



# Government Gazette

**REPUBLIC OF SOUTH AFRICA**

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## GOVERNMENT NOTICE

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### DEPARTMENT OF EDUCATION

No. 1240

29 August 2003

## HIGHER EDUCATION ACT, 1997 (ACT NO. 101 OF 1997)

### REGULATIONS FOR ANNUAL REPORTING BY HIGHER EDUCATION INSTITUTIONS

I, Professor Kader Asmal, MP, Minister of Education, hereby prescribe in terms of section 41, read with section 69 of the Higher Education Act, 1997 the information and format of an annual report of the council of a public higher education institution.

### REGULATIONS FOR ANNUAL REPORTING BY HIGHER EDUCATION INSTITUTIONS

Issued in terms of the Higher Education Act, 1997

#### PART 1

##### 1.1 GENERAL DEFINITIONS

**'auditor'** means any person registered as such in terms of the Public Accountants' and Auditors' Act, 1991 (Act No. 80 of 1991);

**'consolidation'** means the incorporation of the financial statements of a Higher Education Institution with the financial statements of corporate entities including trusts that fall under its control, into a single set of consolidated financial statements as specified by South African GAAP;

**'council'** means the governing body of a public higher education institution;

**'Department of Education'** means the Government department responsible for education at national level;

**'institutional statute'** means any statute made by the council of a public higher education institution under section 32 of the Higher Education Act, 1997 (Act No. 101 of 1997);

**'Minister'** means the Minister of Education;

**'principal'** means the chief executive and accounting officer of a public higher education institution, and includes a vice-chancellor and a rector;

**'public higher education institution'** means any higher education institution that is established, deemed to be established or declared as a public higher education institution under the Higher Education Act, 1997 (Act No. 101 of 1997);

**'restricted funds'** means those funds of a Higher Education Institution that may be used only for the purposes that have been specified in legally binding terms by the provider of such funds or other legally empowered person;

**'SA GAAP'** means the South African Statements on Generally Accepted Accounting Practice;

**'senate'** means the body contemplated in section 28 of the Higher Education Act, 1997 (Act No. 101 of 1997), and includes an academic board;

**'senior management'** means the employees of a public higher education institution designated as such in its Institutional Statutes;

**'the Higher Education Act'** means the Higher Education Act, 1997 (Act No. 101 of 1997);

**'unrestricted funds'** means those funds of a Higher Education Institution that are within the unrestricted control of its Council.

## 1.2 APPLICATION

These *Regulations for Annual Reporting* apply to all public higher education institutions.

## 1.3 DATE OF COMMENCEMENT

These *Regulations for Annual Reporting* take effect on publication.

# PART 2

## 2.1 STRUCTURE OF ANNUAL REPORT

### 2.1.1 INFORMATION REQUIRED IN RESPECT OF PRECEDING YEAR

The reports and statements on governance and reports on operations

The report of the chairperson of the council

The council's statement on corporate governance

The senates report to the council

The institutional forum's report to the council

The report of the principal on management and administration

The council's report on risk assessment and the management thereof

The audited annual financial statements, which must comply with South African Generally Accepted Accounting Practice (GAAP)

Disclosure of remuneration of senior management

### 2.1.2 FORMAT OF ANNUAL FINANCIAL STATEMENTS

## TABLES 1 TO 4

TABLE 1

## FORMAT OF THE BALANCE SHEET

Name of the Higher Education Institution

Consolidated Balance Sheet as at 31 December 20nn (all amounts in R'000s)

	Notes	20nn	20nn-1	20nn-1
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, Plant and Equipment	x	xxxx	xxxx	xxxx
Intangible Assets	x	xxxx	xxxx	xxxx
Non-Current Investments	x	xxxx	xxxx	xxxx
Non-Current Receivables	x	xxxx	xxxx	xxxx
Student Loans		xxxx	xxxx	xxxx
Other Non-Current Receivables		xxxx	xxxx	xxxx
<b>CURRENT ASSETS</b>				
Inventories	x	xxxx	xxxx	xxxx
Accounts Receivable, Prepaid Amounts, etc.	x	xxxx	xxxx	xxxx
Students for Fees		xxxx	xxxx	xxxx
Other Amounts		xxxx	xxxx	xxxx
Marketable Securities	x	xxxx	xxxx	xxxx
Cash, Bank and Cash Equivalents	x	xxxx	xxxx	xxxx
<b>FUNDS AND LIABILITIES</b>				
<b>FUNDS UTILISED/AVAILABLE</b>				
Property, Plant and Equipment (PPE)		xxxx	xxxx	xxxx
Restricted Use Funds		xxxx	xxxx	xxxx
Student Loan Funds		xxxx	xxxx	xxxx
Student Residences Funds		xxxx	xxxx	xxxx
Other - Education and General		xxxx	xxxx	xxxx
Unrestricted Use Funds - Education and General		xxxx	xxxx	xxxx
<b>NON CURRENT LIABILITIES</b>				
Borrowings - Interest Bearing	x	xxxx	xxxx	xxxx
Post-Employment Benefits/Obligations	x	xxxx	xxxx	xxxx
<b>CURRENT LIABILITIES</b>				
Accounts Payable & Accrued Liabilities	x	xxxx	xxxx	xxxx
Provisions for Post-Employment Obligations	x	xxxx	xxxx	xxxx
Provisions for Liabilities - Other	x	xxxx	xxxx	xxxx
Student Deposits	x	xxxx	xxxx	xxxx
Current portion of Borrowings	x	xxxx	xxxx	xxxx
Short Term Borrowing - Bank Overdraft	x	xxxx	xxxx	xxxx

TABLE 2

## FORMAT OF THE STATEMENT OF CHANGES IN FUNDS

Name of the Public Higher Education Institution

## Consolidated Statement of Changes in Funds for the year ended 31 December 20nn (R'000s)

DESCRIPTION	Not ified	Accumulated Fund Unrestricted Use	Contingency Fund Unrestricted Use	Endowment Fund Unrestricted/ Designated Use	SUB- TOTAL A	Donor Fund Restricted Use	Contract Fund Restricted Use	Trust Fund Restricted Use	SUB- TOTAL B	Student Loan Fund	Residence Fund Restricted Use	Fixed Asset Fund PPE	TOTAL C
Balance at 1-1-20nn		XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
Investments - Fair value adjustment	X		XXXX	XXXX	XXXX			XXXX	XXXX				XXXX
Capital gains - sale of investments	X		XXXX		XXXX								XXXX
Income from investments			XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX		XXXX
Net Surplus/ Deficit(-) after investment income		XXXX			XXXX	-XXXX	-XXXX	-XXXX	-XXXX		-XXXX		-XXXX
Funds utilised written off												-XXXX	-XXXX
Net transfers from Income Statement						XXXX	XXXX	XXXX	XXXX				XXXX
Transfers debit	X					-XXXX	-XXXX		-XXXX				-XXXX
Balance at 31-12-20nn		XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX

The above statement of changes in funds is presented for the reporting year only - in compliance with GAAP the comparative figures for the previous year should be provided.  
An alternative form of presentation may be where individual funds comprise both identifiable restricted and unrestricted amounts. In such cases each fund will be contained in an individual column and both opening and closing balances must be separated into 'Unrestricted/Designated Use' and 'Restricted Use'.

## NOTES:-

1. The headings (or a note) should be adequately descriptive of the nature governing the restrictions in each case
2. Sub-Total A reflects the aggregate of available unrestricted/designated funds
3. Sub-Total B reflects the aggregate of restricted funds
4. The "Fixed Asset Fund PPE" is not classified and reflects aggregate expenditure on the asset item PPE
5. If a fund had been set aside for new, replacement or renewal of PPE and will have been derived from council designated amounts or from funds received for specific purposes this should be disclosed as a separate (Funds for PPE) fund.
6. The XXs that appear in the "Notes" column indicate that, where the detail of the item appearing on this statement is not clear from other statements or notes to the accounts, an explanatory note must be included in the "Notes to the accounts".