk

The university is exposed to credit risk arising from student receivables related to outstanding fees.

This risk is mitigated by requiring students to pay an initial instalment in respect of tuition and accommodation fees at registration, the regular monitoring of outstanding fees, the institution of debt collection action in cases of long outstanding amounts. In addition, students with outstanding balances from previous years of study are only permitted to renew their registration after either the settling of the outstanding amount or the conclusion of a formal payment arrangement.

To mitigate the risk of financial loss from defaults, the university focuses on customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available).

Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

To measure the expected credit loss, trade receivables have been grouped based on the shared credit risk characteristics and years past due. The expected credit loss is based on debt not paid within academic year over tuition and other fees for the academic year. The rate is adjusted to reflect current and forward-looking information namely, subsequent payments until graduation date, challenges faced by the sector in higher education and training and rate of unemployment.

Impairment parameters/matrix for trade receivables

These assumptions and criteria have been applied to the individual circumstances of student debtors – Univen has one campus.

Univen has different classes of customers, for example, self-funded students; students funded by government and private sponsors and NSFAS.

Students receivable are categorised by common risk characteristics that are representative of the student's/ funder's abilities to pay all amount due in accordance with university policy.

Univen will use a provision matrix which is based on its historic observed default rate over the expected life of trade receivable and adjust for forward looking estimates. Every reporting date the historical observed default rate is updated and changes in the forward-looking estimates are analysed.

A default rate of 2017 is applied to 2018 student debt to calculate the expected credit loss for the year ending 31 December 2018 and a default rate of 2018 is applied to 2019 student debt to calculate the expected credit loss for the year ending 31 December 2019.

2019	2019	2018	2018	
Estimated gross carrying amount at default	Loss allowance (lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (lifetime expected credit loss)	
Expected credit loss rate:				
Funded students				
NSFAS: 25% (2018:9%)	185 748	(47 262)	154 177	(13 937)
Government sponsor: 13% (2019: 18%)	8 262	(1 074)	4 267	(770)
Private sponsor: 26% (2018:32.8%)	4 809	(1 250)	19 715	(6 465)
Self-funded: 87% (2018: 44%)	161 426	(140 441)	190 068	(84 369)
Total	360 246	190 027	368 227	(105 541)

	31 December 2019 R' 000	31 December 2018 R' 000
11. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	197 631	49 861
Short-term deposits	951 711	772 246
Total cash and cash equivalents	1 149 342	822 107
Breakdown of cash and cash equivalents:		
IEG		27 608
Clinical	5 824	5 973
Teaching	-	1 253
NRF	13 917	13 095
NRF equipment	5 088	-
Foundation – grant	1 167	9 396
NGAP	37 961	25 252
HDI	139 458	132 243
Own infrastructure	148 343	132 587
DHET Infrastructure	202 755	240 588
University funds	278 391	198 247
UCDP	3 093	2 913
Foundation bank account	37 675	32 952
NSFAS	273 908	-
OTT project		1 762-
	1 149 342	822 107
Details of pledged ceded balances		
Absa investments for R 300 000		
12. Borrowings		
At amortised cost DBSA loan	281 109	300 000
The university has a loan facility with the Development Bank of South Africa (DBSA). The interest paid of R27 358 000 (2018: R26 634 000) was capitalised against the cost of the assets. The university is paying monthly capital repayment of R1, 4 million and final repayment will be on 31 July 2036. The current interest rate base for the outstanding liability is 9.28%.		
Non-current liabilities		
Financial liabilities at amortised cost	264 159	281 110
Current liabilities		
Financial liabilities at amortised cost	16 951	18 890

The carrying amounts of the university's borrowings are denominated in South African Rand's. The university has no undrawn borrowing facilities as at 31 December 2019.

Interest bearing loan facility

The loan is for the construction of new student residences and is guaranteed by the Department of Higher Education and Training. The exposure of the university's borrowings to interest changes and the contractual repricing dates at the end of the reporting period is included in financial instruments note.

	31 December 2019 R' 000	31 December 2018 R' 000
13. Lease liability		
Minimum lease payments due		
- within one year	5 177	5 665
- in second to fifth year inclusive	-	3 780
	5 177	9 445
less: future finance charges	(748)	(1 171)
Present value of minimum lease payments	4 429	8 274
Non-current liabilities	-	4 963
Current liabilities	4 429	3 311
	4 429	8 274

The university leases computers and equipment for the period of three years. The lease does not have an escalation clause and the interest is charged at an average rate of 10% per year.

14. Post-retirement medical obligation

University staff members are entitled to a 60% subsidy of the medical aid risk contributions, post-retirement. This subsidy does not include any elected savings. Dependents of staff members who die in service are not entitled to the subsidy of the medical aid risk contributions.

The movements in the post-retirement medical obligation over the year is:

As at 01 January 2019	77 867	76 937
Current service cost	4 463	5 017
Interest on obligation	7 466	7 297
Actuarial (gain)/loss recognised	(287)	(8 811)
Benefits paid (2 3128)	(2 573)	
As at 31 December 2019	87 381	77 867
Less amounts payable within one year, included in current liabilities	(3 131)	(2 423)
Non-current portion	84 250	75 445
Amounts recognised in the statement of comprehensive income are:		
Benefits paid	4 463	5 017
Interest on obligation	7 466	7 297
	12 159	12 314
Amounts recognised in other comprehensive income are:		
Actuarial (gain) / loss	(287)	(8 811)

Key assumptions used

The principal assumptions used on last valuation on Tuesday, 31 December 2019.

Discount rates used	9,71 %
Health care cost inflation rate	6,65 %
Net effective discount rate	2,87 %

Other assumptions.

Assumption	Value																		
Average retirement age	63,00																		
Continuation of membership at retirement	50%																		
Proportion assumed married at retirement	100%																		
Proportion of eligible current non-member employees joining the scheme by retirement	35%																		
Mortality during employment	SA 85-90																		
Mortality post-retirement	PA (90) -1																		
Withdrawal from service (sample annual rates)																			
	<table><tr><th>Age</th><th>Females</th><th>Males</th></tr><tr><td>20</td><td>24 %</td><td>16 %</td></tr><tr><td>30</td><td>18 %</td><td>12 %</td></tr><tr><td>40</td><td>10 %</td><td>8 %</td></tr><tr><td>50</td><td>4 %</td><td>4 %</td></tr><tr><td>>55</td><td>2 %</td><td>2 %</td></tr></table>	Age	Females	Males	20	24 %	16 %	30	18 %	12 %	40	10 %	8 %	50	4 %	4 %	>55	2 %	2 %
Age	Females	Males																	
20	24 %	16 %																	
30	18 %	12 %																	
40	10 %	8 %																	
50	4 %	4 %																	
>55	2 %	2 %																	

The sensitivity of the overall post-retirement medical liability to changes in the weighted principal assumptions is:

Assumption	Change	In service members	Continuation members	Total R'000	% change
Central assumptions		59,59	27,50	87,09	
Health care inflation	1%	69,126	29,593	98,719	13%
Health care inflation	-1%	51,713	25,642	77,355	-11%
Discount rate +1%	51,741	25,590	77,331	-11%	
Discount rate -1%	69,243	29,687	98,930	14%	
Post-retirement mortality	-1 yr	61,603	28,610	90,213	4%
Average retirement age	-1 yr	65,760	27,499	93,259	8%
Average retirement age	-10%	46,838	27,499	74,337	-15%

Amounts for the latest actuarial valuation and previous periods (R millions)

Liability history	31/12/2015	31/12/2016	31/12/2017	31/12/2018	31/12/2019
	(65,084)	(70,215)	(77,282)	(77,801)	(87,087)
Accrued liability					
Fair value of plan asset	-	-	-	-	-
Surplus / (Deficit)	(65,084)	(70,215)	(77,282)	(77,801)	(87,087)

History of experience adjustments: Gains and losses (R millions)

Experience adjustments	Year ending 31/12/2015	Year ending 31/12/2016	Year ending 31/12/2017	Year ending 31/12/2018	Year ending 31/12/2019
Liabilities: (Gain) / Loss	3,522	(2,759)	2,672	0,630	(1,887)
Assets: (Gain) / Loss	-	-	-	-	-
Surplus / (Deficit)	3,522	(2,759)	2,672	0,630	(1,887)

15. Leave obligation

This is the net liability on accrued leave balances and provision for non-accumulative leave at the end of the reporting period. University staff is allowed to accumulate up to 20 days leave that is payable upon resignation, death or retirement. Leave is only encashed when an employee resigns, retires or dies in service.

Movements in the present value of the net liability:

As at 01 January 2019

Current service cost

Interest

Expected employer benefit vesting

Non-accumulated leave

Actuarial (gain) / loss recognised

As at 31 December 2019

Less amounts payable within one year, included in current liabilities

Non accumulative leave

Non-current portion

Amounts recognised in the statement of comprehensive income are:

Current service costs

Interest expense

Amounts recognised in other comprehensive income are:

Actuarial loss / (gains)

	31 December 2019 R' 000	31 December 2018 R' 000
	29 436	16 209
Current service cost	2 460	6 73
Interest	1 797	1 198
Expected employer benefit vesting	(14 347)	(3 191)
Non-accumulated leave	12 308	9 758
Actuarial (gain) / loss recognised	1 546	4 790
	33 200	29 437
Less amounts payable within one year, included in current liabilities	(17 419)	(14 393)
	15 781	15 044
Current service costs	2 506	674
Interest expense	1 797	1 198
	4 303	1 872
Actuarial loss / (gains)	1 546	4 790

Key assumptions used

The principal key assumptions used on last valuation on Tuesday, 31 December 2019.

Discount rates used

10,33 %

General salary inflation

7,03 %

Net effective discount rate

3,08 %

Key demographic assumptions.

Assumption

Value

Average retirement age

63,00

Mortality during employment

SA 85-90

Withdrawal from service (sample annual rates)

Age	Females	Males
20	24%	16%
30	18%	12 %
40	10%	8 %
50	4%	4 %
55	2%	2 %

The sensitivity of the unfunded accrued liability (R millions)

Assumption	Change liability	% change	
Central assumptions	20,88		
General earnings inflation	1%22,006	5%	
General earnings inflation	-1%19,842	-5%	
Discount rate	+1%18,880	-5%	
Discount rate	-1%21,982	5%	
Average retirement age	2 yr22,783	9%	
Average retirement age	-2 yr19,085	-9%	

Amounts for the latest actuarial valuation and previous four periods are (R millions)

Liability history	Year ending 31/12/2015	Year ending 31/12/2016	Year ending 31/12/2017	Year ending 31/12/2018	Year ending 31/12/2019
Accrued liability	(14,972)	(16,842)	(16,162)	(19,634)	(20,875)
Plan asset	-	-	-	-	-
	(14,972)	(16,842)	(16,162)	(19,634)	(20,875)

History of experience adjustments: Gains and Losses (R millions)

Experience adjustments	Year ending 31/12/2015	Year ending 31/12/2016	Year ending 31/12/2017	Year ending 31/12/2018	Year ending 31/12/2019
Liabilities: (Gain) / Loss	3,431	3,609	1,245	6,064	1,597
Assets: (Gain) / Loss	-	-	-	-	-
	3,431	3,609	1,245	6,064	1,597

17. Deferred income

Movement in the deferred income recognised in the statement of financial positions:

Non-current liabilities

Current liabilities

	31 December 2019 R' 000	31 December 2018 R' 000
	1 057 909	1 108 014
	133 925	76 896
	1 191 834	1 184 910

As at 31 December 2019	Received from DHET R'000	Restricted use private grants R'000	Total R'000
As at 01 January 2019	1 165 224	19 687	1 184 911
Allocated during the year	102 756	35 225	137 981
Interest earned	25 265	-	25 265
Transferred to revenue	(117 668)	(38 655)	(156 323)
As at 31 December 2019	1 175 577	16 257	1 191 834
Broken down:			
Current portion	117 668	16 257	133 925
Non-current portion	1 057 909	-	1 057 909
As at 31 December 2018	1 175 577	16 257	1 191 834
As at 01 January 2018	979 593	71 197	1 050 790
Allocated during the year	214 330	42 837	257 167
Interest earned	25 885	-	25 885
Transfer to revenue	(54 584)	(94 347)	(148 931)
As at 31 December 2018	1 165 224	19 687	1 184 911
Broken down:			
Current portion	57 211	19 687	76 898
Non-current portion	1 108 013	-	1 108 013
	1 165 224	19 687	1 184 911

The deferred revenue recognised in the statement of financial position arises from:

Conditional government and other grants, which will only be recognised in revenue when the conditions have been met.

Capital government grants which will be recognised in revenue on a straight-line basis over the expected lives of the related assets.

Restricted use private grants with stipulations and conditions.

	31 December 2019 R' 000	31 December 2018 R' 000
18. Trade and other payables		
Financial instruments:		
Bursary creditors	252 438	137 374
Unallocated receipts	63 000	
Pension control	7 243	7 578
Accrued bonus	5 877	12 139
Account payable TNLU	214	18 977
Deposits received	13 176	9 100
Other payables	36 404	27 362
Amounts received in advance	10 344	22 878
Bank overdraft	884	-
Sundry creditors	55 424	26 016
	445 004	261 424

19. Provisions

Reconciliation of provisions – 2019	Opening balance	Total
Outstanding amount	1 300	1 300
Reconciliation of provisions – 2018	Opening balance	Total
	1300	1300

The amounts represent a provision for outstanding amount on agreement of the transfer of land to the university. The University of Venda and Tshivhase Traditional Council entered into an agreement with the objective of facilitating the transfer of the proclaimed and unproclaimed land under the jurisdiction of the Hivhase Traditional Council.

20. Income from contracts

Research - council controlled activities	39 523	26 457
Specifically, funded activities	73 573	116 765
	113 096	143 222
Specifically, funded activities		
Breakdown of the specifically funded activities:		
Research Fund received	34 919	70 120
NRF Research Fund received	36 910	45 989
Thuthuka Project income	1 744	656
	73 573	116 765

	31 December 2019 R' 000	31 December 2018 R' 000
21. Tuition and other fee income		
Tuition fees and other fees	520 601	502 063
SA Nursing	-	1
Hostel fees and rent income from staff	44 870	34 894
Funds raised	9	-
	565 480	536 958
The below is a breakdown of tuition and other fees:		
Tuition fees	460 575	445 775
Registration fees	39 691	37 341
SRC levies	15 855	14 748
Sundry student fees	2 498	2 348
Application fees	1 839	1 715
Graduation fees	143	136
Funds raised	9	-
	520 610	502 06

22. Subsidies and grants

Specifically funded activities – restricted

HDI income	59 623	14 714
Research development grant	-	3 010
State subsidy: NGAP	7 685	5 862
State subsidy: Clinical training	4 807	3 412
State subsidy: Found Teach Development	7 839	5 732
States subsidy: Infrastructure	26 336	21 877
University capacity development	11 378	2 605
Council controlled - unrestricted		
State subsidy	731 072	560 382
	848 740	617 594

23. Private gift and services

Donations (General)	187	3 900
Donations (Foundation)	-	2640
	187	6 540

24. Sale of goods and services

Conference fees	57	1 000
Sale of farm produce	527	496
Publication fees	150	164
Restaurant sales	93	32
Photocopy sales	82	51
Incomer refreshments	21	19
Health services fees	6	4
	936	1 766

25. Personnel costs

Non-academic staff

Salaries

Honoraria payments

Academic professionals

Salaries

Research - Salaries & honoraria

Average number of persons employed during the year

Permanent

Temporary

	31 December 2019 R' 000	31 December 2018 R' 000
Salaries	358 537	327 940
Honoraria payments	61	873
	358 598	328 813
Salaries	350 628	333 610
Research - Salaries & honoraria	9 130	9 199
	359 758	342 809
Permanent	858	979
Temporary	105	106
	963	1 085

Disclosure of remuneration of senior management as required by the higher education regulations

Payments to senior management - 2019

Names

	Salary R' 000	Benefits R' 000	Subsistence & Travel allowance R' 000	Total R' 000
Dr Nthambeleni NB (Vice-Chancellor and Principal)	2 565	469	127	3 161
Dr Martin RL (DVC Operations)	2 025	523	145	2 693
Prof Crafford JE (DVC Academics)	2 143	422	122	2 687
Prof Nesamvuni E (Registrar)	1 356	372	39	1 767
Prof Mulaudzi MT (Dean School of Health Sciences)	1 178	406	77	1 661
Prof Mulaudzi MP (Dean School of Education)	996	496	56	1 548
Prof Potgieter N (Dean School of Mathematical and Natural Sciences)	1 300	534	79	1 913
Prof Kadyamatimba A (Dean School of Management Sciences)	1 261	661	66	1 988
Prof Odhiambo JJO (Dean School of Agriculture)	1 292	589	40	1 921
Prof Odiyo J (Dean School of Environmental Sciences)	1 292	1 027	41	2 360
Prof Ndlovu L (School of Law)	1 126	410	42	1 578
Prof Mokgopa MA (Dean School of Human and Social Sciences)	1 299	396	61	1 756
	17 833	6 305	895	25 033

Payments to executive senior management – 2018

Names

	Salary R' 000	Benefits R' 000	Subsistence & Travel allowance R' 000	Total R' 000
Prof Mbat P (Vice-Chancellor and Principal)	10	182	-	636
Dr Martin RL (DVC Operations)	1 792	541	77	2 410
Prof Crafford JE (DVC Academics)	1 804	655	40	2 499
Prof Nesamvuni E (Registrar)	1 566	337	84	1 987
Prof Mulaudzi MT (Dean School of Health Sciences)	979	326	81	1 386
Prof Mulaudzi MP (Dean School of Education)	830	362	68	1 260
Prof Potgieter N (Dean School of Mathematical and Natural Sciences)	1 084	499	72	1 655
Prof Kadyamatimba A (Dean School of Management Sciences)	1 069	751	75	1 895
Prof Odhiambo JJO (Dean School of Agriculture)	1 078	253	72	1 403
Prof Odiyo J (Dean School of Environmental Sciences)	1 083	688	90	1 861
Prof Ndlovu L (School of Law)	957	174	64	1 195
Prof Mokgopa MA (Dean School of Human and Social Sciences)	1 085	385	87	1 557
Prof Khosa LB (Acting DVC Academic)	1 284	562	102	1 948
	15 065	5 715	912	21 692

	31 December 2019 R' 000	31 December 2018 R' 000
26. Other operating expenses		
Administration expenses	61 975	5995
Audit fees	4 673	5844
Student general expense	47 482	28 177
Communication	19 800	21 777
Workshop and seminars	13 457	5 911
Consultant fees	8 822	18 337
Other expenses	15 605	20 465
Repairs and maintenance	59 277	45 131
Instruction material	15 717	3 689
Research and development costs	69 343	88 251
Security	17 799	3 689
Entertainment	2 983	2 849
Printing and stationery	66 010	45 456
Hire		6
Bad debts		6 523
Travel – local	27 585	21 990
Legal expenses	24 484	18 337
	455 012	392 738

27. Finance income

Dividend income

From investments in financial assets measured at fair value through profit or loss:

Profit / (loss) Fair value adjustments	3 806	3 724
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Interest income

From investments in financial assets:

Bank and other cash	3 237	2 883
Interest from Investments	61 766	53 833
Transfer to deferred revenue	(24 435)	(25 885)

Total finance income

40 568 **30 831**

Total investment income

44 374 **34 555**

28. Finance costs

Bank interest charged	909	1 564
Interest on employee benefits	9 415	8 666
Total finance costs	10 324	10 230

Finance costs relate to finance lease charges for finance lease and interest charged on employee benefits.

29. Payments for attendance at meetings of council and its committee

Remuneration paid for attendance at meetings of the University Council and its committees by external, non-executive members is disclosed below. The agenda and minutes of these meetings can be obtained at the University.

Number of members paid	2 019	2 018
Chairs of Council & committees (8 members)	1 063	1 122
Members of Council Committees (12 members)	976	1 196
Members of committees (2 members)	65	136
Total	2 104	2 454

Name	Council Sitting allowance R' 000	Subsistence & Travelling R' 000	2019 R' 000	2018 R' 000
Serobi Maja (Chair of Council)	117	51	168	200
MPK Tshivhase (Deputy Chairperson of Council)	71	32	103	84
KR Madzhie	106	31	137	159
JM Seoloane	36	8	44	37
MP Molapo	107	34	141	128
ME Selomo	111	40	151	160
KK Maimela	109	35	144	145
ML Mashego	20	7	27	128
LL Ndou	129	54	183	191
NB Nthambeleni	-	1	1	126
RC Chagan	45	6	51	66
L.J Phahlamohlaka	79	37	116	129
K R Razwiedani	130	53	183	240
KS Makgoka	74	16	90	75
ES Mabusela	44	21	65	31
AS Tshifhango	44	21	65	56
MJ Masia	17	8	25	37
ST Baloyi	88	38	126	215
K Zuma	58	47	105	56
MF Taukobong	-	-	-	15
S Monbeshora	-	-	-	55
T Modau	24	16	40	52
JA Lekgetha	38	42	80	61
N.V Makhari	-	-	-	8
JAM Magashoa	-	7	7	-
LR Mudzanani	34	6	40	-
T Tetile	11	1	12	-
	1 492	612	2 104	2 454

30. Cash generated from operations

	31 December 2019 R' 000	31 December 2018 R' 000
Surplus for the year	145 764	161 639
Adjustments for:		
Depreciation and amortisation	109 809	100 091
Impairment reversal on property, plant and equipment	-	(1262)
Impairment loss recognised on accounts receivables	84 486	937
Loss on sale of assets	2 075	9 136
Finance costs	10 324	10 230
Investment revenue	(40 618)	(30 056)
Fair value adjustment	(3 806)	(3 724)
Donations	(185)	(3 900)
Impairment on cash and cash equivalents	-	5 587
Bad debt	(44 708)	-
Employee benefit expense paid	7 139	6 086
Actuarial expense/gain	1 222	(4 785)
Share of profit in associate	449	(37)
Other non-cash receipts	4 509	(4 598)
Deferred income	(18 177)	134 121
Movements in provisions	(13 435)	13 912
Changes in working capital:	167 959	(33 769)
Receivables from exchange transactions	(14 790)	(79 368)
Payables from exchange transactions	183 580	45 754
Movements in inventory	(217)	(155)
Cash generated from operations	503 206	359 607

31. Related parties

Due to the nature of the university's operations and the diverse composition of its stakeholders, the Council takes particular care to avoid conflicts of interest and, accordingly, has adopted a policy requiring declarations of any interests – actual or potential – by members of Council and of its committees. In terms of this policy, transactions with third parties in which a Council or committee member has a direct or fiduciary interest are required to be disclosed and, consequently, must be entered at arm's length and be in accordance with approved procurement policy. During the year under review and subsequently, no material transactions were identified with third parties controlled by one or more members of the Council. All payments to members of executive and senior management are disclosed in note 25. There were no material contracts entered with executive management during the year under review. During the 2019 financial year the university provided subordination agreement to UIGC in respect of net amount payable of R22 553 772. The subordination agreement is in force until 31 December 2020.

Relationships

Related party transactions	2019	2018
Transactions with DHET		
Block grant	731 072	560 382
8% GAP funding	26 507	8 221
Amount included in trade receivables		
Barotta farm	1 066	4584
Amount included in trade payables		
Barotta farm	-	4222
Share of loss/(loss) from associates		
Barrota farm	(448)	37
Gardening services	4 252	4 535
Transaction with NSFAS		
Student funding	810 205	549 951
Transactions with Executive Management		
Salaries	8 089	5 616
Subsistence allowance and travel	433	201
Benefits	1 786	1 715

	31 December 2019 R' 000	31 December 2018 R' 000
32. Commitments		
At the financial year-end, the university had outstanding commitments under non-cancellable leases for laptops, desktops and monitors.		
a) Capital commitments		
Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is:		
Capital expenditure approved at the balance sheet date, but not recognised in the financial statements, is:		
• Property, plant and equipment	38 222	150 601
(b) Inventories and other services		
Orders issued for inventories and other services	29 223	16 601
	67 445	167 202

33. Contingencies

(i) Claims

A claim emanating from death of a student on campus has been lodged against the university and service provider. Univen. is defending the matter in court. It is premature to estimate the potential effects of this claim. However, the legal advice indicates that a possible claim of R2 million could be incurred. A claim has been lodged against the university for alleged repudiation of contract for the provision of security services. The university is defending the matter in court, the legal advice indicates that a possible claim of R2 million could be incurred.

34. Going concern

The university's forecast and projections take account of reasonable possible changes in operating circumstances and show that the university will have a positive cash flow in the 2020 financial year. Council has a reasonable expectation that the university has adequate resources to continue in operational existence for the next 12 months. The university will continue to adopt the going concern basis in preparing its financial statements. The university is solvent with a R1, 8 billion net asset value.

It is accepted that the university's income is largely dependent on student tuition fees and government subsidy which comprises 41% of the income in tuition fees and 58% of income in government subsidies. The Department of Higher Education and Training has made a commitment for the grant subsidy. The payments of the cash flow have commenced in April 2020 and the last receipts is expected in October 2020. In addition, NSFAS and other sponsors have confirmed that more than 74% of the students will be funded. NSFAS is in the process of finalising the funding list for the University of Venda.

35. Subsequent events

Subsequent to 31 December 2019, the University of Venda has appointed a new Council.

On 15 March 2020 the President of South Africa announced that a COVID 19 outbreak has been declared a natural state of disaster in terms of disaster management. Subsequent to the announcement by the President, the Minister of Higher Education advised institutions to assess the risk and Impact of COVID 19 to the universities.

Univen has set up a crisis committee to advise the Executive Management Committee. Academic activities were suspended to ensure safety of the students. There is a risk that the South African economy might shut down, people might lose jobs. This might affect recoverability of student debt and future subsidy. The university is in the process of quantifying future impact on Univen's financial position.

The Council approved the write-off of student debt to the amount of R 44 624 288 on 22 May 2020.

36. Financial risk management

Capital management

The university's objectives when managing capital (which includes all items of capital and funds as presented on the statement of financial position) are to safeguard the ability of the university to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital. In this regard, the university has ensured a sound financial position by limiting exposure to debt and increasing investments and cash balances. This position is managed through a comprehensive budgeting and review process each year.

Categories of financial instruments

This table represents the financial instruments of the university per category:

31 December 2019	Financial asset at amortised Cost R'000	Financial asset at fair value through P/L R'000	Total R'000
Assets as per statement of financial position			
Investments	-	58 878	58 878
Cash and cash equivalents	1 149 342	-	1 149 342
Trade and other receivables	213 166	-	213 166
Total financial assets	1 362 508	58 878	1 421 386

	Amortised cost R' 000	Total R' 000
Liabilities as per statement of financial position at amortised cost		
Borrowings	281 110	281 110
Trade and other payables	444 390	444 390
Total financial liabilities	725 500	725 500

31 December 2018	Financial asset at amortised Cost R'000	Financial asset at fair value through P/L R'000	Total R'000
Assets as per statement of financial position			
Investments		45 072	45 072
Cash and cash equivalents	822 107	-	822 107
Trade and other receivables	293 908	-	293 908
Total financial assets	1 116 015	45 072	1 161 087

	Amortised cost R' 000	Total R' 000
Liabilities as per statement of financial position at amortised cost		
Borrowings	300 000	300 000
Trade and other payables	378 958	378 958
Total financial liabilities	678 958	678 958

Financial risk management objectives

A Risk Management Committee comprising members of the Senior Management Committee, identifies, evaluates and co-ordinates the management of strategic risks faced by the university. Risk management processes are reviewed regularly for continuing relevance and effectiveness. The Risk Management Committee reports to the Audit Committee. A report on the risk management process that is being followed, as well as a summary of the risk register, is presented to the Audit Committee and to the Council on a regular basis. These risks include market risk (interest rate risk) credit risk and liquidity risk. The university varies its investment philosophy by the term of the liabilities and the risk profile. To this end, two portfolios have been established -

Stable portfolio – Medium term investing (2 to 5 years) where the investment objective and risk constraint is set relative to inflation and a low risk of capital loss over the medium term;

Money market portfolio – Short term investing (2 years and less) where the investment objective and risk constraint is set relative to short term interest rates and a high degree of capital security

The university's investment channels have strong investment characteristics and no portfolios that have speculative characteristics are utilised.

Financial management risk factors market risk

- Foreign exchange risk** – The university has limited foreign exchange exposure in respect of its normal operating activities and therefore no formal policy is in place to manage this risk.
- Price risk** – The university is not exposed to commodity price risk in respect of its normal operating activities and therefore no formal policy is in place to manage this risk.
- Cash flow and fair value interest rate risk** – The university's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates exposes the university to cash flow interest rate risk, which is partially offset by cash held at variable rates. Borrowings issued at fixed rates expose the university to fair value interest rate risk. Interest rates attributes of new loans are to be reviewed and approved in accordance with policies approved by Council to ensure interest rate exposure will not exceed acceptable levels to the Council. In practice, the university also has a best practice to pay creditors within agreed settlement periods to avoid further interest exposures.
- Interest rate sensitivity** – The interest rate is expected to stable for the rest of the year with a possibility of going down or up depends on what happens in the market.

Credit risk refers to the risk that a counter party will default on the contractual obligations resulting in financial loss to the university. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures due to outstanding receivables from students and other debtors. Credit risk may also arise from debt securities. The university has no significant concentrations of credit risk. For banks and financial institutions, only independently rated parties are accepted, and the university has policies in place to ensure that credit exposure to any one institution is limited. It also has policies in place to ensure that rendering of education service are made to students with an appropriate credit history.

The university's maximum exposure to credit risk is represented by the carrying amount of these financial assets on the statement of financial position receivables comprise of outstanding student fees, student loans and a number of customers dispersed across different industries and geographical areas. The university is exposed to credit risk arising from student receivables related to outstanding fees and loans.

This risk is mitigated by requiring students to pay an initial instalment in respect of tuition and accommodation fees at registration, the regular monitoring of outstanding fees, the institution of debt collection action in cases of long outstanding amounts. In addition, students with outstanding balances from previous years of study are only permitted to renew their registration after either the settling of the outstanding amount or the conclusion of a formal payment arrangement.

The university does not have any form of security in respect of student receivable.

The university investment and cash and equivalent are subject to impairment requirements in terms of IFRS 9, the identified impairment loss was immaterial due to the university investing on securities with are low risk and with rated financial institutions.

The credit ratings of the banks and financial institutions where investments are made, are monitored for credit deterioration. Univen invested with these institutions by 31 December 2019:

Financial instrument	2019	2018
Investec	295 041	229 401
Nedbank	363 853	295 372
ABSA	545 922	339 293
Old Mutual	1 262	1 318
FNB	-	429

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the university aims to maintain flexibility in funding by keeping committed credit lines available.

The university has minimised risk of liquidity as shown by its sufficient cash, cash equivalents and investment portfolio. The university manages a cash budget that is continually updated and reported to Executive Management. An Investment Committee also oversees the investment portfolio managed by independent fund managers. A multi-manager approach is also followed in appointing investment managers to limit investment risk further. The table below analyses the university's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position dated to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Balances due within a year equal their carrying amount, as the impact of discounting is not significant.

At 31 December 2019	Less than 1 year	Later than 1 year but not more than 5 years	More than 5 years	Total
Interest bearing				
Borrowings	16 951	57 805	206 354	281 110
Trade and other payables	445 004	-	-	445 004
	461 955	57 805	206 354	726 114

At 31 December 2018	Less than 1 year	Later than 1 year but not more than 5 years	More than 5 years	Total
Interest bearing				
Borrowings	18 890	67 803	213 307	300 000
Trade and other payables	261 424			261 424
	280 314	67 803	213 307	561 424

Fair value estimations

Financial instruments that are measured in the statement of financial position at fair value are categorised by disclosure of fair value measurements by level of this fair value measurement hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly as prices) or indirectly (derived from price).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry, pricing services or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the university is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value financial instruments include:

Quoted market prices or dealer quotes for similar instruments.

Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instrument.

There were no transfers between level 1, 2 and 3 for recurring fair value measurement during the year.

The university's policy is to recognise transfers in or transfers out of the fair value hierarchy levels as at the end of the year.

Financial assets 2019	Level 01 R	Level 02 R	Level 03 R
At fair value through profit and loss	1 262	57 616	-
Total	1 262	57 616	-

Financial assets 2018	Level 01 R	Level 02 R	Level 03 R
At fair value through profit and loss	1 318	43 754	-
Total	1 318	43 754	-

Change in accounting estimates

During 2019, the university performed the annual useful life assessment by conducting physical count and inspection of the movable assets, which resulted in changes in the expected useful of certain movable assets. The useful lives and residual values of those assets that were depreciated to the residual values have now been revised. As a result, the expected useful life of the assets was increased, and its estimated residual value decreased. The effect of these changes on actual and expected depreciation expense, was:

Financial assets 2019	2019	2020	2021	2022
Increase in depreciation expense	11 633	11 633	9 159	83

37. Deferred tax

	2019 R'000	2018 R' 000
Deferred tax relates to UIGC		
Deferred tax	14	14
Total	14	14

38. Investments in subsidiaries

Subsidiary name	Principal activities	% holding	% holding
UIGC – owned by Univen	Income generating	100,00%	100,00 %
Foundation – owned by Univen	Income generating		
UIGC Security -owned by UIGC	Security services	100,00%	100,00%
UIGC Travel – owned by UIGGC	Travel management services	100,00%	100,00%
UIGC Garcle – owned by UIGC	Cleaning and gardening services	100,00%	100,00 %

The university owns 100% investment in UIGC. UIGC is an income generating unity that was formed to generate income for the benefit of the university.

The university owns 100% in the Univen Foundation. The university has resolved to dissolve the foundation in 2018 and its values have been consolidated at fair values.

Notes

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Notes

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University of Venda

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