Our financial reports

Annexure

Our financial reports

Consolidated and separate annual financial statements

Council's statement of responsibility of the consolidated and separate annual financial statements

The Council is responsible for the preparation, integrity and fair presentation of the consolidated and separate annual financial statement for the University of the Witwatersrand, Johannesburg.

The consolidated and separate annual financial statements, presented on pages 113 to 173, have been prepared in accordance with IFRS ® Accounting Standards as issued by the International Accounting Standards Board (IASB ®) and in the manner required by the Minister of Higher Education and Training in the regulations in terms of the Higher Education Act, 1997 (Act No. 101 of 1997), as amended, and include amounts based on the judgements and estimates made by management. The Council has also prepared the other information included in the annual report and is responsible for both its accuracy and consistency with the annual financial statements.

The going concern basis has been adopted in preparing the consolidated and separate annual financial statements. The Council has no reason to believe that the University of Witwatersrand, Johannesburg together with its related entities will not be a going concern in the foreseeable future, based on forecasts and available cash resources. The viability of the institution is supported by the content of the financial statements.

The consolidated and separate annual financial statements have been audited by the independent auditing firm, Deloitte & Touche, who were given unrestricted access to all financial records and related data, including minutes of meetings of the Council and all its sub-committees. The Council believes that all representations made to the independent auditors during the University of the Witwatersrand, Johannesburg's group audit are valid and appropriate.

Approval of the consolidated and separate annual financial statements

The consolidated and separate annual financial statements of the University of the Witwatersrand, Johannesburg on pages 113 to 173 were approved by the members of Council on 5 June 2025 and signed on Council's behalf by:

Mr. I Shongwe
Chair of Council

Professor Zeblon Vilakazi
Vice-Chancellor and Principal

Ms. MM Manyama
Chief Financial Officer

Deloitte.

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Gallo Manor 2052
South Africa

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Independent auditor's report to the Minister of Higher Education, Science and Technology on the University of the Witwatersrand

Report on the audit of the consolidated and separate financial statements

Opinion

1. We have audited the consolidated and separate financial statements of the University of the Witwatersrand and its subsidiaries (the Group) set out on pages 113 to 173, which comprise the consolidated and separate statement of financial position as at 31 December 2024, the consolidated and separate statement of comprehensive income, statement of changes in equity (reserves and funds), and statement of cash flows for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of material accounting policies.

2. In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the University of the Witwatersrand and its subsidiaries as at 31 December 2024 and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Higher Education Act and the Regulations for reporting by Public Higher Education Institutions, 2014, issued in terms of the Higher Education Act of South Africa, 1997 (HEA).

Basis for opinion

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.

4. We are independent of the group in accordance with Independent Regulatory Board for Auditors' *Code of Professional Conduct for Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (Including International Independence Standards)*.

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

Responsibilities of Council for the consolidated and separate financial statements

6. The Council, is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Higher Education Act and the Regulations for reporting by Public Higher Education Institutions, 2014, issued in terms of the Higher Education Act of South Africa,1997 (HEA), and for such internal control as the Council determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

7. In preparing the consolidated and separate financial statements, the Council is responsible for assessing the group'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 Council either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Deloitte.

Independent auditor's report to the Minister of Higher Education, Science and Technology on the University of the Witwatersrand (continued)

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

8. Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 and separate financial statements.

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

Report on the audit of the annual performance report

Introduction and scope

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, we must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. The Council is responsible for the preparation of the annual performance report.

11. We selected the following objectives presented in the annual performance report for the year ended 31 December 2024 for auditing. We selected objectives that measure the Group's performance on its primary mandated functions and that are of significant national, community or public interest.

Objectives	Pages in the annual performance report	Purpose
Academic excellence: 1.1 Student Success. 1.2 Graduates of the future. 1.3 Advancing the Pursuit of Fundamental Knowledge 1.4 Knowledge Generation for Societal Advancement 1.5 Building a Pipeline 1.6 Innovation and Academic Entrepreneurship	Appendix B Institutional Scorecard as at 31 December 2024.	The purpose of the particular indicator is to measure the academic excellence of the University.

12. We evaluated the reported performance information for the selected objectives against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the University's planning and delivery on its mandate and objectives.

13. We performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the University's mandate and the achievement of its planned objectives;
    - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that we can confirm the methods and processes to be used for measuring achievements;
    - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated;
    - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents;
    - the reported performance information is presented in the annual performance report in the prescribed manner; and
    - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets.

14. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.

15. We did not identify any material findings on the usefulness and reliability of the reported performance information for this objective:
    - Academic Excellence.

Deloitte.

Independent auditor's report to the Minister of Higher Education, Science and Technology on the University of the Witwatersrand (continued)

Other matter

16. We draw attention to the matter below.

Achievement of planned targets

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over and underachievement's. This information should be considered in the context of the material findings on the reported performance information.
18. Refer to the Institutional Scorecard on Appendix B of the Annual Report for the year ended 31 December 2024 for information on the achievement of planned targets for the year and management's explanations provided for the over and underachievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

19. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Council is responsible for the University's compliance with legislation.

20. We performed procedures to test compliance with selected requirements in key legislation in accordance with the Auditor General of South Africa (AGSA) findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

21. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the University, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

22. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Procurement and contract management

23. Some of the members of staff did not in writing declare any business that may raise a conflict or a possible conflict of interest with the University before he or she was appointed or assumed office, in contravention of section 34(4)(a) of the Higher Education Act.
24. Some of the employees conducted business directly or indirectly with the university at which he or she is employed that entailed or may have entailed a conflict of interest with the university in contravention of section 34(5)(a)-(c) of the Higher Education Act.

Other information

25. The Council is responsible for the other information. The other information comprises the information included in the annual report of the University of the Witwatersrand titled "2024 University of the Witwatersrand Annual Report to the Minister of Higher Education, Science and Technology", which includes the Report of the Chairperson of Council, the Report of the Vice-Chancellor and Principal, Senate report and the Reports from the Council Audit Committee. The other information does not include the consolidated and separate 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.
26. Our opinion on the financial statements and our 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 on it.
27. 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 and separate financial statements and the selected objectives presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Deloitte.

Independent auditor's report to the Minister of Higher Education, Science and Technology on the University of the Witwatersrand (continued)

Internal control deficiencies

29. We considered internal control relevant to our audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.

30. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
    a. Although there were controls in place regarding declaration of interest, we noted some instances where the control was not effectively applied, as some members did not declare their potential conflict of interest.

Other reports

31. We draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the University's consolidated and separate 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

32. Agreed-upon procedures engagements were performed for grants, other funding and similar items. Below is the list of Agreed-upon procedures engagements performed or are in the process of being performed:

Engagement name	Year end	Description	Party performing the engagement
HEMIS DHET Student and Financial Data	31 December 2024	Verification of various information relating to the HEMIS submission to DHET.	Deloitte
HEMIS DHET Clinical Student Data	31 December 2024	Verification of various information relating to the HEMIS submission to DHET.	Deloitte
NRF Grant and Scholarship Funding	31 December 2024	Verification procedures performed over the grants received and its utilisation.	Deloitte
Medical Research Council	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte
Accredited Research output	31 December 2024	Verification procedures on the research output of the university as reported to DHET	Deloitte
National Collaborative Project Promoting the Implementation of a National Student Data Warehouse (NSDW)	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte
Academic Advising	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte
National Collaborative Project: National Framework for Enhancing Academics as University Teachers for the University of the Witwatersrand (NFFEAUT)	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte
Presidential Employment Stimulus Initiative (PES)	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte

Deloitte.

Independent auditor's report to the Minister of Higher Education, Science and Technology on the University of the Witwatersrand (continued)

Agreed-upon procedures (continued)

Engagement name	Year end	Description	Party performing the engagement
Language Grant	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte
Nurturing Emerging Scholars Programme (NESP)	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte
New Generation of Academics Programme (nGAP)	31 December 2024	Verification procedures performed over the grant received and its utilisation.	Deloitte
DHET Grants: • National Collaborative grant. • University capacity development grant. • Clinical training grant (Including Nelson Mandela Fidel Castro Collaborative grant). • Foundation provision grant. • Infrastructure and Efficiency grant.	31 March 2025	Agreed upon procedures to assist in indicating whether the funding was utilised in accordance with the DHET requirements and the related proposals/agreements submitted.	Deloitte

Auditor tenure

33. In terms of the IRBA rule published in *Government gazette number 39475* dated 4 December 2015, we report that Deloitte has been the auditor of the University of the Witwatersrand and its subsidiaries for four years.

DocuSigned by:
Deloitte & Touche
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Deloitte & Touche
Registered Auditor
Per: Spiro Tyranes CA(SA); RA
Partner
26 June 2025

Deloitte.

Annexure to the auditor's report

Auditor's responsibility for the audit

1. As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated and separate financial statements, and the procedures performed on the reported performance information for selected objectives and on the University's compliance with selected requirements in key legislation.

Consolidated and Separate Financial statements

2. In addition to our responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, we also:
   - identify and assess the risks of material misstatement of the consolidated and separate 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 relating to events or conditions that may cast significant doubt on the ability of the University of the Witwatersrand and its subsidiaries 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 consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the consolidated and separate financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause the University to cease operating as a going concern.
   - evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and determine whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
   - Plan and perform group audit opinion to 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

3. We communicate with the Council 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.
4. We also provide the Council with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte.

Compliance with legislation – selected legislative requirements

1. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Higher Education Act, Act, 101 of 1997	**Asset Management** Sections 20 (5); 40(3)(a)(i); 40(3)(a)(ii) and 40(3)(a)(iii). **Procurement and Contract Management** Sections 27(7)(c); 27(7)(e); 27(7)(A)-(C); 34(4)(a); 34(4)(b); 34(5) and 34(6) **Annual Financial Statements** Sections 41(1)(b)(ii) and 49U(1)
Public Audit Act 25 of 2004	**Annual financial statements** Section 14(2)b
Regulations for Reporting by Public Higher Education Institutions	**Strategic Planning** Regulations 4(1); 4(2); 5(1); 5(2)(a); 5(2)(d); 5(2)(g); 5(2)(m) and 6(2)(a – d) **Annual Financial Statements** Regulations 7(4)(b)(xii) and 7(4)(b)(xii)
Prevention of Corrupt Activities Act, Act 12 of 2004	**Consequence Management** Section 34 (1)

University of the Witwatersrand - Johannesburg

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2024

Consolidated and separate statement of comprehensive income

GROUP Figures in R `000	Notes	2024 Council Controlled Unrestricted	2024 Specifically Funded Restricted Funding	2024 SUB-TOTAL	2024 Student and Staff Accommodation Restricted	2024 TOTAL	2023 Council Controlled Unrestricted	2023 Specifically Funded Restricted Funding	2023 SUB-TOTAL	2023 Student and Staff Accommodation Restricted	2023 TOTAL
INCOME											
State subsidies & grants	3	2,556,413	136,818	**2,693,231**	21,759	**2,714,991**	2,578,464	152,784	2,731,248	20,402	2,751,650
Tuition and other fee	3	2,553,156	1,606	**2,554,761**	373,370	**2,928,132**	2,320,983	9,936	2,330,919	425,322	2,756,242
Research contracts	3	532,317	3,125,342	**3,657,659**	-	**3,657,659**	312,523	3,039,512	3,352,035	-	3,352,035
Sale of goods and services		131,704	52	**131,756**	76	**131,833**	201,322	42	201,364	96	201,458
Private gifts and grants	3	21,759	152,162	**173,921**	-	**173,921**	50,484	152,103	202,587	-	202,587
Subtotal: Revenue from contracts with customers		**5,795,349**	**3,415,980**	**9,211,329**	**395,206**	**9,606,535**	**5,463,776**	**3,354,377**	**8,818,153**	**445,820**	**9,263,972**
Other income	4	477,776	827,462	**1,305,238**	4,471	**1,309,708**	750,138	772,868	1,523,006	6,333	1,529,339
Fair value gain on financial instruments	5	215,147	55,136	**270,283**	-	**270,283**	143,753	44,082	187,835	-	187,835
Profit on sale of investments		45,214	10,765	**55,979**	-	**55,979**	18,950	2,949	21,899	-	21,899
Profit on disposal of property, plant and equipment		29,491	-	**29,491**	-	**29,491**	242	-	242	-	242
Interest,dividends and exchange rate gain/(loss)	6	614,100	75,318	**689,419**	-	**689,418**	622,558	137,499	760,057	-	760,057
Share of profit/(loss) from equity accounted investments		47	-	**47**	-	**47**	-	-	-	-	-
Total Income		**7,177,124**	**4,384,661**	**11,561,785**	**399,677**	**11,961,460**	**6,999,417**	**4,311,775**	**11,311,192**	**452,153**	**11,763,344**
EXPENDITURE											
Employee benefits expense	7	4,179,866	2,168,911	**6,348,778**	125,209	**6,473,987**	3,780,635	2,204,349	5,984,984	122,911	6,107,895
Other operating expenses	9	1,769,686	2,235,922	**4,005,608**	221,264	**4,226,872**	1,644,382	2,013,892	3,658,274	252,552	3,910,826
Depreciation and amortisation	10,11,12	279,300	88,747	**368,047**	1,671	**369,716**	278,720	87,018	365,738	3,152	368,890
Expected credit losses		100,235	558	**100,793**	3,128	**103,921**	154,019	(1,009)	153,010	3,188	156,198
Subtotal: Expenditure		**6,329,087**	**4,494,138**	**10,823,226**	**351,272**	**11,174,496**	**5,857,756**	**4,304,250**	**10,162,006**	**381,803**	**10,543,809**
Operating surplus/(deficit) before finance costs		**848,037**	**(109,477)**	**738,559**	**48,405**	**786,964**	**1,141,661**	**7,525**	**1,149,185**	**70,350**	**1,219,536**
Finance costs	8	106,768	-	**106,768**	18	**106,786**	97,699	-	97,699	-	97,699
Surplus/(deficit) before tax expense		**741,269**	**(109,477)**	**631,791**	**48,387**	**680,178**	**1,043,962**	**7,525**	**1,051,487**	**70,350**	**1,121,837**
Income tax expense	36	(742)	-	**(742)**	-	**(742)**	(3,018)	-	(3,018)	-	(3,018)
Surplus/(deficit) for the year		**740,527**	(109,477)	**631,049**	48,387	**679,436**	1,040,944	7,525	1,048,469	70,350	1,118,819
Other comprehensive income: Components of other comprehensive income that will not be reclassified to surplus or deficit											
Actuarial gain on post-retirement medical aid liability	25	24,973	-	**24,973**	-	**24,973**	1,967	-	1,967	-	1,967
Total other comprehensive income that will not be reclassified to surplus or deficit		**24,973**	-	**24,973**	-	**24,973**	1,967	-	1,967	-	1,967
Total comprehensive income		**765,499**	**(109 477)**	**656 022**	**48 387**	**704,410**	**1,038,977**	**7,525**	**1,046,502**	**70,350**	**1,116,852**

University of the Witwatersrand - Johannesburg

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2024

Separate Statement of Comprehensive Income

University Figures in R `000	Notes	2024 Council Controlled Unrestricted	2024 Specifically Funded Restricted Funding	2024 SUB-TOTAL	2024 Student and Staff Accommodation Restricted	2024 TOTAL	2023 Council Controlled Unrestricted	2023 Specifically Funded Restricted Funding	2023 SUB-TOTAL	2023 Student and Staff Accommodation Restricted	2023 TOTAL
INCOME											
State subsidies & grants	3	2 549 125	136 818	**2 685 943**	21 759	**2 707 703**	2 571 663	152 784	2 724 447	20 402	2 744 849
Tuition and other fee	3	2 446 343	1 606	**2 447 948**	373 370	**2 821 318**	2 314 803	9 936	2 324 739	425 322	2 750 061
Research contracts	3	-	249 831	**249 831**	-	**249 831**	32	266 824	266 856	-	266 856
Sale of goods and services		8 500	52	**8 552**	76	**8 629**	6 892	42	6 934	96	7 030
Private gifts and grants	3	16 315	152 162	**168 477**	-	**168 477**	7 915	152 103	160 018	-	160 018
Subtotal: Revenue from contracts with customers		**5 020 282**	**540 470**	**5 560 751**	**395 206**	**5 955 957**	**4 901 305**	**581 689**	**5 482 994**	**445 820**	**5 928 814**
Other income	4	194 073	782 759	**976 832**	4 471	**981 303**	257 682	729 349	987 031	6 333	993 364
Fair value gain on financial instruments	5	162 525	55 136	**217 661**	-	**217 661**	105 632	44 082	149 714	-	149 714
Profit on sale of investments		26 531	10 765	**37 296**	-	**37 296**	9 311	2 949	12 260	-	12 260
Profit on disposal of property, plant and equipment		29 468	-	**29 468**	-	**29 468**	242	-	242	-	242
Interest,dividends and exchange rate gain	6	455 202	68 047	**523 250**	-	**523 250**	459 921	59 099	519 020	-	519 020
Total Income		**5 888 081**	**1 457 177**	**7 345 257**	**399 677**	**7 744 934**	**5 734 093**	**1 417 168**	**7 151 261**	**452 153**	**7 603 414**
EXPENDITURE											
Employee benefits expense	7	3 563 588	527 304	**4 090 893**	125 209	**4 216 101**	3 308 516	516 190	3 824 706	122 911	3 947 617
Other operating expenses	9	1 780 023	996 953	**2 776 977**	221 266	**2 998 238**	1 446 588	852 626	2 299 214	252 552	2 551 766
Depreciation and amortisation	10,11,12	212 308	41 838	**254 146**	1 671	**255 817**	223 805	41 838	265 643	3 152	268 795
Expected credit losses		98 099	558	**98 657**	3 128	**101 785**	154 019	(1 009)	153 010	3 188	156 198
Subtotal: Expenditure		**5 654 018**	**1 566 654**	**7 220 673**	**351 275**	**7 571 941**	**5 132 928**	**1 409 645**	**6 542 573**	**381 803**	**6 924 376**
Operating surplus/(deficit) before finance costs		**234 062**	**(109 478)**	**124 584**	**48 402**	**172 993**	**601 165**	**7 523**	**608 688**	**70 350**	**679 038**
Finance costs	8	96 803	-	**96 803**	18	**96 821**	91 047	-	91 047	-	91 047
Surplus/(deficit) before tax		**137 259**	**(109 478)**	**27 780**	**48 384**	**76 172**	**510 118**	**7 523**	**517 641**	**70 350**	**587 991**
OTHER COMPREHENSIVE INCOME FOR THE YEAR											
Components of other comprehensive income that will not be reclassified to surplus or deficit											
Actuarial gain on post-retirement medical aid liability	25	24 973	-	**24 973**	-	**24 973**	1 967	-	1 967	-	1 967
Total other comprehensive income that will not be reclassified to surplus or deficit		24 973	-	24 973	-	**24 973**	1 967	-	1 967	-	1 967
Total comprehensive income		**162 232**	**(109 478)**	**52 753**	**48 384**	**101 140**	**508 151**	**7 523**	**515 674**	**70 350**	**586 024**

Consolidated statement of financial position

Figures in R `000	Notes	Group 2024	Group 2023	University 2024	University 2023
Assets					
Non-current assets					
Property, plant and equipment	10	8 918 332	8 643 736	8 414 799	8 344 417
Right-of-use assets	11	85 833	54 682	62 937	23 443
Goodwill	13	486	486	-	-
Intangible assets	12	78 115	72 794	78 115	72 794
Investment in joint venture	14	82 813	86 562	82 766	88 112
Loan to a group company	15	-	-	236 993	46 912
Deferred tax	18	631	1 481	-	-
Investments at fair value through profit or loss	19	4 584 905	3 543 474	3 765 415	2 870 655
Operating lease asset	21	-	-	349 246	350 287
Loan receivable	22	5 000	5 000	-	-
Total non-current assets		**13 756 115**	**12 408 215**	**12 990 271**	**11 796 620**
Current assets					
Inventories	16	8 576	22 638	5 985	15 773
Trade and other receivables	17	1 445 653	1 534 655	882 528	1 114 578
Tax receivable		-	98	-	-
Investments at fair value through profit or loss	19	1 751 097	2 861 327	1 751 097	2 861 327
Loans to a group company	15	-	-	17 680	-
Other receivables	22	310	310	310	310
Cash and cash equivalents	23	3 642 945	3 170 417	197 602	187 450
Total current assets		**6 848 581**	**7 589 445**	**2 855 202**	**4 179 438**
Total assets		**20 604 696**	**19 997 660**	**15 845 473**	**15 976 058**
Funds and liabilities					
Non-distributable reserves					
Property, plant and equipment		281 926	322 181	281 926	322 181
Revaluation reserve		3 880 044	3 880 044	3 880 044	3 880 044
Total		**4 161 970**	**4 202 225**	**4 161 970**	**4 202 225**
Unrestricted use funds					
Endowment and contingency reserve		5 623 629	4 858 130	3 254 706	3 092 473
Sub-total		**9 785 599**	**9 060 355**	**7 416 676**	**7 294 698**
Restricted use funds					
Funds for specific purposes		1 813 258	1 881 675	1 813 258	1 881 673
Residences		386 483	338 904	386 483	338 904
		2 199 741	**2 220 579**	**2 199 741**	**2 220 577**
Total reserves and funds	24	**11 985 340**	**11 280 934**	**9 616 417**	**9 515 275**

Consolidated statement of financial position

Figures in R `000	Notes	Group 2024	Group 2023	University 2024	University 2023
Liabilities					
Non-current liabilities					
Deferred Income	27	2 188 601	1 793 759	2 188 601	1 793 759
Other liabilities	28	4 131	6 490	4 131	5 432
Lease liabilities	29	65 336	40 046	47 554	18 368
Interest-bearing borrowings	30	418 398	446 414	409 216	431 277
Retirement benefit obligations	25	708 137	690 237	708 137	690 237
Total non-current liabilities		**3 384 603**	**2 976 948**	**3 357 639**	**2 939 073**
Current liabilities					
Trade and other payables	26	2 801 341	3 051 538	2 193 380	2 520 870
Tax payable		811	1 994	-	-
Deferred Income	27	579 474	870 190	545 405	869 930
Loans from a group company	15	-	-	19 449	30 669
Other liabilities	28	1 723 614	1 695 389	1 195	1 090
Lease liabilities	29	39 052	21 224	29 982	9 111
Bank overdraft	23	3 899	5 107	-	-
Interest-bearing borrowings	30	86 560	94 334	82 006	90 038
Total current liabilities		**5 234 753**	**5 739 778**	**2 871 417**	**3 521 710**
Total liabilities		**8 619 356**	**8 716 726**	**6 229 056**	**6 460 783**
Total funds and liabilities		**20 604 696**	**19 997 660**	**15 845 473**	**15 976 058**

University of the Witwatersrand - Johannesburg
Consolidated and Separate Annual Financial Statements for the year ended 31 December 2024

Statement of changes in Funds - Group		ENDOWMENT AND CONTINGENCY RESERVE			RESTRICTED USE FUNDS			NON-DISTRIBUTABLE RESERVES			
Figures in R' 000	**Note**	**Endowment and contigency reserve**	**Accumulated reserves**	**Sub-Total**	**Funds for specific purpose**	**Residence funds**	**Sub-Total**	**Property, plant and equipment reserve Restricted**	**Revaluation reserve Unrestricted**	**Sub-Total**	**TOTAL**
Balance at 1 January 2023 as restated		154 980	3 664 173	3 819 153	1 876 818	265 564	2 142 382	322 504	3 880 044	4 202 548	10 164 083
Changes in funds											
Surplus for the year		-	1 040 944	1 040 944	7 525	70 350	77 875	-	-	-	1 118 819
Other comprehensive income:											
Actuarial gain/loss on post-retirement healthcare OCI	25	-	(1 967)	(1 967)	-	-	-	-	-	-	(1 967)
Total comprehensive income		**-**	**1 038 977**	**1 038 977**	**7 525**	**70 350**	**77 875**	**-**	**-**	**-**	**1 116 852**
Transfer between reserves		(2 289)	2 289	-	(2 668)	2 990	322	(322)	-	(322)	-
Balance at 31 December 2023	24	**152 691**	**4 705 439**	**4 858 130**	**1 881 675**	**338 904**	**2 220 579**	**322 181**	**3 880 044**	**4 202 225**	**11 280 934**
Changes in funds											
Surplus for the year		-	740 527	740 527	(109 477)	48 387	(61 090)	-	-	-	679 436
Other comprehensive income:											
Actuarial gain/loss on post-retirement health care OCI	25	-	24 973	24 973	-	-	-	-	-	-	24 973
Total comprehensive income		-	765 499	765 499	(109 477)	48 387	(61 090)	-	-	-	704 410
Transfers between reserves		5 903	(5 903)	-	41 061	(805)	40 256	(40 256)	-	(40 256)	-
Balance at 31 December 2024	24	**158 594**	**5 465 035**	**5 623 629**	**1 813 258**	**386 483**	**2 199 741**	**281 926**	**3 880 044**	**4 161 970**	**11 985 340**

University of the Witwatersrand - Johannesburg

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2024

Statement of changes in Funds - University		**ENDOWMENT AND CONTINGENCY RESERVE**			**RESTRICTED USE FUNDS**			**NON-DISTRIBUTABLE RESERVES**			
Figures in R' 000	**Note**	**Endowment and contigency reserve**	**Accumulated reserves**	**Sub-Total**	**Funds for specific purpose**	**Residence funds**	**Sub-Total**	**Property, plant and equipment reserve Restricted**	**Revaluation reserve Unrestricted**	**Sub-Total**	**TOTAL**
Balance at 1 January 2023 as restated		**159 431**	**2 424 890**	**2 584 321**	**1 876 818**	**265 564**	**2 142 382**	**322 504**	**3 880 044**	**4 202 548**	8 929 251
Changes in funds											
Surplus for the year		-	510 118	510 118	7 523	70 350	77 873	-	-	-	587 991
Other comprehensive income:											
Actuarial gain/loss on post-retirement healthcare OCI		-	(1 967)	(1 967)	-	-	-	-	-	-	(1 967)
Total comprehensive income		**-**	**508 151**	**508 151**	**7 523**	**70 350**	**77 873**	**-**	**-**	**-**	**586 024**
Transfer between reserves		(2 288)	2 288	-	(2 668)	2 990	322	(322)	-	(322)	-
Balance at 31 December 2023	24	**157 143**	**2 935 330**	**3 092 473**	**1 881 673**	**338 904**	**2 220 577**	**322 182**	**3 880 044**	**4 202 226**	**9 515 276**
Changes in funds											
Surplus for the year		-	137 260	137 260	(109 477)	48 384	(61 093)	-	-	-	76 172
Other comprehensive income:											
Actuarial gain/loss on post-retirement health care OCI	25	-	24 973	24 973	-	-	-	-	-	-	24 973
Total comprehensive income		**-**	**162 233**	**162 233**	**(109 477)**	**48 384**	**(61 093)**	**-**	**-**	**-**	**101 140**
Transfers between reserves		5 903	(5 903)	-	41 061	(805)	40 256	(40 256)	-	(40 256)	-
Balance at 31 December 2024	24	**163 045**	**3 091 661**	**3 254 706**	**1 813 258**	**386 483**	**2 199 741**	**281 926**	**3 880 044**	**4 161 970**	**9 616 417**

Consolidated statement of cash flows

Figures in R `000	Notes	Group 2024	Group 2023	University 2024	University 2023
Cash generated from operating activities					
Cash generated from operations	31	234 961	946 594	(275 310)	406 713
Interest Paid		(77 809)	(72 360)	(69 543)	(65 618)
Tax paid	36	(1 925)	(1 936)	-	-
Net cash inflow from operating activities		**155 227**	**872 298**	**(344 853)**	**341 095**
Cash flows from investing activities					
Purchase of property, plant and equipment		(788 574)	(607 505)	(476 556)	(499 838)
Purchase of intangible assets		(7 616)	(8 022)	(7 616)	(8 022)
Proceeds on disposal of property, plant and equipment		212 485	3 992	202 175	357
Purchase of investments		(7 424 962)	(6 007 210)	(6 967 560)	(5 634 140)
Proceeds on disposal of investments		8 152 380	6 197 117	7 775 277	5 857 216
Investment income capitalised		(409 748)	(447 211)	(391 821)	(420 920)
Transactions charged to controlled entities		-	-	(61 981)	(217 863)
Decrease/(Increase) in interest in associated entities		3 749	12 040	5 346	8 538
Transactions charged by controlled entities		-	-	-	284 963
Loans advanced to controlled entities		-	-	(157 000)	-
Interest received		618 006	347 207	449 113	336 619
Dividends received		71 410	61 708	74 134	50 528
Net cash used in investing activities		**427 130**	**(447 883)**	**443 511**	**(242 561)**
Cash flows from financing activities					
Payment of principal portion of lease liabilities		(40 069)	(40 976)	(25 092)	(42 207)
Repayment of interest-bearing borrowings		(19 680)	(8 426)	(14 545)	(7 719)
Payment of post-medical retirement benefits		(48 869)	-	(48 869)	-
Net cash inflow from financing activities		**(108 618)**	**(49 402)**	**(88 506)**	**(49 926)**
Net increase in cash and cash equivalents		473 737	375 013	10 152	48 608
Cash and cash equivalents at beginning of the year		3 165 310	2 790 297	187 450	138 842
Cash and cash equivalents at end of the year	**23**	**3 639 046**	**3 165 310**	**197 602**	**187 450**

Accounting policies

1. General information

The University of the Witwatersrand - Johannesburg, is a Higher Educational Institution governed by the Higher Education Act of 1997 (as amended). The University provides Higher Education and has very active and broad based research programmes. The University has various entities incorporated to meet the specific needs of the various activities of the University, evolving into a Wits Group.

2. Summary of material accounting policies

2.1 Statement of compliance

The consolidated and separate financial statements of the Wits Group were prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS ® Accounting Standards), interpretations issued in accordance with the IFRS interpretations Committee (IFRS IC), requirements as issued by the International Accounting Standard Board (IASB), and in the manner required by the Minister of Higher Education and Training in terms of section 41 of the Higher Education Act of

The consolidated financial statements comprise the annual financial statements of the University and its related entities as at 31 December each year.

2.2 Basis of preparation

The consolidated and separate financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

The preparation of the annual financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the annual financial statements, and the reported amounts of revenues and expenses during the reporting years. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

These financial statements are prepared and presented in South African Rands (ZAR) and rounded to the nearest thousand as the functional and presentation currency. The accounting policies adopted are consistent with those of the previous year, except where the Group has adopted the International Financial Reporting Standards amendments that became effective during the year.

2.3 International Financial Reporting Standards, amendments and interpretations issued but not yet effective for 31 December 2024 year-ends

The following new accounting standards, amendments and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the University in the current or future reporting periods and on foreseeable future transactions.

- IFRS 7 Financial Instruments: Disclosures
- Amendments to the classification and measurement of Financial Instruments - Amendments to IFRS 7
- IFRS 18: Presentation and Disclosure in Financial Statements
- IFRS 19: Subsidiaries without Public Accountability: Disclosures

2.4 Significant accounting judgements and estimates

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the

Accounting policies

Summary of material accounting policies continued...

annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Revenue from contracts with customers

The Group applied the following judgments that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of satisfaction of research contracts

The Group concluded that the revenue for research services is to be recognized over time because the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another entity would not need to re- perform the research that the Group has undertaken to date demonstrates that the customer simultaneously receives and consumes the benefits provided by the Group. The Group recognizes revenue on the basis of stage completion for each research contract. The stage of completion is determined according to the deliverables noted in each contract, as well as the Group's performance against them.

Provision for expected credit losses

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped together on shared risk characteristics and the days past due. The expected loss rates are based on the underlying make-up of the receivable, payment trends and history of the market, political and social conditions for each category.

Contingent liabilities

Management applies its judgement to advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. This judgement application is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

Tangible assets

Management has made certain estimations with regards to the determination of estimated useful lives and residual values of items of property, plant and equipment.

Taxation

The University has received an Income Tax exemption, however related entities in the group are not exempt from taxation, and therefore the following taxation policies are applicable to the Group and not the University:

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the group to make significant estimates related to expectations of future taxable income.

Accounting policies

Summary of material accounting policies continued...

Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differsignificantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the Statement of Financial Position date could be impacted.

Post retirement obligations

The Group provides post-retirement healthcare benefits to its retirees. The entitlement to these benefits apply to employees employed by the Group before 1 January 2006, and is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period.

The liability recognised in the Statement of Financial Position in respect of post-retirement healthcare benefits is the present value of the obligation. The present value of the post-retirement healthcare obligation is determined by discounting the estimated future cash outflows at reasonable interest rates. The current service costs are recognised as an expense in the period that the relevant employee services are received.

The post-retirement healthcare obligation is calculated annually by independent actuaries using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, are recognised immediately in the statement of financial position with a corresponding debit or credit to the accumulated reserves through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

2.5 Basis of consolidation

Business combinations

Subsidiaries are all entities over which the Wits Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations are accounted for using acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition costs incurred are expensed and included in administrative expenses. When there is a disposal or loss of control of a related entity, the consolidated financial statements would include the results for the part of the reporting period during which the Group had control. Any difference between the net proceeds on disposal and the carrying amount of the subsidiary is recognized in the surplus for the respective period.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9: Financial instruments, is measured at fair value with changes in fair value recognized in profit or loss.

Accounting policies

Summary of material accounting policies continued...

All inter-company transactions, balances and unrealised surpluses and deficits between group companies are eliminated. Where necessary, accounting policies for controlled entities have been changed to ensure consistency with the policies adopted by the University of the Witwatersrand - Johannesburg.

Associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control. Investment in joint arrangements are classified as either joint operations or joint venture, depending on the contractual rights and obligations of each investor rather than the legal structure of the joint arrangement.

At the University and Group, the investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has uncured legal or constructive obligations or made payments on behalf of the associate or joint venture.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate and joint ventures are impaired. If this is the case, the Group calculate the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount separately in the statement of profit or loss and other comprehensive income.

Profit or loss and unrealized gains resulting from upstream and downstream transactions between the Group and its associates and joint ventures are recognized in the Group's financial statements only to the extent of unrealized investor's interest in the associates and joint ventures. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the University.

The consolidated annual financial statements incorporate the assets, liabilities and operations of the following University entities:

- University of the Witwatersrand Foundation - Non-profit trust of the University
- Wits Commercial Enterprises (Pty) Ltd - Wholly-owned subsidiary of the University
- Wits Health Consortium (Pty) Ltd - A wholly owned subsidiary of the University
- Wits Junction Residences (Pty) Ltd - A wholly owned subsidiary of the University
- Wits Incubator (Pty) Ltd - A wholly owned subsidiary of the University
- WitsPlus (Pty) Ltd - A wholly owned subsidiary of the University
- Third Stream (Pty) Ltd - A wholly-owned subsidiary of Wits Health Consortium (Pty) Ltd

Accounting policies

Summary of material accounting policies continued...

- » The Wits University Donald Gordon Medical Centre (Pty) Ltd – Joint Venture 50.1% shareholding
- » Smartspot Quality (Pty) Ltd - Associate of Wits Commercial Enterprise (Pty) Ltd holding 3.5% interest

2.6 Foreign currencies

Foreign currency transactions are accounted for in Rands at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income in the year in which they arise. Balances denominated in a foreign currency and outstanding at year end are translated at year end exchange rates.

2.7 Property, plant and equipment

Land and buildings comprise mainly of buildings which house lecture theatres, offices, laboratories, sport facilities, residences, hospitals and related buildings. Property and equipment are initially recorded at cost. Subsequent these are measured at cost less accumulated depreciation and impairment.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount when they meet the recognition criteria of property and equipment. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Maintenance and repairs, which do not meet these criteria, are expensed as incurred. Donated assets to the Group are recognised at fair value at the date of donation.

Land is not depreciated as it is deemed to have an indefinite useful life. Depreciation on assets commences when it is available for use as intended by management.

Depreciation is calculated on the straight-line method to write off the cost of assets to their residual values over their estimated useful lives as follows:

Buildings	20-200 years
Leasehold improvements	Shorter of lease and useful life
Computer equipment	3-10 years
Furniture, equipment and machinery	5-20 years
Vehicles	7-15 years
Education and laboratory equipment	5-20 years
Artwork	25 years
Right of use assets	Shorter of lease and useful life

- Library books and periodicals are written off in the year acquired.

Accounting policies

Summary of material accounting policies continued...

At the end of each reporting period, management revies the estimated useful lives and residual values of property, plant and equipment to ensure they remain appropriate. To assess asset useful lives, management examines factories such as the extent to which fully depreciated assets are still actively used. Where the above estimated useful lives are inappropriate for a specific asset, management adjusts the depreciation rate for the specific asset to a more appropriate useful life.

Derecognition

The carrying amount of an item of property and equipment is derecognized on disposal or when no future economic benefits

are expected from its use or disposal and the gain or loss arising from the derecognition of an item of property and equipment is included in profit or loss when the item is derecognised.

2.8 Intangible assets

Intangible assets comprise of an ERP system and IT software. These assets are initially recorded at cost and subsequently measured at cost less accumulated amortisation and impairment.

Amortised is charged on the straight-line method over the estimated useful lives of the assets. The estimated maximus useful lives are:

ERP System	10 years
IT Software	3 years

The carrying amount is reviewed annually and adjusted for impairment where it is considered necessary. The assets' residual values and useful lives are reviewed, and adjusted if appropriate at each reporting date.

2.9 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount for an individual asset, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

An asset's recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. 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. In determining fair value less costs to sell, recent market transactions are taken into account, if available.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another IFRS standard, in which case the impairment loss is treated as a revaluation decrease under that IFRS standard to the extent of the revaluation surplus with any excess recognised as an expense in the statement of comprehensive income (OCI).

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount

Accounting policies

Summary of material accounting policies continued...

does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another IFRS standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that other IFRS standard.

Assets that have an indefinite useful life are not subject to amortisation.

2.10 Financial instruments

(i) Classification

Classification of a financial instrument, or its component parts takes place on initial recognition. Each instrument is classified as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

Financial assets classification

The Group classifies its financial assets in the following measurement categories

» Financial assets subsequently measured at fair value through profit or loss; and

» Financial assets subsequently measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The group reclassifies debt investments when and only when its business model for managing those assets changes.

For assets measured at fair value, gains and losses are recorded in the statement of comprehensive income as net changes in fair value of investments.

Financial liabilities classification

The Group classifies financial liabilities into the following category:

» Financial liabilities subsequently measured at amortised cost.

The Group does not carry any financial liabilities at fair value through profit or loss. Management determines the classification of the financial liabilities at initial recognition, and re-evaluates this designation at each reporting date.

The Group's financial liabilities are borrowings, trade and other payables, and other liabilities.

(ii) Initial recognition and measurement

Purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(iii) Subsequent measurement

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Accounting policies

Summary of material accounting policies continued...

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in surplus or deficit. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of comprehensive income and recognised in other gains/ (losses).
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the statement of comprehensive income and presented in net changes in fair value of investments in the period in which it arises.

(b) Equity instruments

Changes in the fair value of financial assets at FVPL are recognised in other gains/ (losses) in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(c) Investments

Investment Mandates confer to the Asset Managers complete (or sole and absolute) discretion, subject to the restrictions imposed by law, by the University or the agreements themselves, to manage the investment portfolios by purchasing and selling investments as well as investing or reinvesting of cash proceeds, dividends and interest accruing from the investments, within the ambits of the Investment Mandates so as to attain the investment objectives.

All investments previously classified as available-for-sale are with effect from 01 January 2018 classified as investment financial assets. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

University investments are made in unit trusts, global balanced funds, non-discretionary tailored funds, deposit notes and shares.

Equity instruments are held for trading and are required to be classified as FVPL, with dividend income recognised in the statement of comprehensive income, as management has not made an irrevocable choice to categorize equity instruments through Other Comprehensive Income, these instruments are therefore categorised as FVPL.

Investments categorised as debt instruments have been assessed by management as not qualifying for measurement at either amortised cost or fair value through other comprehensive income as they are held for trading and are therefore classified as FVPL, with interest income recognised in surplus or deficit.

Accounting policies

Summary of material accounting policies continued...

Gains and losses arising from changes in fair value of investment financial assets are recognised in the statement of comprehensive income as net changes in fair value of investments.

Interest and dividend income are taken to the statement of comprehensive income in the period in which they arise.

(iv) Derecognition

Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial asset are transferred.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are disharged or cancelled, or expire. The

University also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are

substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

(v) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires a lifetime expected loss allowance to be recognised from initial recognition of the receivables.

2.11 Leases

At inception of a contract, the group assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. At inception or reassessment of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Group as a lessee

The group recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability, plus any initial direct costs incurred and less any incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant, and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The Group uses the incremental borrowing rate as the discount rate. The lease payments included in the measurement of the liability comprise of the following:

Accounting policies

Summary of material accounting policies continued...

- Fixed payments, or variable lease payments that depend on an index or a rate, initially measured using the index or the rate as at the commencement date; and
- Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or a rate, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in the statement of comprehensive income if the carrying amount of the right of use asset has been reduced to zero.

The group presents the right of use assets as non–current assets and lease liabilities in borrowings in the statement of financial position.

Short term leases and leases of low value assets

The group has elected not to recognise the right of use assets and lease liabilities for short term leases of equipment that have a lease term of 12 months or less and leases of low value assets, including IT equipment. The threshold for these low value assets is R75 000. The group recognises the lease payments associated with these as an expense on a straight-line basis over the lease term.

Group as a lessor

When the group acts as lessor, it determines at lease inception whether each lease is a finance lease or operating lease. To classify each lease, the group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying assets. If this is the case, the lease is classified as a finance lease, if not, as an operating lease.

The group recognises lease payments received under operating leases as income on a straight line basis over the term of the lease as part of other income.

2.12 Taxation

Income tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the

extent that the tax arises from:

- transaction or event which is recognised, in the same or a different period, directly in equity, or
- business combination.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

2.13 Employee benefits

Pension obligations

The pension schemes comprise two state controlled defined benefit plans and two privately administered defined contribution plans. The pension plans are funded by contributions from the Group, taking account of the recommendations of independent qualified actuaries and are charged to the statement of comprehensive income in the year to which they relate. The Group has no further payment obligations once the contributions have been paid.

Leave accrual

Entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
3. Revenue from contracts with customers				
The Group disaggregates the revenue from contracts with customers as follows:				
3.1 State subsidies and grants				
State subsidy for general purpose assistance	2 556 378	2 582 817	2 549 125	2 576 016
State subsidies for grants	158 613	168 833	158 578	168 833
	2 714 991	**2 751 650**	**2 707 703**	**2 744 849**
3.2 Tuition and other fee income				
Tuition fees	2 278 336	2 143 191	2 278 336	2 137 010
Short course revenue	276 426	187 729	169 612	187 729
Student and staff accommodation	373 370	425 322	373 370	425 322
	2 928 132	**2 756 242**	**2 821 318**	**2 750 061**
Number of students enrolled at the University	**41 292**	41 260	**41 292**	41 260
3.3 Research income contracts				
Statutory bodies	232 778	250 236	232 778	250 236
Research External Donor Funded	3 424 881	3 101 800	17 053	16 620
	3 657 659	**3 352 035**	**249 831**	**266 856**
3.4 Private gifts and grants income				
Donations non-research	12 859	15 875	12 859	19 121
Bursaries and scholarships	151 957	136 403	151 957	136 403
Donations / unconditional gift	9 105	50 309	3 661	4 494
	173 921	**202 587**	**168 477**	**160 018**
Timing of revenue recognition:				
At a point in time	305 754	404 045	177 106	167 048
Over time	9 300 781	8 859 927	5 778 852	5 761 766
Total revenue from contracts with customers	**9 606 535**	**9 263 972**	**5 955 957**	**5 928 814**
4. Other income				
Admin and management fees received	269 560	262 688	-	-
Rental received	20 094	161 801	12 628	16 884
External Income - Restricted	720 382	689 100	780 744	671 656
Cost recovery Income	23 560	21 311	23 560	21 311
Rental Income from Wits Junction	-	-	74 652	68 900
Pharmaceutical Income	202 566	347 658	-	-
Property income - Frankenwald	3 717	22 497	3 717	22 497
Sundry income	69 828	24 284	86 003	192 116
Total other income	**1 309 708**	**1 529 339**	**981 303**	**993 364**
5. Net fair value gain/(loss) on financial assets				
Fair value gain/(loss) - equities	217 657	140 985	174 739	139 483
Fair value gain/(loss)- debt instruments	52 625	46 850	42 922	10 232
Net fair value gain	**270 283**	**187 835**	**217 661**	**149 714**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
6. Interest, dividends and exchange rate gain/ (loss)				
Interest income from investments	338 338	347 207	326 735	336 619
Interest income from bank accounts	177 248	199 585	9 811	6 135
Interest income from other receivables	115 047	125 725	115 047	125 725
Total Interest	**630 633**	**672 517**	**451 593**	**468 479**
Dividend income from investments	71 410	61 708	58 334	49 955
Dividend income from related parties	-	-	15 800	573
Total interest and dividends	**702 043**	**734 225**	**525 727**	**519 007**
Exchange rate gain/(loss)	(12 627)	25 832	(2 480)	13
Total interest, dividends and exchange rate gain	**689 418**	**760 057**	**523 250**	**519 020**
7. Employee benefits expense				
Remuneration - Academic	2 660 376	2 486 432	2 465 346	2 331 976
Remuneration - Professional, Administrative, and other	3 343 802	3 215 800	1 280 946	1 209 978
Pension costs - Academic and other	444 836	407 630	444 836	407 630
Actuarial gain/(loss) in post-retirement benefits	24 973	(1 967)	24 973	(1 967)
Total employee benefits expense	**6 473 987**	**6 107 895**	**4 216 101**	**3 947 617**
8. Finance costs				
Finance cost - Interest-bearing borrowings	96 456	87 107	90 233	87 107
Finance cost - Lease liabilities	10 330	10 592	6 588	3 940
Total finance costs	**106 786**	**97 699**	**96 821**	**91 047**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
9. Other operating expenses				
The following items are included in other operating expenses:				
Academic expenses	26 546	32 368	25 155	30 737
Admin and management fees paid	269 560	262 688	-	-
Advertising and marketing cost	72 124	74 746	62 958	66 224
Audit fees (Statutory audit & other audits)	36 226	39 401	20 005	22 435
Books, journals and electronic media	192 236	133 479	183 984	132 389
Bursaries	683 294	498 436	665 597	497 711
Cleaning and catering	106 246	104 006	89 459	86 663
Consulting fees	263 408	189 705	100 118	66 066
Cost of inventory	22 092	57 085	15 999	17 270
Fixed Property cost	398 150	352 493	326 472	312 317
Hospital access fees	30 182	29 732	30 182	29 732
I.T related costs	340 496	190 425	233 872	125 079
Insurance	31 641	30 531	23 505	19 795
Lab consumables	173 010	173 893	57 045	55 761
Printing and stationery	55 285	76 481	37 058	52 210
Repairs and maintenance	221 254	184 834	188 338	152 784
Research expenses	154 449	209 544	154 896	190 932
Travel and related expenses	337 535	331 625	234 264	208 995
	3 413 734	**2 971 472**	**2 448 908**	**2 067 102**
Other expenses*	813 138	939 354	549 330	484 664
Total other operating expenses	**4 226 872**	**3 910 826**	**2 998 238**	**2 551 766**

**Included in this line item is security expenses (R255m), commission expenses (R9m), Donation expense (R225m), Course expenses (R12m), Lease charges (R1.2m), Agency fees (R35m) and other various immaterial expenses.*

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

10. Property, plant and equipment

Balances at year end and movements for the year

	Land and buildings	Furniture, Equipment & Other*	Vehicles	Total
Reconciliation for the year ended 31 December 2024 - Group				
Balance at 1 January 2024				
At cost	8 366 892	2 983 452	215 276	**11 565 620**
Accumulated depreciation	(783 840)	(2 036 062)	(101 981)	**(2 921 883)**
Opening net book value	**7 583 052**	**947 390**	**113 295**	**8 643 736**
Movements for the year ended 31 December 2024				
Additions	398 664	374 534	15 376	**788 574**
Depreciation	(67 020)	(239 976)	(24 225)	**(331 221)**
Increase (decrease) through other changes	(2 465)	1 891	809	**233**
Disposals	(174 280)	(7 708)	(1 006)	**(182 994)**
Closing net book value	**7 737 951**	**1 076 131**	**104 249**	**8 918 332**
Closing balance at 31 December 2024				
At cost	8 580 770	3 293 573	227 008	**12 101 352**
Accumulated depreciation	(842 818)	(2 217 444)	(122 759)	**(3 183 021)**
Net book value	**7 737 951**	**1 076 131**	**104 249**	**8 918 332**

Details of land and buildings are available for inspection at the office of the University and its related entities. The University and its related entities are not permitted to dispose of, or otherwise alienate, their land and buildings without the approval of the Minister of Higher Education and Training.

* Other equipment includes Laboratory and education equipment, Artwork and Computer Equipment.

	Land and buildings	Furniture, Equipment & Other*	Vehicles	Total
Reconciliation for the year ended 31 December 2023 - Group				
Balance at 1 January 2023				
At cost	8 137 046	3 214 035	186 563	**11 537 644**
Accumulated depreciation	(746 848)	(2 336 057)	(87 381)	**(3 170 286)**
Opening net book value	**7 390 198**	**877 978**	**99 182**	**8 367 358**
Movements for the year ended 31 December 2023				
Additions	253 861	313 635	40 016	**607 513**
Depreciation	(57 887)	(241 982)	(22 037)	**(321 906)**
Increase (decrease) through other changes	-	(2 090)	-	**(2 090)**
Disposals	(334)	(2 483)	(4 323)	**(7 140)**
Reclassification	(2 786)	2 332	457	**-**
Closing net book value	**7 583 052**	**947 390**	**113 295**	**8 643 736**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

Property, plant and equipment continued...

Closing balance at 31 December 2023				
At cost	8 366 892	2 983 452	215 276	**11 565 620**
Accumulated depreciation	(783 840)	(2 036 062)	(101 981)	**(2 921 883)**
Carrying amount	**7 583 052**	**947 390**	**113 295**	**8 643 736**
Reconciliation for the year ended 31 December 2024 - University				
Balance at 1 January 2024				
At cost	8 198 513	2 597 223	64 323	**10 860 059**
Accumulated depreciation	(710 271)	(1 760 918)	(44 453)	**(2 515 642)**
Opening net book value	**7 488 242**	**836 305**	**19 870**	**8 344 417**
Movements for the year ended 31 December 2024				
Additions	187 664	278 375	10 516	**476 556**
Depreciation	(51 191)	(176 664)	(5 843)	**(233 699)**
Increase (decrease) through other changes	-	233	-	**233**
Disposals	(171 320)	(1 386)	(1)	**(172 707)**
Closing net book value	**7 453 395**	**936 863**	**24 543**	**8 414 799**
Closing balance at 31 December 2024				
At cost	8 212 329	2 846 141	70 888	**11 129 358**
Accumulated depreciation	(758 934)	(1 909 278)	(46 347)	**(2 714 559)**
Net book value	**7 453 395**	**936 863**	**24 543**	**8 414 799**

Reconciliation for the year ended 31 December 2023 - University	**Land and buildings**	**Furniture, Equipment & Other***	**Vehicles**	**Total**
Balance at 1 January 2023				
At cost	7 975 365	2 388 707	57 678	**10 421 750**
Accumulated depreciation	(663 843)	(1 631 632)	(39 291)	**(2 334 766)**
Carrying amount	**7 311 522**	**757 075**	**18 387**	**8 086 984**
Movements for the year ended 31 December 2023				
Additions	223 148	270 054	6 636	**499 838**
Depreciation	(46 428)	(189 581)	(5 162)	**(241 170)**
Increase/(decrease) through other changes	-	97	15	**112**
Disposals	-	(1 340)	(6)	**(1 346)**
Closing net book value	**7 488 242**	**836 305**	**19 870**	**8 344 417**
Closing balance at 31 December 2023				
At cost	8 198 513	2 597 223	64 323	**10 860 059**
Accumulated depreciation	(710 271)	(1 760 918)	(44 453)	**(2 515 642)**
Carrying amount	**7 488 242**	**836 305**	**19 870**	**8 344 417**

Figures in R `000

11. Right of use assets

	Land and Buildings	Furniture and Equipment	Vehicles	Total
Reconciliation for the year ended 31 December 2024 - Group				
Balance at 1 January 2024				
At cost	95 756	33 289	-	**129 045**
Accumulated depreciation	(64 517)	(9 846)	-	**(74 363)**
Carrying amount	**31 240**	**23 443**	**-**	**54 682**
Movements for the year ended 31 December 2024				
Additions	8 032	720	58 319	**67 071**
Depreciation	(16 377)	(7 881)	(11 664)	**(35 922)**
Closing net book value	**22 895**	**16 282**	**46 655**	**85 833**
Closing balance at 31 December 2024				
At cost	100 122	34 010	58 319	**192 451**
Accumulated depreciation	(77 227)	(17 728)	(11 664)	**(106 619)**
Net book value	**22 895**	**16 282**	**46 655**	**85 833**
Reconciliation for the year ended 31 December 2023 - Group				
Balance at 1 January 2023				
At cost	154 338	27 030	55 648	**237 016**
Accumulated depreciation	(107 573)	(7 909)	(44 518)	**(160 000)**
Carrying amount	**46 765**	**19 121**	**11 130**	**77 016**
Movements for the year ended 31 December 2023				
Additions	16 390	12 905	-	**29 295**
Depreciation	(19 358)	(8 583)	(11 130)	**(39 072)**
Lease terminations/disposals	(12 558)	-	-	**(12 558)**
Closing net book value	**31 240**	**23 443**	**-**	**54 682**
Closing balance at 31 December 2023				
At cost	95 756	33 289	-	**129 045**
Accumulated depreciation	(64 517)	(9 846)	-	**(74 363)**
Carrying amount	**31 240**	**23 443**	**-**	**54 682**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

Right of use assets continued...

Reconciliation for the year ended 31 December 2024 - University	**Land and Buildings**	**Furniture and Equipment**	**Vehicles**	**Total**
Balance at 1 January 2024				
At cost	-	33 289	-	**33 289**
Accumulated depreciation	-	(9 846)	-	**(9 846)**
Net book value	**-**	**23 442**	**-**	**23 443**
Movements for the year ended 31 December 2024				
Additions	-	720	58 319	**59 039**
Depreciation	-	(7 881)	(11 664)	**(19 545)**
Closing net book value	-	16 282	46 655	**62 937**
Closing balance at 31 December 2024				
At cost	-	34 010	58 319	**92 329**
Accumulated depreciation	-	(17 728)	(11 664)	**(29 392)**
Net book value	**-**	**16 282**	**46 655**	**62 937**
Reconciliation for the year ended 31 December 2023 - University				
Balance at 1 January 2023				
At cost	75 345	27 030	55 648	**158 023**
Accumulated depreciation	(62 787)	(7 909)	(44 518)	**(115 214)**
Net book value	**12 558**	**19 120**	**11 130**	**42 809**
Movements for the year ended 31 December 2023				
Additions	-	12 905	-	**12 905**
Depreciation	-	(8 583)	(11 130)	**(19 713)**
Lease terminations/disposals	(12 558)	-	-	**(12 558)**
Closing net book value	-	23 443	-	**23 443**
Closing balance at 31 December 2023				
At cost	-	33 289	-	**33 289**
Accumulated depreciation	-	(9 846)	-	**(9 846)**
Carrying amount	**-**	**23 443**	**-**	**23 443**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

12. Intangible assets

	Computer software	ERP System	Total
Reconciliation for the year ended 31 December 2024 - Group			
Balance at 1 January 2024			
At cost	1 102	331 483	**332 585**
Accumulated amortisation	(276)	(259 515)	**(259 791)**
Carrying amount	**826**	**71 967**	**72 794**
Movements for the year ended 31 December 2024			
Additions	-	7 616	**7 616**
Amortisation	(338)	(2 235)	**(2 573)**
Increase (decrease) through other changes	(40)	315	**275**
Carrying amount at year end	**448**	**77 665**	**78 115**
Closing balance at 31 December 2024			
At cost	1 064	336 217	**337 281**
Accumulated amortisation	(615)	(258 552)	**(259 167)**
Carrying amount	**448**	**77 665**	**78 115**
Reconciliation for the year ended 31 December 2023 - Group			
Balance at 1 January 2023			
At cost	1 348	323 461	**324 809**
Accumulated amortisation	(274)	(251 605)	**(251 879)**
Carrying amount	**1 074**	**71 856**	**72 933**
Movements for the year ended 31 December 2023			
Additions	-	8 022	**8 022**
Amortisation	(2)	(7 910)	**(7 912)**
Disposals	(246)	-	**(246)**
Carrying amount at year end	**826**	**71 968**	**72 794**
Closing balance at 31 December 2023			
At cost	1 102	331 483	**332 585**
Accumulated amortisation	(276)	(259 515)	**(259 791)**
Carrying amount	**826**	**71 968**	**72 794**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

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Intangible assets continued...

	Computer software	ERP System	Total
Reconciliation for the year ended 31 December 2024 - University			
Balance at 1 January 2024			
At cost	1 102	331 483	**332 585**
Accumulated amortisation	(276)	(259 515)	**(259 791)**
Carrying amount	**826**	**71 968**	**72 794**
Movements for the year ended 31 December 2024			
Additions	-	7 616	**7 616**
Amortisation	(338)	(2 235)	**(2 573)**
Increase (decrease) through other changes	(40)	315	**275**
Carrying amount at year end	**448**	**77 665**	**78 115**
Closing balance at 31 December 2024			
At cost	1 064	336 217	**337 281**
Accumulated amortisation	(615)	(258 552)	**(259 167)**
Carrying amount	**448**	**77 665**	**78 115**
Reconciliation for the year ended 31 December 2023 - University			
Balance at 1 January 2023			
At cost	1 348	323 461	**324 809**
Accumulated amortisation	(274)	(251 605)	**(251 879)**
Carrying amount	**1 074**	**71 856**	**72 930**
Movements for the year ended 31 December 2023			
Additions	-	8 022	**8 022**
Amortisation	(2)	(7 910)	**(7 912)**
Disposals	(246)	-	**(246)**
Carrying amount at year end	**826**	**71 968**	**72 794**
Closing balance at 31 December 2023			
At cost	1 102	331 483	**332 585**
Accumulated amortisation	(276)	(259 515)	**(259 791)**
Carrying amount	**826**	**71 968**	**72 794**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023

13. Goodwill

Opening balance	486	486	-	-
Closing balance	**486**	486	-	-

Effective 1 March 2013, Wits Health Consortium Proprietary Limited acquired 100% of the issued share capital of Third Stream (previously Speer Management Services) Proprietary Limited and as a result, goodwill arose on consolidation. External and Internal factors surrounding the business operations play a role in determining an indication of impairment. In addition, the carrying amount of goodwill is subject to an annual impairment test.

Impairment of goodwill arises when the recoverable amount of the CGU, including goowill, is less than the carrying value. The recoverable amount is determined as the greater of the fair value less costs to sell or the value in use. Impairment indicator assessments were conducted for the year end reporting period and concluded that there is no indicator to impair goodwill.

Key assumptions used for value-in-use calculations:

The discount rate of 9.7% has been applied to the five year forecast period. Discount rates applied to cash flows projections are based on a country or region-specific discount rate, dependent upon the location of cash-generating operations.

Long-term growth rate of 10.7% is based on long-term inflationary and currency expactations for various industries in South Africa.

14. Investment in joint venture

Details of the material Joint Venture

Name of Joint Venture	Principal Activity	Place of Incorporation	Reporting date	Percentage holdings
Wits University Donald Gordon Medical Centre (Pty) Ltd	Private healthcare	Johannesburg, South Africa	31 December	50.1%
SmartSpot Quality Proprietary Limited	Research & Consulting	Johannesburg, South Africa	31 December	3.5%

Reconciliation of the carrying value of the interest in Wits University Donald Gordon Medical Centre (Pty) Ltd:

	Group 2024	Group 2023	University 2024	University 2023
Share Capital	2 802	2 802	2 802	2 802
Share Premium	2 500	2 500	2 500	2 500
Shareholder's loan^	109 445	109 445	109 445	109 445
Less: loss allowance	(27 606)	(16 144)	(31 980)	(26 634)
Share of profit/(loss)	(4 373)	(12 040)	-	-
Administered funds	(2)	(2)	(2)	(2)
Carrying amount at year-end	**82 767**	**86 562**	**82 766**	**88 112**

The carrying amount for SmartSpot at year-end is R47 thousand.

^The loan is interest free and is repayable only when the parties agree in writing. The loan has been subordinated to the extent of the amount owing to The Standard Bank of South Africa Limited by the medical centre. This loan has been subordinated in favour of the bank and will remain in force up until and including the date on which the bank's claims are settled in full or the date on which the facilities are terminated or cancelled, whichever is the later date.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
15. Loan receivable (payable) to/from group company				
Current loans				
Loan to/(from) University of the Witwatersrand Foundation			17 680	(28 403)
Loan to/(from) Wits Health Consortium (Pty) Ltd			-	(2 200)
Loan (from)/to Wits Commercial Enterprise (Pty) Ltd)			(932)	(66)
Loan (from)/ to WitsPlus (Pty) Ltd			(18 517)	-
Total Current loans			**(1 769)**	**(30 669)**
Non-current loans				
Loan to Wits Junction (Pty) Ltd*			79 993	46 912
Loan to Wits Health Consortium (Pty) Ltd**			147 000	-
Loan to WitsPlus (Pty) Ltd***			10 000	-
Total Non-current loans			**236 993**	**46 912**

*The loan is unsecured, bears no interest and has no fixed terms of repayment. The Shareholder, University of the Witwatersrand, Johannesburg agrees to subordinate its loan as long as the assets of Wits Junction exceeds its liabilities as fairly valued.

**The University granted it's subsidiary, Wits Health Consortium (Pty) Ltd the loan of R147million for the acquisition of a property known as "Isle of Houghton". This loan bears no interest with no fixed dates and terms of repayment.

*** The purpose of the loan to WitsPlus (Pty) Ltd was to ensure that its operations are active and effective, including recruitment of staff, the provision of office space and the general operations of the company. The loan bears no interest and is repayable at a time mutually agreed upon by the parties.

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
16. Inventories				
Books, material and merchandise	**8 576**	22 638	**5 985**	15 773

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
17. Trade and other receivables				
Financial assets:				
Trade Receivables	224 003	228 131	145 184	230 568
Trade Receivables Impairment	(46 861)	(62 833)	(36 452)	(53 887)
Total trade receivables	**177 142**	**165 298**	**108 731**	**176 681**
Student debtors	1 240 226	1 420 852	1 240 226	1 420 852
Student debtors Impairment	(712 223)	(736 842)	(712 223)	(736 842)
Total student debtors	**528 002**	**684 010**	**528 002**	**684 010**
Non-financial assets:				
Prepaid expenses	168 644	163 824	163 012	157 460
Other receivables	510 882	467 075	81 122	96 427
Value added tax	60 984	54 447	1 661	-
Total trade and other receivables	**1 445 653**	**1 534 655**	**882 528**	**1 114 578**

Impairment and risk exposure

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped together on shared risk characteristics and the days past due.

The expected loss rates are based on the underlying make-up of the receivable, payment trends and history of the market, political and social conditions for each category.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due date.

The ageing of trade receivables is as follows:

	224 003	228 131	**145 184**	230 568
Up to 30 days	131 550	60 619	42 879	112 519
30-60 days	30 005	62 053	22 907	37 979
60-90 days	8 945	17 262	2 688	7 442
Over 90 days	53 503	88 197	76 710	72 628
Provision for loss allowance	**(46 861)**	(62 833)	**(36 452)**	(53 887)
Net	**177 142**	**165 298**	**108 731**	**176 681**

Movements in the provision for loss allowance of trade receivables are as follows:

At 1 January	62 833	48 798	53 887	39 800
Provision for loss allowance	(15 440)	14 225	(16 900)	14 276
Receivables written off during the year	(534)	(189)	(534)	(189)
At 31 December	**46 858**	**62 833**	**36 452**	**53 887**

The loss allowance as at 31 December 2024 in accordance with IFRS 9 was determined as follows for trade receivables.

Figures in R `000

Notes to the Consolidated and Separate Financial Statements

Trade and other receivables continued...

31 December 2024	Current to 90 days	Over 90 days	Total
University			
Expected loss rate	0%	48%	25%
Gross carrying amount - trade receivables	68 474	76 710	145 184
Loss allowance	-	36 452	36 452
Group			
Expected loss rate	0%	88%	21%
Gross carrying amount - trade receivables	170 500	53 503	224 003
Loss allowance	-	46 858	46 858

The loss allowance as at 31 December 2023 in accordance with IFRS 9 was determined as follows for trade receivables.

31 December 2023	Current to 90 days	Over 90 days	Total
University			
Expected loss rate	0%	74%	23%
Gross carrying amount - trade receivables	157 940	72 628	230 568
Loss allowance	-	53 887	53 887
Group			
Expected loss rate	0%	71%	28%
Gross carrying amount - trade receivables	139 934	88 197	228 131
Loss allowance	-	62 833	62 833

Student receivables

Student debtors that are less than one year past due at 31 December 2024 but have been paid by 28 February 2025 are not considered impaired. As at 31 December 2024, student debtors for R472 million (2023: R300 million) were past due but not impaired.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023

Trade and other receivables continued...

The ageing of student debtors is as follows:

Students enrolled for the current year	724 216	946 147	724 216	946 147
Students enrolled for previous years	516 009	474 705	516 009	474 705
Subtotal	**1 240 225**	**1 420 852**	**1 240 225**	**1 420 852**
Less: Provision for loss allowance	(712 223)	(736 842)	(712 223)	(736 842)
	528 002	**684 010**	**528 002**	**684 010**

Movements in the provision for loss allowance of student debtors are as follows:

At 1 January	736 842	772 425	736 842	772 425
Provision for loss allowance	112 704	134 349	112 704	134 349
Receivables written off during the year	(137 323)	(169 932)	(137 323)	(169 932)
At 31 December	**712 223**	736 842	**712 223**	736 842

The loss allowance as at 31 December 2024 was determined as follows for student receivables.

31 December 2024	**Current year**	**Previous years**	**Total**
Group and University			
Expected loss rate	34%	90%	57%
Gross carrying amount - student receivables	724 216	516 010	1 240 226
Loss allowance	245 814	466 409	712 223

31 December 2023	**Current year**	**Previous years**	**Total**
Group and University			
Expected loss rate	35%	85%	52%
Gross carrying amount - student receivables	946 147	474 705	1 420 852
Loss allowance	335 617	401 224	736 842

Credit quality of Financial Assets - Trade Receivables

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

Counterparties without external credit rating:				
Group 1 - Existing student accounts with some defaults in the past	528 002	684 010	528 002	684 010
Group 2 - Trade debtors with some defaults in the past	177 142	165 298	108 731	176 681
Group 3 - Other receivables	510 882	467 075	81 122	96 427
Total receivables	**1 216 026**	**1 316 383**	**717 855**	**957 118**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
18. Deferred taxation				
- Deferred tax assets opening balance	1 481	1 122	-	-
- Deferred tax closing balance	631	1 481	-	-
Reconciliation of deferred tax movements:				
At the beginning of the year	1 481	1 122	-	-
Prepayments	(649)	(592)	-	-
Property, plant & equipment	(229)	773	-	-
Employee benefits	-	511	-	
Provisions	28	789	-	-
	631	**1 481**	**-**	**-**

Deferred taxation arose from two subsidiaries of the Group and is calculated on all temporary differences according to the balance sheet method. The University has received exemption from Income Tax in terms of Section 10(1)(cA) of the Income Tax Act.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
19. Investments at fair value through profit or loss				
Local Investments				
Equity - Listed	1 455 357	1 142 313	1 137 354	861 593
Equity - Unlisted	26 855	6 864	6 818	6 424
Bonds	1 019 550	722 736	895 822	635 612
Property	20 741	17 082	15 248	12 660
Money market unit trust funds	296 823	190 307	289 406	181 838
Other money market unit trust funds	216 181	419 592	207 251	298 398
Cash	53 899	40 861	54 558	40 861
	3 089 406	**2 539 755**	**2 606 457**	**2 037 386**
International Investments				
Equity - Listed	658 504	429 780	463 476	269 271
Bonds	74 031	57 448	62 782	47 507
Property	3 303	5 488	3 303	5 488
Unit trust funds	805 730	551 865	683 954	551 865
Cash	8 237	5 202	7 140	5 202
	1 549 805	**1 049 783**	**1 220 655**	**879 333**
Non-current assets	4 584 905	3 543 474	3 765 415	2 870 655
Current assets	1 751 097	2 861 327	1 751 097	2 861 327
Total investments at fair value through profit or loss	**6 336 003**	**6 404 801**	**5 516 513**	**5 731 982**
Movements in investments at fair value through profit or loss:				
At the beginning of the year	6 456 822	6 001 413	5 778 047	5 419 442
Purchases	7 435 077	6 059 232	6 983 194	5 680 204
Disposals	(8 152 380)	(6 197 117)	(7 775 277)	(5 857 216)
Investment income capitalised	409 748	424 504	391 821	402 164
Investment management fees	(21 413)	(19 045)	(17 237)	(16 263)
Fair value adjustments	270 283	187 835	217 660	149 714
Fair value at the end of the year	**6 398 138**	**6 456 822**	**5 578 211**	**5 778 047**
Investments - Cash and Cash Equivalents	(62 136)	(52 021)	(61 698)	(46 064)
	6 336 003	**6 404 801**	**5 516 513**	**5 731 982**

Fair value hierarchy

The table below provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1, 2 and 3 on the degree to which the fair value is observable.

The fair value hierarchy has the following levels:

• Level 1 - represents fair value measurements which are derived from quoted prices (unadjusted) in active markets for identical assets. The markets from which these quoted prices are obtained from are the bonds market, the stock exchange as well as other similar markets;

• Level 2 - represents fair value measurements which are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e derived from prices); and

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

Investments at fair value through profit or loss continued...

• Level 3 - represents fair value measurements which are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. The significance of an input is assessed against the fair value measurement in its entirety. The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	GROUP 2024			UNIVERSITY 2024		
	Level 1	**Level 2**	**Total**	**Level 1**	**Level 2**	**Total**
Equities	2 113 861	26 855	2 140 716	1 600 830	6 818	1 607 648
Bonds	1 093 581	-	1 093 581	958 604	-	958 604
Unit Trusts	1 102 552	-	1 102 552	973 360	-	973 360
Real Estate	24 044	-	24 044	18 552	-	18 552
Money Market	224 012	-	224 012	207 251	-	207 251
Other short-term	1 751 097	-	1 751 097	1 751 098	-	1 751 098
	6 309 147	**26 855**	**6 336 003**	**5 509 695**	**6 818**	**5 516 513**

	GROUP 2023			UNIVERSITY 2023		
	Level 1	**Level 2**	**Total**	**Level 1**	**Level 2**	**Total**
Equities	1 572 093	6 864	1 578 957	1 130 864	6 424	1 137 288
Bonds	780 184	-	780 184	683 119	-	683 119
Unit Trusts	568 947	-	568 947	564 525	-	564 525
Real Estate	195 795	-	195 795	187 326	-	187 326
Money Market	419 592	-	419 592	298 398	-	298 398
Local and foreign cash	2 861 327	-	2 861 327	2 861 327	-	2 861 327
	6 397 938	**6 864**	**6 404 801**	**5 725 559**	**6 424**	**5 731 982**

The fair values of the publicly traded financial instruments are based on stock exchange prices as at the reporting date. A register of investments is available for inspection at the offices of the University.

The Wits Group does not have any level 3 investments.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
20. Student loans				
Financial Assets				
Student loans	24	34	24	34
Less: Loss allowance	(24)	(34)	(24)	(34)
	-	-	-	-
The weighted average annual interest rate was as follows: Student loans	8,5%	8,5%	10,0%	10,0%
Movement in the loss allowance of student loans is as follows:				
At 1 January	34	48	34	48
Receivables written off during the year	(10)	(14)	(10)	(14)
At 1 December	**24**	**34**	**24**	**34**

Student loans are unsecured.

Loans were granted to students based on a contractual agreement. No further loans have been granted since 2006. Repayment of the loans commences once the student has graduated, and the loan is repayable over 3 years. Interest is charged at prime +3% per annum, and the loan accrues interest once the student has graduated. A loss allowance of student loans is made when it is established that the University will not be able to recover all amounts due according to the original terms of the loans.

21. Operating lease asset

The University has entered into non-cancellable land and buildings leases to a wholly-owned subsidiary, Wits Junction Residences Proprietary Limited. The University has straight-lined the lease over the lease period.

Below is the reconciliation of the operating lease asset:

	University 2024	University 2023
At the beginning of the year	**350 287**	**345 159**
Movement	(1 041)	5 128
At the end of the year	**349 246**	**350 287**

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

University		
Within one year	81 442	74 717
Between two and five years	405 962	372 443
Beyond five years	477 731	592 693
Total undiscounted lease payments receivable	**965 135**	**1 039 853**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
22. Loan receivable				
Loan receivable from Wits Art Museum*	310	310	310	310
Loan to Donald Gordon Medical Centre (Pty) Ltd**	11 000	11 000	-	-
Impairment: Loan to Donald Gordon Medical Centre (Pty) Ltd	(6 000)	(6 000)	-	-
Total other receivables	**5 310**	5 310	**310**	310
Current assets	310	310	310	310
Non-current assets	5 000	5 000	-	-
	5 310	5 310	**310**	310

*This loan attracts no interest and is repaid monthly in terms of the agreed terms.

**A loan was advanced to the Wits University Donald Gordon Medical Centre (Pty) Ltd by the University of the Witwatersrand Foundation. The loan is unsecured and interest free and is repayable only when the parties agree in writing. R1.0 million of the loan is repayable only out of distributable profits of the medical centre.

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
23. Cash and cash equivalents				
Cash at banks	2 276 313	2 240 001	148 745	117 578
Short-term deposits	1 366 633	930 416	48 857	69 872
Sub-Total	**3 642 945**	**3 170 417**	**197 602**	**187 450**
Bank overdraft	(3 899)	(5 107)	-	-
Total	**3 639 046**	**3 165 310**	**197 602**	**187 450**
24. Reserves and Funds				
Restricted Property, plant and equipment reserve				
Opening balance	322 182	322 504	322 182	322 504
Transfers from fund account for purchases of assets	7 411	7 212	7 411	7 212
Depreciation on externally funded assets	(47 667)	(7 534)	(47 667)	(7 534)
Sub-total	**281 926**	322 182	**281 926**	322 182
Unrestricted revaluation reserve				
Opening balance	3 880 044	3 880 044	3 880 044	3 880 044
Total non-distributable reserve	**4 161 970**	4 202 226	**4 161 970**	4 202 225

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
Reserves and Funds continued...				
Restricted use funds				
Restricted use funds - Residences				
Opening balance	338 904	265,564	338,904	265 564
Surplus for the year	48 387	70,350	48,384	70 350
Transfer from fund account for purchases of assets	(2 476)	(522)	(2,476)	(522)
Depreciation on externally funded assets	1 671	3,512	1,671	3 512
Sub-total	**386 483**	338,904	**386,483**	338 904
Restricted use funds - Funds for specific purposes				
Opening balance	1 881 675	1 876 818	1 881 673	1 876 818
Surplus/(deficit) for the year	(109 477)	7 525	(109 478)	7 523
Transfer from fund account for purchases of assets	(4 935)	(6 690)	(4 935)	(6 690)
Depreciation on externally funded assets	45 996	4 022	45 996	4 022
	1 813 258	1 881 675	**1 813 258**	1 881 673
Total restricted use funds	**2 199 741**	2 220 579	**2 199 741**	2 220 577
Endowment and contingency reserve				
Endowment and contingency reserve				
Opening balance	152 691	154 980	157 143	159 431
Transfers to endowment and contingency reserve	(43 659)	(41 187)	(43 659)	(41 187)
Transfers from other funds	49 562	38 898	49 562	38 898
	158 594	152 691	**163 046**	157 143
Accumulated reserves Opening balance	**4 705 439**	3 664 173	**2 935 330**	2 424 890
Total comprehensive income	765 499	1 038 977	162 232	508 151
Transfers to endowment and contingency reserve	43 659	41 187	43 659	41 187
Transfers from other funds	(49 562)	(38 898)	(49 562)	(38 898)
	5 465 035	4 705 439	**3 091 659**	2 935 330
Total endowment and contingency reserve	**5 623 629**	4 858 130	**3 254 706**	3 092 473
Total reserves and funds	**11 985 343**	11 280 935	**9 616 417**	9 515 275

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
Reserves and Funds continued...				
Restricted use funds				
Restricted use funds - Residences				
Opening balance	338 904	265,564	338,904	265 564
Surplus for the year	48 387	70,350	48,384	70 350
Transfer from fund account for purchases of assets	(2 476)	(522)	(2,476)	(522)
Depreciation on externally funded assets	1 671	3,512	1,671	3 512
Sub-total	**386 483**	338,904	**386,483**	338 904
Restricted use funds - Funds for specific purposes				
Opening balance	1 881 675	1 876 818	1 881 673	1 876 818
Surplus/(deficit) for the year	(109 477)	7 525	(109 478)	7 523
Transfer from fund account for purchases of assets	(4 935)	(6 690)	(4 935)	(6 690)
Depreciation on externally funded assets	45 996	4 022	45 996	4 022
	1 813 258	1 881 675	**1 813 258**	1 881 673
Total restricted use funds	**2 199 741**	2 220 579	**2 199 741**	2 220 577
Endowment and contingency reserve				
Endowment and contingency reserve				
Opening balance	152 691	154 980	157 143	159 431
Transfers to endowment and contingency reserve	(43 659)	(41 187)	(43 659)	(41 187)
Transfers from other funds	49 562	38 898	49 562	38 898
	158 594	152 691	**163 046**	157 143
Accumulated reserves				
Opening balance	4 705 439	3 664 173	2 935 330	2 424 890
Total comprehensive income	765 499	1 038 977	162 232	508 151
Transfers to endowment and contingency reserve	43 659	41 187	43 659	41 187
Transfers from other funds	(49 562)	(38 898)	(49 562)	(38 898)
	5 465 035	4 705 439	**3 091 659**	2 935 330
Total endowment and contingency reserve	**5 623 629**	4 858 130	**3 254 706**	3 092 473
Total reserves and funds	**11 985 343**	11 280 935	**9 616 417**	9 515 275

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023

25. Pension and post-retirement benefit healthcare benefit obligations

25.1 Pension schemes

The Group and University established pension schemes covering substantially all employees. The pension schemes comprise two state controlled final salary defined benefit plans and two privately administered defined contribution plans. The assets of the funded plans are held independently of the Group's assets in separate trustee administered funds. Independent actuaries value the schemes periodically. The Group has no known liabilities at 31 December 2024 in respect of any of its pension schemes.

25.2 Post-retirement healthcare benefit

The Group provides post-retirement healthcare benefits to its qualifying retirees. An actuarial valuation of the future obligations in terms of this scheme was carried out as at 31 December 2024. The present value of the Group's obligations is as follows:

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
Accrued employer liability in respect of employed members	193 092	193 324	193 092	193 324
Accrued employer liability in respect of retired members	515 045	496 913	515 045	496 913
Post-retirement benefit obligation	**708 137**	**690 237**	**708 137**	**690 237**

The University is a going concern with its assets fairly valued exceeding its liabilities. There are no legal plan assets matching this liability. The University manages this liability cognisant of its moral and legal obligations, together with consideration of the University's sustainability and affordability over the duration of the liability.

The method used for establishing the service cost is the Projected Unit Credit Method prescribed by IAS 19 Employee Benefits.
Actuarial gains and losses are recognised as they arise.

Figures in R `000

Pension and post-retirement benefit healthcare benefit obligations continued...

25.2.1 Amounts recognised in the statement of comprehensive income in respect of this scheme are as follows:

	Present value of funded and unfunded obligations	Total
Opening balance at 1 January 2024	**690 237**	**690 237**
Movements for the year ended 31 December 2024:		
Current service cost	6 519	6 519
Interest expense	85 223	85 223
Actuarial gains and losses arising from changes in financial assumptions	(24 973)	(24 973)
Payments from the plan for benefits	(48 869)	(48 869)
Total movements	**17 900**	**17 900**
Closing balance at 31 December 2024	**708 137**	**708 137**
Opening balance at 1 January 2023	**655 307**	**655 307**
Movements for the year ended 31 December 2023		
Current service cost	6 482	6 482
Interest expense	76 696	76 696
Actuarial gains and losses arising from changes in financial assumptions	(1 967)	(1 967)
Payments from the plan for benefits	(46 281)	(46 281)
Total movements	**34 930**	**34 930**
Closing balance at 31 December 2023	**690 237**	**690 237**

25.2.2 The amount included in the Statement of Financial Position arising from the Group's obligation in respect of the defined benefit post-retirement medical aid plan is as follows:

	Group & University	
	2024	**2023**
At the beginning of the year	690 237	655 307
Amounts debited to the income statement	(48 869)	(46 281)
Current service cost	6 519	-
Interest Cost	85 223	83 178
Amounts debited/(credited) to the statement of other comprehensive income	(24 973)	(1 967)
At the end of the year	**708 137**	**690 237**

Figures in R `000

Pension and post-retirement benefit healthcare benefit obligations continued...

25.2.3 Sensitivity analysis

The provision for post-retirement healthcare obligations is particularly sensitive to changes in the assumption regarding future increases in medical scheme contributions. Illustration of the impact of a 1% increase or decrease in the assumed future rate of medical inflation:

Group and University	**Base assumption 6.60% p.a**	**1% decrease 5.60% p.a**	**1% Increase 7.60% p.a**
Liability as at 31 December 2024	708 137	648 235	778 025
Service and interest costs	80 136	72 711	88 851
% Liability change		-8,5%	9,9%
% Income statement recognition change		-9,3%	10,9%

Illustration of the impact of a 1.0% increase or decrease in the assumed discount rate:

Group and University	**Base assumption 10.90% p.a**	**1% decrease 9.90% p.a**	**1% increase 11.90% p.a**
Liability	708 137	778 906	648 272
% Liability change		10,0%	(8.5%)

Figures in R `000

Pension and post-retirement benefit healthcare benefit obligations continued...

25.2.4 Actuarial assumptions

The assumptions have been based on the requirements of IAS 19 Employee Benefits. The main actuarial assumptions used for the valuation at 31 December 2024 and 2023 were:

	Group and University	
Economic assumptions	**2024**	**2023**
Net discount rate	4.03%	3.87%
Healthcare cost inflation	6.60%	8.60%
Discount rate	10.90%	12.80%

Demographic assumptions

Retirement age

An average retirement age of 64 (2023 – 64) was used.

Mortality

Mortality pre-retirement has been based on the SA 85-90 table, and mortality post-retirement on a PA (90) ultimate rated down 2 years + 1.00% p.a improvement from 2006.

Withdrawal

Withdrawal from service of the Group was assumed as follows:

	Group and University	
	2024	**2023**
Age	**Annual rate of withdrawals**	
0-20	15.%	15.%
21-25	10.%	10.%
26-30	7.%	7.%
31-35	4.%	4.%
36-40+	2.%	2.%

Age of spouse

It was assumed that a husband was four years older than his wife.

Continuation of membership at retirement

It was assumed that 100% (0% discontinuance rate) in-service members of the scheme will continue to participate in the medical scheme upon reaching retirement.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
26. Trade and other payables				
Financial liabilities				
Trade payables	638 630	634 889	363 661	293 387
Accrued expense	426 739	273 564	262 888	187 958
	1 065 369	**908 453**	**626 549**	**481 345**
Non-financial liabilities				
Income received in advance	599 662	556 072	534 329	546 119
Deposits	660	1 380	660	1 380
Other payables	810 852	1 281 115	712 705	1 197 898
Leave pay accrual	321 762	292 748	319 136	290 601
VAT payable	3 035	11 770	-	3 527
	1 735 971	**2 143 085**	**1 566 830**	**2 039 525**
Total trade and other payables	**2 801 341**	**3 051 538**	**2 193 380**	**2 520 870**
27. Deferred Income				
27.1 IFRS 15 Deferred revenue				
As at 1 January	**994 336**	629 433	**994 336**	629 433
Movement for the year	162 345	364 903	162 345	364 903
As at 31 December	**1 156 681**	**994 336**	**1 156 681**	**994 336**
Non-current portion	848 732	473 291	848 732	473 291
Current Portion	307 949	521 045	307 949	521 045
	1 156 681	**994 336**	**1 156 681**	**994 336**
27.2 Other deferred income				
Unallocated receipts	134 137	209 738	100 063	209 738
Pooled equity liability	-	(264)	-	(264)
Total other deferred income - current portion	**134 137**	**209 474**	**100 063**	**209 474**
Non-current portion	848 732	473 291	848 732	473 291
Current Portion	442 086	730 519	408 012	730 519
	1 290 818	**1 203 810**	**1 256 744**	**1 203 810**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
Deferred Income continued...				
27.3 Government Grants				
As at 1 January	**1 459 880**	1 379 269	**1 459 880**	1 379 269
Received during the year	137 832	196 902	137 832	196 902
Interest earned	16 939	18 375	16 939	18 375
Released to the Statement of Comprehensive Income	(137 392)	(134 666)	(137 392)	(134 666)
Total government grants as at 31 December	**1 477 260**	**1 459 880**	**1 477 260**	**1 459 880**
Non-current portion	1 339 869	1 320 468	1 339 869	1 320 468
Current Portion	137 392	139 412	137 392	139 412
	1 477 260	**1 459 880**	**1 477 260**	**1 459 880**
Total non-current deferred income	2 188 601	1 793 759	2 188 601	1 793 759
Total current deferred income	579 474	870 189	545 405	869 931
Total deferred income as at 31 December	**2 768 075**	**2 663 948**	**2 734 006**	**2 663 689**

*In the prior period Government grants were disclosed as a separate line item, whilst Deferred income was aggregated with other liabilities. During the current period, the “Deferred income and Other liabilities” line has been disaggregated to separately present the Deferred income and Other liabilities.
Government grants have been aggregated to Deferred income. This change has been retrospectively applied to the prior period.

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
28. Other Liabilities				
New Universities and Macro-infrastructure framework (MIF)*				
Balance at 1 January	-	108 056	-	108 056
Expenditure incurred	-	(108 056)	-	(108 056)
Balance as at 31 December	-	-	-	-
3rd party funds - Wits Foundation	-	231	-	-
Income received in advanced**	1 722 419	1 695 389	-	-
Operating lease income received in advance* **				
Wits Junction parkade	2 359	4 311	2 359	4 311
Helpmekaar Kollege NPC	2 967	2 211	2 967	2 211
Total - Other Liabilities	**1 727 745**	**1 702 142**	**5 326**	**6 522**
Non-current portion	4 131	6 490	4 131	5 432
Current portion	1 723 614	1 695 389	1 195	1 090
Total–other liabilities	**1 727 745**	**1 701 879**	**5 326**	**6 522**

*The project was for the development of new institutions of higher learning in the Mpumalanga and Northern Cape provinces. The project has been closed off in 2017 and any remaining fund was paid over to DHET in 2023.

** Income received in advanced relates to the grants funded restricted income that is recognised monthly against the expenditure incurred by Wits Health Consortium Proprietary Limited, and any other income received in advanced but not yet earned is included in this balance.

*** Income received in advanced from Netcare for the lease of parking which commenced on 01 April 2013 for the lease term of 15 years. Helpmekaar College NPC relates to the lease of the Astro Turf hockey pitch which commenced on 29 January 2014 for the lease term of 20 years.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
29. Lease liabilities				

Set out below are the carrying amount of lease liabilities and the movements during the financial period:

As at 1 January	**77 385**	111 748	**43 590**	79 133
Additions	67 071	22 601	59 039	22 654
Interest on lease liabilities	10 330	6 279	8 805	4 509
Lease payments	(46 338)	(43 429)	(29 837)	(42 890)
Lease terminations/modifications	(4 060)	(19 814)	(4 060)	(19 814)
As at 31 December	**104 388**	**77 385**	**77 537**	**43 590**
Less:				
Innovent non-current portion	-	1 308	-	1 308
Innovent current portion	-	14 803	-	14 803
	-	**16 111**	**-**	**16 111**
Non-current portion	65 336	40 046	47 554	18 368
Current portion	39 052	21 224	29 982	9 111
Total lease liabilities balance at year end	**104 388**	**61 271**	**77 537**	**27 479**

The maturity analysis of lease liabilities is disclosed in Note 34.2

Amount recognised in profit or loss				
Interest expense on lease liabilities	10 330	10 592	6 588	3 940
Depreciation expense on right-of-use assets	35 922	19 562	19 546	19 713
Leases of low-value assets included in other operating expenses*	4 803	69 357	4 803	63 235
Short-term lease expense included in other operating expenses**	126	-	126	-
	51 181	**99 511**	**31 062**	**86 888**

**Equipment where the university is a lessee of assets of low value category/threshold in terms of IFRS 16 Leases. These do not form part of the right of use assets as the individual costs are below the low value asset threshold.*

***This relates to the rental payments expensed in the current financial year for the lease of the Reverse Vending Machine where the University applied the short-term lease exemption in accordance with IFRS 16 Leases.*

Amount recognised in statement of cash flows

Total cash outflow for leases	**51 267**	**112 786**	**34 766**	**106 125**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
30. Interest-bearing borrowings				
Current borrowings Rand Merchant Bank*	82 006	75 235	82 006	75 235
First National Bank**	4 554	4 296	-	-
Innovent (Pty) Ltd	-	14 803	-	14 803
	86 560	**94 334**	**82 006**	**90 038**
Non- Current borrowings Rand Merchant Bank	409 216	429 969	409 216	429 969
First National Bank	9 182	15 138	-	-
Innovent (Pty) Ltd	-	1 308	-	1 308
	418 398	**446 415**	**409 216**	**431 277**
Total borrowings	**504 958**	**540 749**	**491 222**	**521 315**

*****The loan from RMB was initiated in 2012 and has the repayment term of 20 years. The loan is secured by a mortgage bond over Land and Buildings at portion Erf 815, Parktown Township. The interest is charged at an average rate of 12.41% per annum.

******FNB borrowings relate to two loans received. The first loan is unsecured, bears interest at the prime-lending rate minus 0.8%, and is repayable over 10 years. The second loan is secured, bears interest at prime less 1.2%, and is payable over 5 years.

The maturity analysis of the interest-bearing borrowings is disclosed in Note 34.2

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
31. Cash flows from operating activities				
Surplus for the year before tax	**680 178**	1 119 875	**76 172**	586 024
Adjustments for:				
Depreciation	331 221	321 906	233 699	241 170
Amortisation of intangible assets	2 573	7 912	2 573	7 912
Right of use assets depreciation	35 922	39 072	19 545	19 713
Government grants received during the year	154 771	215 607	154 771	215 586
(Increase)/ decrease in government grants	(137 392)	(149 518)	(137 392)	(149 371)
(Decrease)/Increase in IFRS 15 deferred income and other liabilities	112 610	121 059	51 738	217 309
(Increase)/decrease in operating lease income	-	-	1 041	(5 128)
Increase/(decrease) in provision for post-retirement benefits	91 742	34 930	91 742	34 930
Profit/(loss) on disposal of property, plant, and equipment	(29 491)	-	(29 468)	-
(Gains)/losses on disposal, scrappings and settlements of assets and liabilities	30	5 531	-	1 123
Profit on early termination of right-of-use assets	-	(4 654)	-	(4 654)
Increase/(decrease) in lease liability	(40 069)	(5 473)	(4 060)	10 971
Net changes in fair value on financial assets	(270 283)	(187 835)	(217 661)	(149 714)
Interests and dividend income on investments	(409 748)	(83 605)	(385 069)	(254 714)
Interest income from bank accounts and other receivables	(292 295)	(325 310)	(124 858)	(131 860)
Dividend income from related parties	-	-	(15 800)	(573)
Finance costs	106 786	97 789	96 821	91 047
Foreign exchange loss/(gain) on financing activities	12 627	(38 089)	2 479	(13)
Investment Management Fees	21 413	-	17 237	-
Share of (profit)/loss from equity accounted investment	(47)	-	-	-
Cash from operations before changes in working capital	**370 554**	**1 169 197**	**(166 490)**	**729 758**
Changes in working capital:				
(Increase)/decrease in trade and other receivables	89 002	(409 939)	232 050	(359 654)
(Increase)/decrease in inventories	14 062	(6 382)	9 788	(1 283)
(Decrease)/Increase in trade and other payables	(238 657)	193 718	(350 657)	37 893
Net changes in working capital	**(135 593)**	**(222 603)**	**(108 819)**	**(323 044)**
Cash generated from operations	**234 961**	**946 594**	**(275 310)**	**406 713**

Notes to the Consolidated and Separate Financial Statements

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32. Senior management compensation and directors emoluments

The following disclosure, as required by the Minister of Higher Education and Training, relates to compensation paid to members of the University's executive team.

Key management	Designation
Vilakazi, Z	Vice Chancellor and Principal
Crosley C	University Registrar
Chetty, N	Dean: Faculty of Science
Morris, L	DVC- Research and Innovation
September, J	Dean of Students
Jandrell ,I	DVC- Systems and Operations
Stevens, G	DVC- People development and culture
Osman, R	Senior DVC: Academic
Valodia, I	Pro-Vice Chancellor: Climate Change
Majozi, T	Dean: Faculty of Engineering and the Built Environment
Madhi, S#	Dean: Faculty of Health Sciences
Manyama, M	Chief Financial Officer
Cohen, J	Dean: Faculty of Commerce, Law and Management
Musemwa, M	Dean: Faculty of Humanities

The following disclosures relate to compensation for all executive staff members of the University and directors emoluments of the Group related entities. Remuneration is based on the cost of employment to the Group comprising flexible remuneration packages.

	2024			
	Basic Salary	Employment and other Benefits	Variable Payments	Total cost to HEI
Directors emoluments	42 311	2 618	4 939	49 868
Senior Management-University	35 138	9 740	8 042	52 920
	77 449	**12 358**	**12 981**	**102 788**

Council members do not receive remuneration for their services.

We have set out below the detail of Senior Management Compensation of the University as required by the Higher Education Act for financial year 2024:

Notes to the Consolidated and Separate Financial Statements

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Senior management compensation and directors emoluments continued...

32.1 Compensation 2024

Name	Basic Salary	Employment Benefits *	Variable Payments	Other remuneration	Total remuneration
Vilakazi,Z**	3 718	1 648	861	1 089	7 317
Crosley C	1 914	611	487	16	3 028
Chetty, N	1 936	594	488	2	3 020
Morris, L	3 321	61	653	38	4 073
September, J	2 046	389	472	-	2 907
Jandrell ,I	2 489	856	648	27	4 021
Stevens, G	2 416	937	648	34	4 035
Osman, R	3 068	648	718	94	4 528
Valodia, I	2 819	501	515	107	3 942
Majozi, T	2 412	503	488	30	3 433
Madhi, S#	2 568	34	504	-	3 106
Manyama, M	2 318	550	584	-	3 452
Cohen, J	2 094	421	488	-	3 003
Musemwa, M	2 018	507	488	42	3 055
Total compensation paid to directors and prescribed officers	**35 138**	**8 261**	**8 042**	**1 479**	**52 920**
# Madhi, S# for managerial services	3 011	-	396	-	**3 408**

* Employment benefits include medical aid, provident fund, UIF, SDL and other allowances.
# Paid by Wits Health Consortium, a wholly owned subsidiary of the University
** As a mandatory condition of the appointment as Vice Chancellor (VC), the VC is required to occupy the residence, "Savernake", the consequence of which, the VC will be liable for fringe benefits tax. The total impact of this fringe benefit amounts to R2.0 million. (2023: R1.8 million)

	2023			
	Basic Salary	**Employment and other Benefits**	**Variable Payments**	**Total cost to HEI**
Directors emoluments	17 641	1 092	2 435	21 168
Senior Management- University	32 358	8 749	7 314	48 422
	49 999	**9 841**	**9 749**	**69 590**

Council members do not receive remuneration for their services.

We have set out below the details of Senior Management Compensation of the University as required by the Higher Education Act for financial year 2023:

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32.2 ***Senior management compensation and directors emoluments continued...***

Compensation 2023

Name	Basic Salary	Employment Benefits *	Variable Payments	Other remuneration	Total remuneration
Vilakazi, Z	3 508	1 530	810	1 028	6 876
Crosley C	1 811	564	457	-	2 832
Chetty, N	1 830	549	458	-	2 837
Morris, L	3 127	59	613	-	3 799
September, J	1 925	363	443	-	2 731
Jandrell ,I	2 324	827	609	-	3 760
Stevens, G	2 292	866	566	-	3 724
Osman, R	2 900	600	675	-	4 175
Valodia, I	2 267	464	483	-	3 214
Majozi, T	1 918	461	458	-	2 837
Madhi, S	2 413	32	473	-	2 918
Manyama, M	2 163	512	522	-	3 197
Cohen, J	1 977	386	419	-	2 782
Musemwa, M	1 904	469	327	39	2 739
Total compensation paid to directors and prescribed officers	**32 358**	**7 682**	**7 314**	**1 067**	**48 422**

Notes to the Consolidated and Separate Financial Statements

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33. Financial Instruments by Category

33.1 Financial Assets by Category

	Note	At fair value through P/L	At amortised cost	Total
Year ended 31 December 2024 - Group				
Investments	19	6 336 003	-	6 336 003
Other loans and receivables	22	5 000	310	5 310
Trade and other receivables excluding non- financial assets	17	-	705 144	705 144
Cash and cash equivalents	23	-	3 639 046	3 639 046
		6 341 003	4 344 500	10 685 503
Year ended 31 December 2023 - Group				
Investments	19	6 404 801	-	6 404 801
Other loans and receivables	22	5 000	310	5 310
Trade and other receivables excluding non- financial assets	17	-	1 316 383	1 316 383
Cash and cash equivalents	23	-	3 165 310	3 165 310
		6 409 801	4 482 003	10 891 804
Year ended 31 December 2024 - University				
Investments	19	5 516 513	-	5 516 513
Other loans and receivables	22	-	310	310
Loan to group Company	15	-	254 672	254 672
Trade and other receivables excluding non- financial assets	17	-	636 733	636 733
Cash and cash equivalents	23	-	197 602	197 602
		5 516 513	1 089 317	6 605 830
Year ended 31 December 2023 - University				
Investments	19	5 731 982	-	5 731 982
Other loans and receivables	22	-	310	310
Loan to group Company	15	-	46 912	46 912
Trade and other receivables excluding non- financial assets	17	-	957 118	957 118
Cash and cash equivalents	23	-	187 450	187 450
		5 731 982	1 191 790	6 923 772

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Financial Instruments by Category *continued...*

33.2 Financial liabilities by category

	Note	At amortised cost	Total
Year ended 31 December 2024 - Group			
Lease liabilities	**29**	104 388	**104 388**
Bank overdrafts	**23**	3 899	**3 899**
Interest-bearing borrowings	**30**	504 958	**504 958**
Trade and other payables excluding non-financial liabilities	**26**	1 065 369	**1 065 369**
		1 678 614	**1 678 614**
Year ended 31 December 2023 - Group			
Lease liabilities	**29**	77 385	**77 385**
Bank overdrafts	**23**	5 107	**5 107**
Interest-bearing borrowings	**30**	528 934	**528 934**
Trade and other payables excluding non-financial liabilities	**26**	908 453	**908 453**
		1 519 879	**1 519 879**
Year ended 31 December 2024 - University			
Lease liabilities	**29**	77 537	**77 537**
Interest-bearing borrowings	**30**	491 222	**491 222**
Trade and other payables excluding non-financial liabilities	**26**	626 549	**626 549**
Loan from group Company	**15**	19 449	**19 449**
		1 214 757	**1 214 757**
Year ended 31 December 2023 - University			
Lease liabilities	**29**	43 590	**43 590**
Interest-bearing borrowings	**30**	505 204	**505 204**
Trade and other payables excluding non-financial liabilities	**26**	481 345	**481 345**
Loan from group Company	**15**	30 669	**30 669**
		1 060 808	**1 060 808**

Notes to the Consolidated and Separate Financial Statements

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34. Financial Risk Management

The University is exposed to a variety of financial risks such as:
- Market risk
- Credit risk
- Liquidity risk
- Capital risk

The Risk Management and the Council Risk Committee, identifies, evaluates and co-ordinates the management of strategic risks faced by the Group. Risk management processes are reviewed regularly for continuing relevance and effectiveness. The Council Risk Committee reports to the Council. A report on the risk management process that is being followed is presented to the Audit Committee and to the Council of the Group on a regular basis.

The Group varies its investment philosophy depending on the term of the financial instruments and the risk profile. To this end portfolios have been established, with investments in bonds, equities, and money market portfolios. The portfolios have specific investment and return on investment mandates, which are monitored and adjusted where necessary.

34.1 Financial risk factors

a) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency, price, and interest rate risk.

The group's exposure to market risk relates primarily to its investments which are measured at fair value through profit or loss. The University and Foundation Investment Committee (UFIC) identifies, evaluates, co-ordinates the management of the above mentioned risk and has an oversight over all the investments on behalf of the Foundation. The management of these risks is carried out under the UFIC Treasury Policy.

Currency Risk
Currency risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the group's functional currency.
The group has foreign exchange exposure to the extent of foreign sales transactions which are settled on normal trade terms and to the extent of foreign investments. The Group manages foreign exchange risk through the Investment and Finance Committee of the Board of Governors of the Foundation who mandate the fund managers. The fund managers report to the Committee on a quarterly basis.

The table below presents amount invested offshore at year-end which are denominated in a US Dollar currency. Refer to Note 19 for the fair values of the various investment types:

	Group		University	
	2024	**2023**	**2024**	**2023**
Foreign bank accounts	8 237	2 156	-	-
Foreign Unit Trusts	805 730	106 950	683 954	551 865
Foreign bonds	74 031	57 448	62 782	47 507
Foreign Equity	658 504	429 780	463 476	269 271
	1 538 265	**594 178**	**1 210 212**	**868 644**

At 31 December 2024, if the USD had strengthened by 10% for example, against the Rand with all other variables held constant, the surplus for the year would have been R52.6 million (2023 : R59.6 million) higher/lower, mainly because of a Rand increase/decrease in the carrying value of the USD denominated Investments. The 10% variation in the exchange rate is based on the average forward rate for 12 months in respect of underlying currencies.

Notes to the Consolidated and Separate Financial Statements

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Financial Risk Management continued...

Price Risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified in the Statement of Financial Position as investments at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments on equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Investment Committee.

	Group		University	
	2024	**2023**	**2024**	**2023**
Unlisted equities	26 855	6 864	6 818	6 424
Listed equities	2 113 861	1 572 093	1 600 830	1 130 864
	2 140 716	**1 578 957**	**1 607 648**	**1 137 288**

Price sensitivity analysis

At 31 December 2024, if the FTSE/JSE CAPI, the Dow Jones index (NASDAQ) increased by 10% for example, with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index, equity would have been R214.0 million for the Group and R160.8 million for the University. (2023: Group R157. 9 million, University R113. 7 million) higher/lower. Due to the unpredictability of equity market returns, a general indicative percentage of 10% is used to highlight the changes in market value on equity instruments.

Cash flow and fair value interest rate risk

The group is exposed to interest rate risk from external borrowings. The interest rate for the long-term loan is fixed and is funded with the income generated from capital project that was funded by this liability. The group's income and operating cash flows are substantially independent of changes in market interest rates due to the diverse investment split between equities and cash based investments and therefore no formal interest rate risk management policy exists.

	Group		University	
	2024	**2023**	**2024**	**2023**
Bonds	1 093 581	780 184	958 604	683 119
Cash and cash equivalents	3 639 047	3 165 310	197 602	187 450
Investments - Property	24 044	22 570	18 551	18 148
Investments - Money market	2 264 101	3 280 919	2 247 754	3 159 725
	7 020 773	**7 248 983**	**3 422 511**	**4 048 442**

Interest rate sensitivity

At 31 December 2024, if the interest rate during the year had been 25 basis points (2023: 25 basis points) higher for example, as an indication, the interest earned would have been R11.8 million for the Group and R9.7 million for the University (2023 Group: R16. 1 million, University: R8. 4 million) higher.

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Financial Risk Management continued...

b) Credit risk

Credit risk arises from short-term cash, cash equivalent investments, trade receivables, other receivables and investments. Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Trade Receivables

Receivables comprise of outstanding student fees, loan receivables and a number of customers dispersed across different industries and geographical areas. The group is exposed to credit risks 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, and the institution of debt collection action in cases of long outstanding amount. In addition, students with outstanding balances from previous years of study are only permitted to renew their registration after settling 50% of the outstanding amount. Students may not graduate with outstanding debt. The University no longer grants loans to students.

Other receivables are monitored on an ongoing basis with the result that the University's exposure to bad debt is not significant, and there is no significant of credit risk at year end.

Investments and cash and cash equivalents

The group places long-term and short-term investments with reputable financial institutions. A multi-manager approach is followed for the management of investments in order to limit investment risk. Funds are invested in various divergent portfolios, with specialist mandates developed to contain risk within set parameters.

The group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial instruments R6.3 billion (2023: R6.4 billion). In order to hedge investment funds against fluctuations, investment managers strive to invest some of the available funds abroad. Adjustments to the fair value of investments are recognised in a fair value fund until such time as the investment is sold, in which case the profit or loss on sale will be recognised in the Statement of Comprehensive Income.

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Financial Risk Management continued...

34.2 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 to meet debt repayment and operating requirements. The group have minimised liquidity risk as shown by its substantial cash and cash equivalents. The group manages its cash flow forecast on a monthly basis reporting to the Senior Executive team and Finance Committee.

The table below analyses all cash flows from the financial liabilities into the time buckets in which they are contractually due to be paid:

Year ended 31 December 2024 - Group	Less than 3 months or on demand	Between 3 - 12 months	1 - 5 years	Over 5 years	Total
Interest-bearing borrowings	2 788	90 322	588 205	672 482	**1 353 797**
Trade and other payables	309 699	755 670	-	-	**1 065 369**
Bank overdraft	3 899	-	-	-	**3 899**
Lease liabilities	4 082	69 578	21 771	-	**95 431**
	320 468	**915 570**	**609 976**	**672 482**	**2 518 496**
Year ended 31 December 2023 - Group					
Interest-bearing borrowings	2 544	94 334	263 256	183 159	543 293
Trade and other payables	309 696	908 453	-	-	1 218 149
Bank overdraft	5 107	-	-	-	5 107
Lease liabilities	3 740	19 937	43 785	-	67 462
	324 208	**1 022 724**	**307 041**	**183 159**	**1 834 011**
Year ended 31 December 2024 - University					
Interest-bearing borrowings	-	82 006	409 216	672 482	**1 163 704**
Trade and other payables	-	626 549	-	-	**626 549**
Lease liabilities	-	56 548	3 651	-	**60 199**
	-	**765 103**	**412 867**	**672 482**	**1 850 452**
Year ended 31 December 2023 - University					
Interest-bearing borrowings	-	75 235	246 810	183 159	505 204
Trade and other payables	-	481 345	-	-	481 345
Lease liabilities	-	7 843	22 106	183 159	213 108
	-	**564 423**	**268 916**	**366 318**	**1 199 657**

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Financial Risk Management continued...

34.3 Capital risk management

The group's objective when managing capital are to:

- safeguard its ability to continue as a going concern, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain the capital structure, the Group has ensured a sound financial position by limiting exposure to debt and increasing investment and cash balances. This objective is met by a well-planned budget and cash flow process each year, in which the strategic objectives of the entities are addressed.

The capital of the group comprise both restricted funds designated for specific purposes and unrestricted funds, being funds that can be employed by Council at its discretion.

35. Commitments

Capital Commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Capital commitments contracted for	118 684	233 061	118 684	233 061
Capital commitments not contracted for	232 691	508 339	232 691	508 339
	351 375	**741 400**	**351 375**	**741 400**
Cash Commitments				
Loan to subsidiary - Wits Health Consortium (Pty) Ltd	-	-	-	**147 000**

Capital commitments are to be funded from internal resources, and where applicable, donations and Government grants.

Notes to the Consolidated and Separate Financial Statements

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023

36. Income tax expense

The University has received exemption from normal Income tax in terms of Section 10(1) (cA)(i) of the Income Tax Act. However, some of the university subidiaries are not exempt from income tax.

Figures in R `000	Group 2024	Group 2023	University 2024	University 2023
Current taxation	**786**	2 834	-	-
- Current period	786	2 834	-	-
Deferred taxation	**(44)**	184	-	-
- Current period	(44)	184	-	-
	742	3 018	-	-
Reconciliation between the accounting profit and tax expense				
Accounting profit	292 727	366 107	-	-
South African normal tax rate @27%	79 036	98 849	-	-
Exempt income	(78 251)	(94 310)	-	-
Non-deductible amounts	(44)	(1 521)	-	-
	742	3 018	-	-
Tax (paid)/refunded:				-
Balance at beginning of year asset/ (liability)	(1 994)	(911)	-	-
Balance at the end of year asset/ (liability)	811	(1 994)		
Current tax for the year recognised in profit or loss	(742)	(3 018)	-	-
Prior year tax -current	-	3 987	-	
	(1 925)	**(1 936)**	**-**	**-**

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

37. Related party transactions

37.1 Senior Management Compensation and Directors emoluments

Details relating to Senior management compensation and Directors emoluments are disclosed in Note 32.

37.2 Transactions and balances with related parties

	Group	
	2024 R'000	**2023 R'000**
Wits Health Consortium (Pty) Ltd		
Related party balances		
Trade receivables	148	330
Donation paid	12 000	-
Dividend receivable	13 000	-
Related party transactions		
Other income	26 113	31 863
Wits Commercial Enterprises (Pty) Ltd		
Related party balances		
Trade receivables	4 228	4 801
Funds held on behalf of the University	42 285	54 479
Related party transactions		
Dividend received	2 800	1 000
Other income	12 810	24 013
Rental received Other expenses		871
	-653	-
University of the Witwatersrand Foundation		
Related party transactions		
Donation made to the University	(27 349)	(3 246)
Donor contributions received on behalf of the University and its subsidiaries	214 610	273 916
Donations accrued (to)/from the University	254 624	71 462
Wits Junction Residence (Pty) Ltd		
Related party transactions		
Rental received	74 717	68 547
Management and administration fees	5 182	4 508
WitsPlus (Pty) Ltd		
Related party balances		
Other payables	18 517	-
Related party transactions		
Revenue from rendering services	271	-
Other expenses	614	-

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

Related party transactions continued...

Intercompany loan accounts

Details relating to the University intercompany loan accounts are disclosed in Note 15.

38. Contingent liabilities

The group had contingent liabilities at 31 December 2024 in respect of:

Moletele and Mnisi Land

A Land claim has been instituted against the University for some of the properties located within the WITS Rural Facility. The matter has been referred to the Land Claims Court for determination. The claimants have filed a Notice of Bar compelling the Defendants to plead, the Defendants (WITS and Third parties) are exploring the best way forward under these circumstances.

Whilst the legal costs will be shared between the Defendants, the legal costs cannot be reasonably estimated at this time. At the pre-trial on the 12 August 2024, the Judge gave the Claimants a further opportunity to expand their Claim, with the deadline of 13 September 2024.

Construction Education Training Authority (CETA)

On 8 April 2022, the University received a Summons issued by CETA citing Wits Commercial Enterprise (WCE) and the University as the First and Second Defendants respectively. The claim arises out of a contract signed with the CETA whereby work was provided by WCE in respect of specific projects.

CETA alleges that WCE has misrepresented/inflated the amounts that were invoiced to and subsequently paid by the CETA.
CETA is claiming payment in the amount of R1,389,128.07. No specific relief is sought from the University.

On 22 April 2022, we received another Summons issued by the CETA citing the same parties. This Summons is in respect of 4 additional invoices. The allegations are the same as the earlier summons and relate to an amount of R1,441,323.09. No specific relief is sought from the University.

WCE have indicated that the amounts invoiced were agreed to by the CETA and deny the assertion of the CETA that WCE has over-inflated its price. A pre-trial conference has been held. The Plaintiff is now able to apply for trial date. The University has appointed Counsel in preparation for trial.

39. Custodianship

Maropeng a' Afrika Leisure (Pty) Ltd is the entity that operates the facilities at The Cradle of Humankind Heritage Site. The University is the custodian of Sterkfontein Caves and owner of intellectual property associated with the site. During 2009 the shareholders in Maropeng a' Afrika Leisure (Pty) Ltd decided to withdraw from the entity. In order for the entity to keep operating, a decision was taken for the University to be the custodian of the shares. As the University does not exercise control over Maropeng a' Afrika Leisure (Pty) Ltd, the entity was not consolidated or included in the University/Group accounts.

Currently the University is the custodian of 88% of the shares in Maropeng a' Afrika Leisure (Pty) Ltd, which is held on behalf of The Gauteng Provincial Government.

Notes to the Consolidated and Separate Financial Statements

40. Subsequent Events

Wits Health Consortium Proprietary Limited (WHC)

During the first quarter for 2025, WHC received various work stop orders, programmes pauses and/or termination notices on US Government funded programmes. This was due to executive orders issued by the US President Trump. This resulted in an immediate pause on all USAID and some CDC and a few NIH programmes affecting all implementing partners globally, which includes WHC. This impact has adverse financial consequences on both the operations and staffing of the Group. This required an immediate review of all US foreign assisted progrmmes and based on the review, the Group initiated the following cost cutting measures to manage the risk and loss of income per funding stream:

USAID
The termination of USAID programmes resulted in WHC undertaking a section 189 process which was completed by 31 March 2025. All USAID programmes are in the process of being closed out at the date of this report.

CDC
The pause of CDC programmes resulted in WHC undertaking a section 189 process. When the process was almost completed, WHC received confirmation for the reinstatement of CDC programmes, and the impacted staff were re-employed on fixed term contracts until the end of the programmes which is 30 September 2025.

NIH
The pause of NIH activities in some programmes receiving termination notices. A cost reallocation exercise was actioned whereby staffing costs were reallocated to other budgets that had funds available. For remaining staff that could not be accommodated, a section 189 process was initiated and is still ongoing at the time of this report. We anticipate further terminations and will continue the section 189 process for all affected studies.

The University, through the Council is not aware of any matter or circumstance arising since the end of the financial year which would materially impact these Annual Financial Statements.

41. Going concern

The group annual financial statements have been prepared on the going concern basis. The council performed a review of the Group's ability to continue as a going concern in the forseeable future and therefore, based on this review, considers the preparation of the annual financial statements on this basis to be appropriate.