



UNIVERSITY OF THE WESTERN CAPE

ANNUAL REPORT 2019



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2019





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WESTERN CAPE

The majority of images throughout the Annual Report were taken during the 2020 national lockdown due to the COVID-19 pandemic and the campus was therefore closed. In light of this, we decided to focus on the architectural designs of our buildings and interesting shapes and designs that make up the University of the Western Cape.

LIBRARY

Main Campus Bellville



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UNIVERSITY OF THE WESTERN CAPE
EXECUTIVES



PROF TYRONE PRETORIUS
Rector and Vice-Chancellor



PROF VIVIENNE LAWACK
Deputy Vice-Chancellor:
Academic



PROF PAMELA DUBE
Deputy Vice Chancellor:
Student Development and Support



PROF JOSÉ FRANTZ
Deputy Vice-Chancellor:
Research & Innovation



DR NITA LAWTON-MISRA
Registrar



MR ABDURAGHMAN REGAL
Executive Director:
Finance and Services

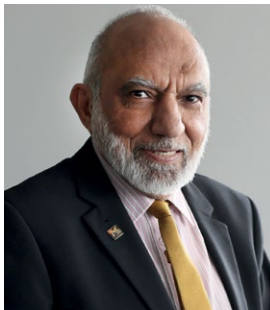


MR MEKO MAGIDA
Executive Director:
Human Resources

UNIVERSITY OF THE WESTERN CAPE
FACULTY DEANS



PROF ANTHEA RHODA
Faculty of Community
and Health Sciences



PROF YUSUF OSMAN
Faculty of Dentistry



PROF VUYOKAZI NOMLOMO
Faculty of Education



PROF MICHELLE ESAU
Faculty of Economic
and Management Sciences



PROF JACQUES DE VILLE
Faculty of Law



**PROFESSOR
MIKE DAVIES-COLEMAN**
Faculty of Natural Sciences



PROF DUNCAN BROWN
Faculty of Arts

UWC 2019 PERFORMANCE REPORT

In accordance with the Regulations for Reporting by Public Higher Education Institutions, as promulgated on 9 June 2014, the University of the Western Cape (UWC) submitted an Annual Performance Plan to the Minister of Higher Education and Training for 2019. UWC has a well-established culture of institutional and strategic planning, and the Annual Performance Planning process forms part of the University's annual planning cycle. The University uses a range of indicators as diagnostic metrics to understand progress, and all of the indicators are embedded in institutional goals and speak to different objectives that constitute these and that are outlined in the Institutional Operating Plan 2016 to 2020 (IOP). The indicators that are included in this Performance Plan are also included in the University's updated Institutional Operating Plan (2016 to 2020) and reflect targets that form part of the University's revised Enrolment Plan for 2017 to 2019.

In the table that follows, the column "Actual against Target" reflects the variation between progress achieved and the target that was set, expressed as a percentage difference. As per the Department of Higher Education and Training's (DHET) guidelines in terms of the enrolment mandate to universities, a difference of up to 2% is considered to be within acceptable norms.



IOP Goal area and strategy	Key Performance indicator	Evidence Source	2019		Actual against Target (%)	Comments
Headcount totals						
Goal Area 1 – the size, shape and mix of the student population and academic	First-time entering undergraduates	HEMIS	4 500	4 829	↑ 7.3%	The over-enrolment of first-time entering undergraduate students is higher than planned, but not a matter of great concern. This is an area of enrolment that is quite difficult to manage as there are many factors impacting first-time entering enrolment.
	Headcount enrolments (Foundation provision)	HEMIS	1 020	1 170	↑ 14.7%	The over-enrolment in this category is higher than planned, and in view of the fact that the University is not planning to grow this category of first-time entering students in the immediate future, it requires careful monitoring. The high number of matriculants who do not meet the Mathematics requirements to register for mainstream programmes in Science and in Commerce also affect the enrolment in Foundation programmes.
	Headcount enrolments total undergraduate	HEMIS	19 118	18 855	↓ 1.3%	The overall undergraduate headcount is affected by a number of factors, including attrition, retention, success rates and graduation. The actual enrolment performance is slightly understated, as it includes students previously classified as postgraduate (see overall postgraduate enrolment).
	Overall headcount enrolments	HEMIS	24 570	23 784	↓ 3.2%	The under-enrolment at postgraduate level is the biggest factor contributing to the University not being able to meet its overall headcount target.
	Headcount enrolments total postgraduate	HEMIS	5 422	4 929	↓ 9.1%	The underperformance in this category of enrolment is largely a result of the reclassification of the Postgraduate Certificate in Education (PGCE) and all advanced diplomas as undergraduate qualifications. The enrolment plan against which progress is measured still accounts for these qualifications as postgraduate.
	Percentage of postgraduate students as a proportion of overall student headcount	HEMIS	22%	20.7%	↓ 1.3%	Despite the fact that the percentage difference between actual performance and the set target is small, performance in this area is disappointing as it is an area of significant strategic importance. The reclassification of qualifications referred to above was the biggest contributor to the underperformance in this area.
	Master's and doctoral enrolment as a percentage of overall headcount enrolment	HEMIS	13%	13.7%	↑ 0.7%	The University is pleased with performance in this area, as it is an area of significant strategic importance.

IOP Goal area and strategy	Key Performance indicator	Evidence Source	2019		Actual against Target (%)	Comments
			Target	Actual		
Goal Area 1 – the size, shape and mix of the student population and academic	Institutional shape					
	Science, Engineering, Technology (SET)	HEMIS	35%	36%	↑ 1.0%	Overall, the University is satisfied with the enrolment distribution across CEM categories, but there is concern about the continued drop in enrolment of students in Business and Management programmes. This relates to specific programmes within the Faculty of Economic and Management Sciences where the institution was unable to meet its first-time entering target for the last few years. We are, however, very pleased with the performance in SET, which is difficult to achieve given the limited number of matriculants meeting the minimum Mathematics requirements. This also affects enrolment in most programmes in the Business and Management category.
	Business/Management	HEMIS	14%	12,2%	↓ 1.8%	
	Education	HEMIS	11%	11,5%	↑ 0.5%	
	Other Humanities	HEMIS	40%	40,3%	↑ 0.3%	
Goal Area 2 – Develop an environment conducive to excellence in learning and teaching in support of student success and retention	Graduates – Undergraduate (UG)	HEMIS	3 080	3 784	↑22.9%	The under- and over-performance in these areas are directly related to the reclassification of the advanced diplomas and the PGCE. These are all one-year qualifications that were previously regarded as PG qualifications, but that were reclassified as UG qualifications.
	Graduates – Postgraduate (PG)	HEMIS	2 400	1 504	↓37.3%	
	Success rate	HEMIS	83%	81%	↓ 2.0%	The University is satisfied with performance in this area and is working hard to improve overall success rates.
	Overall retention rate of students in good academic standing	Discoverer	88%	93%	↑ 5.0%	
	Ratio of FTE students to FTE instructional/research staff	HEMIS	22,2	22,4	↓ 0.9%	
	Undergraduate output by scarce skills					The University is pleased with performance in this area. The underperformance in Animal and Human Health is linked to lower than expected growth in these areas, mainly as a result of limitations imposed by the respective Professional Boards in the health sciences. Overall, the University's total output in this area is above target by 2%.
	Life and Physical Sciences	HEMIS	356	377	↑ 5.9%	
	Animal and Human Health	HEMIS	550	526	↓ 4.4%	
	Teacher Education	HEMIS	580	616	↑ 6.2%	
	Success rate	HEMIS	83%	87,7%	↑ 4.7%	

IOP Goal area and strategy	Key Performance indicator	Evidence Source	2019		Actual against Target (%)	Comments
			Target	Actual		
Goal Area 3 – Maintain a critical mass of strong, productive researchers	Headcount of permanent instructional/research staff	HEMIS	680	675	↓ 0.7%	The University is satisfied with the overall performance in this category. The proportion of permanent instruction and research staff with doctoral qualifications is an area that has received dedicated attention over the last number of years and the University is very pleased with the continued improvement in this area.
	FTE of permanent instructional/research staff	HEMIS	860	808,5	↓ 6.0%	
	Percentage of permanent instructional/research staff with doctoral degrees	HR Office	60%	59,9%	↓ 0.1%	
	Percentage of NRF-rated researchers amongst instructional/research staff	Research Office	19%	18,6%	↓ 0.4%	Despite the fact that performance in this area is still below target, the University is very pleased with the year-on-year improvement. UWC continues to perform well in terms of graduating Master's and doctoral students, and we are pleased with our performance in these categories. It speaks to the ability to maintain good performance in terms of the time-to-degree of students in these enrolment categories.
	Publication units per FTE staff	Research Office	0,75	0.72	↓ 4.0%	
	Research Master's graduates	HEMIS	290	286	↓ 1.4%	
	Doctoral graduates	HEMIS	116	125	↑ 7.8%	The University is very pleased with the overall weighted research output. The above-target performance is largely a result of the increase in doctoral degrees awarded.
	Annual weighted research output	Combination of other indicators	1 027	1 243	↑ 21%	
	Number of Master's and doctoral graduates per instructional/research staff	HEMIS	0,88	0,60	↓ 31.8%	
	Number of NGAP staff	HR Office	4	4	→	This indicator relates to the New Generation Academics Programme co-funded by the DHET to support the appointment and development of young academics. UWC has largely been able to optimise this opportunity.
Goal area 4 – Actively pursue greater representation in support of equity and diversity						

* All data was unaudited at the time of reporting



Progress achieved is within the 2% margin or better than expected.



Progress achieved is below the 2% margin but there is no reason for serious concern.



Progress achieved is significantly lower than planned and there is reason for concern.

Ms Yasmín Forbes
Chairperson of Council

Prof Vivienne Lawack
Acting Rector and Vice-Chancellor
(1 February to 31 July 2020)

A portrait of Ms Yasmin Forbes, a woman with grey hair and glasses, wearing a black turtleneck, with her arms crossed. She is smiling and standing against a white background with a grey abstract shape behind her.

Ms Yasmin Forbes

“

Having attended several graduation ceremonies and being able to witness the sense of pride and accomplishment evident in both the UWC graduates and their families, I am committed to the core purpose of this fine institution – the education of our people.

LIFE SCIENCES BUILDING
Main Campus Bellville





CHAIRPERSON OF COUNCIL REPORT

Whilst approving this report during the COVID-19 pandemic, we note the dealings are relative to the 2019 year-end. It is my privilege to present my second Chairperson's report. As representatives of the highest decision-making body of a public higher education institution, my fellow Council members and I are cognisant of the responsibilities with which we have been charged and, as such, we are proud of the fact that we enjoy a positive working relationship with the University Executive in order to maximise the potential of the University of the Western Cape.

Having attended several graduation ceremonies and being able to witness the sense of pride and accomplishment evident in both the UWC graduates and their families, I am committed to the core purpose of this fine institution – the education of our people.

As the American philosopher Prof Martha Nussbaum wrote in her seminal paper, "Education and Democratic Citizenship: Capabilities and Quality Education": Education for freedom requires three abilities essential to the cultivation of democratic citizenship: (1) critical thinking, (2) the ability to see oneself as belonging to the human family and (3) narrative imagination. These qualities therefore require us, as a Council and University as a whole, to commit ourselves to the task of preparing our students to act as democratic citizens, dedicated to ensuring the sustainable future of our country.

BACKGROUND

A university does not and cannot operate in isolation. The days of a university as a citadel, physically untouched by external fissures, challenges and changes, are long gone and, this is very evident in our own country. It nonetheless is important to safeguard universities as spaces of knowledge production and where critical reflection can continue. As 2019 draws to a close, we find ourselves a nation struggling to find a positive momentum, with an unemployment rate of almost 30% and the economy sliding into its third recession since 1994. We see the impact of these factors at UWC, as many students come from poor socio-economic backgrounds and far too many arrive on campus hungry and despondent – conditions that have compelled us to place food security, gender-based violence, accommodation and mental health as standing items on our Council Exco agenda.

STRATEGIC FOCUS

As tasked by the Department of Higher Education and Training (DHET), the University Council's core duties include taking ultimate responsibility for the institutional mission orientation and financial position, issues of public integrity, and the appointment, remuneration and termination of the services of senior management and all other institutional staff members. Furthermore, as set out in the "Guidelines for Good Governance Practice and Governance Indicators for Councils of South African Public Higher Education Institutions", the Council is obliged to ensure the approval and monitoring of the institution's strategic, academic and financial plans to ensure financial sustainability.

In this regard, the Council and the Executive agreed that, in 2019, the Vice-Chancellor's quarterly reports would focus increasingly on progress in terms of strategic indicators that would give Council members the opportunity to have greater insight into and better oversight of the University's progress as far as it pertains to academic and financial progress. These reports assist Council to have a more in-depth understanding of the key challenges and opportunities facing the University.

One of the key challenges faced by most South African universities, including UWC, is the provision of adequate and safe accommodation for its students. This unfortunately is a costly and time-intensive process, and we are appreciative of the needs of the various stakeholders that include students, the management and the Education Ministry. We are making progress, however, in the intricate process of acquiring suitable land on which to develop student accommodation, and 2019 saw a series of decisions by Council to effect the various and necessary transactions. While we are very aware of the urgency that is required in developing additional accommodation, we are mindful that the University does not possess unlimited financial means and that this project is one that must be done in concert with the Department to ensure that it does not have a long-term negative impact on the University's financial wellbeing.

We noted with concern the protest action on campus at the end of 2019, when students expressed their dissatisfaction with the current provision of accommodation. We are, however, committed to ensuring that, by 2020, we will have travelled a significantly long way in securing the necessary approvals and financial guarantees to start this important project. We also believe that, despite the frustration associated with the delays in this project, the eventual land swap agreement and securing of additional land to the south of the main campus provide the University with a better long-term solution that what was originally envisaged.

The continued wellbeing of our students remains a source of ongoing concern for us, particularly where it pertains to food security, gender-based violence and the safety of our campus community, as well as accommodation, resulting in the decision to include these matters as standing items on our Council Exco agenda.

UNIVERSITY LEADERSHIP

The Executive Management has been at full complement since the appointment of Mr Meko Magida as Executive Director: Human Resources, as well as the extension of the term in office of the Rector and Vice-Chancellor, Prof Tyrone Pretorius, in 2018. In 2019, Council approved the appointment of the Deputy Vice-Chancellor: Academic, Prof Vivienne Lawack, for a second term from 1 April 2020, as well as that of Prof Pamela Dube, DVC Student Development and Support, from 1 January 2020. The renewal of the DVCs' terms in office augurs well for a sense of continuity.

The only change in senior leadership came with the resignation of Prof Duncan Brown, the Dean of the Faculty of Arts, who was awarded a prestigious Mellon Foundation grant as Principal Investigator of Research on "South African Literatures". Council agreed to the commencement of the recruitment process, resulting in the appointment of Prof Monwabisi Knowledge Ralarala as the Dean of Arts for a period of five years, effective from 1 January 2020. I am pleased with the progress that has been made to ensure a diverse leadership, both in terms of gender and race.

GOVERNANCE AND COUNCIL MEMBERSHIP

University councils adhere to stringent rules as set out by the DHET to ensure that all members act in the best interests of the institutions they serve. In this regard, the Department requested that councils submit a self-assessment of their performance by the end of 2019. This not only appraises the Department of potential pitfalls and problems with individual councils, but also allows us as a collective of diverse individuals to interrogate how we have fulfilled our core mandates. In order to gain greater insight into the workings of Council as a whole, and of its subcommittees, we decided that a similar assessment would be conducted with the subcommittees and that I might, if necessary, hold one-on-one sessions with individual Council members.

To further strengthen our governance, Council adopted the amended Council Charter in March 2019 and has been monitoring its implementation since then, ensuring that it adheres to its duties and responsibilities in the interest of good governance.



UNIVERSITY COUNCIL – Front Row: Ms Colleen Subhanni, Mr Manie Regal (Executive Director: Finance & Services), Prof. Bhekithemba Mngomezulu, Ms Yasmin Forbes (Chairperson), Prof. Tyrone Pretorius (Vice-Chancellor and Rector), Dr Nita Lawton-Misra (Registrar), Ms Sasha-Lee Douglas. Backrow: Mr Michael Gelderbloem, Mr Njongo Kali (SRC Secretary General), Mr Meko Magida (Executive Director: Human Resources), Dr Llewellyn MacMaster, Adv Nazreen Bawa, Prof Vivienne Lawack (Deputy Vice-Chancellor: Academic), Dr Anshumali Padayachee, Dr Biren Valodia, Ms Esme Jacobs, Mr Rick Menell, Mr Matthew Parks, Ms Nocamagu Mbulawa, Mr Blum Khan, Dr Ronel Maart, Prof Pamela Dube (Deputy vice-Chancellor: Student Development & Support), Mr Zolisa Menze. Not in attendance: Prof José Frantz, Ms Cindy Hess (Vice-Chairperson), Ms Xoliswa Daku, Prof Alan Christoffels, Cllr Antonio van der Rhee, Judge Nathan Erasmus, Mr Thobile Lamati.

Council members are not remunerated for their time and dedication to the University, and I therefore would like to express my appreciation to former and current members (as highlighted in the Annexures to the 2019 Annual Report) for their time and diligence in discharging their duties to the University.

FINANCES

The poor state of the South African economy is indeed a significant cause for concern and the University is not exempted from these challenges, with our students and their families feeling the impact of a parlous growth of 0.7%. It therefore is reassuring that the University ended the 2019 financial year positively, with a surplus balance, and that UWC remains a going concern. The financial results for the year and the University's performance in terms of national benchmarks are reported in detail in the Financial Review section of this Annual Report. The financial discipline applied by all sectors of the University community, and the oversight role of the Council Finance Committee, are acknowledged with appreciation.

POLICY ISSUES AND KEY DECISIONS

The Department's "Guidelines for Good Governance Practice and Governance Indicators for Councils of South African Public Higher Education Institutions" sets out our various responsibilities as far

as they pertain to our oversight areas. These include governance of institutional risk management and sustainability; exercising budget approval and overall budget oversight; and ensuring appropriate financial control, including financial audits. In this regard, we paid substantial attention to internal governance processes as these pertain to universities' adherence to the Public Finance Management Act, 1999 (PMFA) and the King IV Report on Corporate Governance. While Council noted that universities are not subject to the provisions of PMFA and King IV, we sought to ensure that UWC adhered to best practices in financial matters such as procurement.

Of importance for the Council as far as risk management is concerned, we worked closely with our internal auditors and the University Executive not only to maintain an updated Risk Register, but also to adopt mitigating actions, where necessary, to safeguard the University.

Senate is accountable to the Council and responsible for the general academic and research functions of the University and, as such, is required to submit relevant policies and strategic academic matters to Council for approval. Council thus approved the following matters on recommendation from Senate:

The following appointments were approved by Council following recommendations from Senate:

1. Prof Gregory Ruiters, as Deputy Dean: Teaching and Learning in the Faculty of Economic and Management Sciences, for the period 1 September 2019 until 31 August 2020
2. Prof Lea Mwambene, as Deputy Dean: Teaching and Learning in the Faculty of Law, for the period 1 September 2019 until 31 August 2020
3. Prof Zannie Bock, as Deputy Dean: Teaching and Learning in the Faculty of Arts
2. Senate Executive Committee Standing Orders
3. Remuneration and Conditions of Employment Committee Standing Orders
4. To the Probation Policy and the Research Policy of the Senate Research Committee
5. Flexi-time and Flexi-Place Policy
6. Extension of Outsourced Services contracts (security, gardens and grounds, and cleaning services) for a three-year period from 1 July 2020 to 30 June 2023.

Senior Professor, Emeritus Professor and Honorary Professor status are awarded in recognition of a person's contribution to scholarship. It is a Senate prerogative to initiate such a process, with final approval of such titles confirmed by Council. During 2019, Council approved:

1. Bestowal of the title Emeritus Professor on Prof Lawrence Xavier Graham Stephen in the Faculty of Dentistry
2. Bestowal of the title Emeritus Professor on Prof John J Williams in the Faculty of Economic and Management Sciences
3. Bestowal of the title of Emeritus Professor on Prof Ramesh Bharuthram
4. The promotion of Profs Patricia Hayes and Ciraaj Rassool from the Faculty of Arts to the status of Senior Professors
5. The appointment Profs Fran Baum and Lucy Gilson as Honorary Professors in the School of Public Health, Faculty of Community and Health Sciences
6. The appointment of Archbishop Dr Thabo M Makgoba as UWC Chancellor for another term, beginning 1 January 2020

Council approved:

1. A proposal on jointly conferring an honorary doctorate degree with other universities
2. Joint awarding of the Honorary Doctorate (DPhil in Arts) on Mr William Kentridge by UWC and the Vrije Universiteit Brussels

Council approved the following amendments:

1. Council Membership Committee Standing Orders

Council also approved new programmes in the following faculties: Education, Natural Sciences, Economic and Management Sciences and Law.

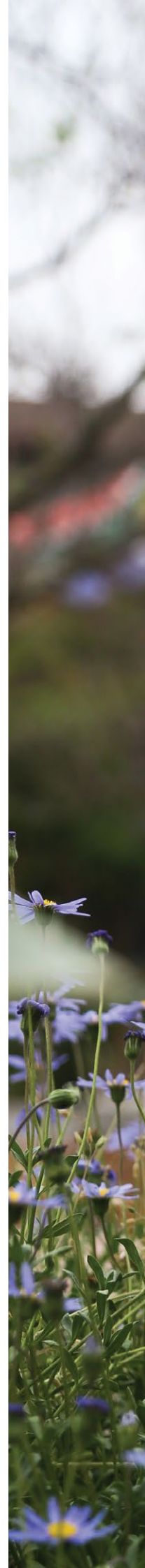
CONCLUSION

In 2020, the University of the Western Cape will celebrate its 60th year of existence. Here, over the past six decades, the University has made significant strides – from an institution designated by the apartheid government to educate coloured students to one of the leading universities in South Africa. However, there always will be work to be done and improvements to be made – be it in the realm of teaching and learning or research endeavours.

While the University continues to perform well in a variety of indices, including international ranking systems, our collective responsibility is to safeguard this institution for future generations and ensure that we each play our part in building on the foundation of those who have come before us. In this endeavour, I am deeply appreciative to have the commitment of my fellow Council members, and for the constructive relationship with the University Executive.



Ms Yasmin Forbes
Chairperson of Council







Prof Tyrone Pretorius



Our students arrive at our campuses from disparate and diverse backgrounds, and their ambitions and desires are often similar but simultaneously unique.

THE GREAT HALL LECTURE THEATRES
Main Campus Bellville





RECTOR AND VICE-CHANCELLOR'S REPORT

INTRODUCTION

As we prepare this annual report, the world as we know it has changed radically. Instead of managing the usual challenges and opportunities, we have been rudely awakened to a new threat – the rapid and deadly spread of the coronavirus that started many geographical kilometres away but has quickly spread its tentacles across the globe. It has deeply affected our nation and its people, and the South African government has declared a State of Disaster with far-reaching ramifications. The University of the Western Cape – as has every single school and institution of higher learning – has been shut down due to a national lockdown and we have had to adapt of new ways of teaching and learning, our staff working remotely and our students sent home. As I write this, we are navigating our way through this pandemic to ensure that no student is left behind in the 2020 academic year, and that we are able to provide our students and staff with the necessary support and assistance.

Universities are extraordinarily sturdy institutions. Consider the fact that the oldest existing and still operating educational institution in the world is the University of Karueein, founded in 859 AD in Fez, Morocco on the African continent. As stewards of these centuries-old institutions of higher learning, we foster so many of the world's hopes: seeking answers to challenges and unlocking new knowledge. But our place in the world does not come without opposition and contestation, and rightly so. Because we are part of the society within which we are located and our students are its citizens, we are linked inextricably. In a country such as ours, tied with invisible and real threads to our recent apartheid past, universities often become microcosms of the ills that beset us, be they poverty, unemployment or the inequitable distribution of wealth.

Universities can therefore never aspire, nor should they, to be enclaves of privilege for an elite few, and the University of the Western Cape symbolises the exact opposite of this. Throughout our existence, we have been a home for generations of students who would perhaps have found scant welcome at other institutions. So many of our students embody a can-do spirit, one that leans in when challenges and obstacles appear insurmountable.

It therefore is my great privilege as Rector and Vice-Chancellor to present my overview of 2019, the final year of my first term in office. It has been an extraordinary journey since 2015, working alongside the University's Executive Management Team, the senior leadership and my other colleagues to further develop this University as one of leading institutions of higher learning in South Africa.



CONTEXTUAL OVERVIEW

In May 2019, President Cyril Ramaphosa effected his first Cabinet reshuffle after becoming President in 2018, and this affected our sector with the reappointment of Dr Blade Nzimande as minister and collapsing the Department of Higher Education and Training and the Department of Science and Technology into a single ministry. Having previously worked with Dr Nzimande during his tenure in this portfolio offered us a measure of stability and familiarity. As a research-led institution, we have built a close working relationship with both the Department of Science and Technology and the Department of Higher Education, and we thus were keen to see the new ministry work optimally.

Much attention has been focused on the unequal higher education landscape, with some universities having far greater financial resources than those that fall within the category of historically disadvantaged institutions (HDIs). The DHET, acutely aware that post-apartheid South Africa has inherited a skewed university system, introduced the Draft Historically Disadvantaged Institution Development Programme (HDI-DPI), which seeks to address some of these inequalities over the next five years, effective from 2020. We welcome this initiative, as it is understood that many of the HDIs played a pivotal role during apartheid and, like UWC, became the cradle of educating generations of black leaders. In order for us to continue playing a meaningful role in the education of current and future generations of young people, there is an understanding that the playing fields need to be levelled to some degree.

LEADERSHIP

I am pleased with the fact that the Executive Management Team reached its full complement with the appointment of Mr Meko Magida as Executive Director: Human Resources in 2018; he has settled into a productive unit. Furthermore, the extension of terms in office for Prof Vivienne Lawack, DVC: Academic and Prof Pamela Dube, DVC: Student Development and Support cemented a sense of continuity for the executive team. Having been reappointed for a second term in office from 2020, I am grateful for the confidence shown in me and am deeply appreciative of being able to lead this fine institution.

This year, the only change at senior leadership level came about with the resignation of Prof Duncan Brown, Dean of the Faculty of Arts, after he was awarded a significant Mellon Foundation Grant in which he would act as Principal Investigator. Council mandated the University Executive to begin the search for his replacement, and Prof Monwabisi Knowledge Ralala was appointed as from 1 January 2020. I would like to pay tribute to Prof Yusuf Osman, the Dean of the Faculty of Dentistry, who will officially retire at the beginning of 2020. Prof Osman was one of the first cohort of students at UWC when it opened its Dentistry Faculty and has been the University's longest-serving dean. Under his leadership, the Faculty grew to become the largest dentistry school on the continent and we are indebted to him for his many decades of service to the University.

I am mindful of the fine balance that must be maintained in terms of race and gender throughout the University, as well as at senior leadership level, and am pleased with the progress we have made thus far.

MEANINGFUL STUDENT EXPERIENCE

The British educationalist, Sir Ken Robinson, has said: “We are all born with fathomless capacities, but what we make of them has everything to do with education. One role of education is to help people develop their natural talents and abilities; the other is to help them make their way in the world around them.”

Our students arrive at our campuses from disparate and diverse backgrounds, and their ambitions and desires are often similar but simultaneously unique. While it might present a myriad challenges for both them and their educators, the majority will descend the steps of our Main Hall in celebration some years later as they exit as graduates of our institution. Each year, as I sit on stage in the Main Hall and watch our graduands step forward to have their degrees and diplomas conferred upon them, I am mindful of those individual journeys that have brought them to the fruition of their academic ambitions. I am equally mindful that we have played a small yet significant part in their lives’ journeys, and that the years at UWC will have developed their natural talents and abilities and, if we succeeded in our roles, will have equipped them to make their way in the world.

Student wellbeing

This year, I spoke at one of our graduation ceremonies about the scourge of violence against women and that it behoves our graduates to make South Africa a better society, one in which women are not marginalised and fearful of the men around them. The cruel hand of violence reached UWC too, with the tragic death of one of our first-year students, Ms Jesse Hess. Her murder in early September brought home with shocking clarity the randomness and prevalence of gender-based violence in South Africa. The campus was united in its grief at the memorial service in the Main Hall that was attended by Ms Hess’s family. Her death ignited a sense of urgency that we should ensure that the University is as prepared as possible to deal with incidences of gender-based violence, as well as ensure that the campus is a safe place for all who study and work here.

The matter of student safety and gender-based violence continued receiving attention at multiple levels in the University. Deans and members of the Executive committed themselves to exploring different forms of engagement to increase awareness and to develop and implement strategies to increase the sense of safety of students and staff. These range from the inclusion of related matters in the formal curriculum, co-curricular activities and staff training programmes, discussions at formal and informal staff meetings, safe walks and improved lighting, accompanying students at night between the library and residences, and the possible use of panic buttons on customised mobile applications. It was

particularly encouraging to note that faculty reports showed an increased emphasis on the inclusion of such activities in students’ community service and outreach activities. Prof Dube, DVC: Student Development and Support, was appointed to the DHET’s Ministerial Task Team that will advise Minister Nzimande and his department on issues relating to sexual harassment and gender-based violence at South African universities.

UWC was also one of only three universities in South Africa to benefit from the 2019 visit of the British royal, the Duchess of Sussex, through the awarding of gender grants. The University’s Gender Equity Unit, along with the Universities of Stellenbosch and Johannesburg, received a “gender” grant to fund projects at the institutions. Our grant was used to review existing policies to ensure that they are gender-inclusive and non-discriminatory.

Optimising student potential

In the evolving role of higher education in modern society, enhancing the experience of students and keeping them motivated to persevere and develop their full capacity goes way beyond mere academic learning. Under the able leadership of Prof Dube, we have embarked on a range of projects to keep students engaged and extend their co-curricular experiences. In 2018, the Centre for Student Services and Support launched Map Works as a tool to provide UWC with data on students’ experiences and academic success. At the time, 2 061 out of 3 241 second-year student invitees responded. In April 2019, a follow-up survey was conducted involving the same cohort of students, thus allowing the University to track improvements in their circumstances.

It is also important to facilitate processes to give students a voice, and to identify their concerns and unmet needs. Drawing from the results of the 2018 Universum Talent Research, released in 2019, it was pleasing to note that UWC students and alumni compared favourably with the national average among South African universities. UWC students positively associated the University with strong student support, a friendly and open environment, exceptional lecturers as well as a commitment to diversity. Their top career goals included a stable and secure job, and being dedicated to a cause or to feel that they were serving a greater good.

The results of our 2018 Graduate Exit survey, released in 2019, indicated that 94% of graduates were proud to graduate from UWC, 88% would recommend UWC to their friends and family, while 72% said they found their workload during their studies manageable. Furthermore, 78% of graduates said they would choose UWC again as a place to study, while 87% said the University provided them with an intellectually stimulating environment.

The relocation of the Dean and administrative staff of the Faculty of Community and Health Sciences to the Bellville CBD presented an ideal opportunity to remodel the ground floor of the old CHS building to accommodate the Office for Students with Disabilities that is part of the Centre for Student Support Services (CSSS). This Office services over 200 students who are registered with it. Against this backdrop, the University continued to place a special emphasis on students' mental health and their ability to cope with their academic careers. The CSSS embarked on a Mental Health Project as part of the University Capacity Development Programme (UCDP) to identify the health-seeking behaviour of students, as well as to develop a Mental Health Policy with practices that respond to the unique needs of the students at UWC.

One of the key concerns for us as a university community is the issue of food security among our students. This has inadvertently been exacerbated by the changes in the disbursement of food vouchers by the National Student Financial Aid Scheme (NSFAS) in the year under review, with these vouchers being available only to those students who live in student accommodation. The office of Student Development and Support (SDS) has played a key role in facilitating corporate partnerships, such as the multi-year one with Tiger Brands that provides non-perishable food to more than 500 students each month. SDS, with the assistance of Institutional Advancement, reached an agreement with the Shoprite Group of Companies to support the University's Nutrition and Wellness Project. This allowed for the creation of different packages to support students on a short-term basis, and Shoprite became part of a multi-stakeholder team that has explored different support modalities in order to structure an informed and integrated institutional approach and sustainability plan.

Sport and culture

University sport has long been an integral part of the campus experience, both for students and those who enjoy watching it. Apart from building community and friendships, participation in university sports play an important role in enhancing the student experience, in teaching students the value of discipline and teamwork and, among others, in controlling aggression and building the psychological resilience to deal with disappointments and defeat.

Under the capable leadership of rugby great Chester Williams, UWC played in its first rugby Varsity Cup tournament, which is testimony to the impact that he has had on his players and the University as a whole. We therefore were greatly saddened at his unexpected passing in 2019, and know that his presence will continue to be felt at our institution.

We are proud of the stellar achievements of current and past students.

- Footballer Thembi Kgatlana has enjoyed admirable successes and visited UWC in January to share her experiences since taking a sabbatical from her studies in 2018 to join Houston Dash, a professional football team in the United States. During her visit, she shared her skills with school pupils at a coaching clinic and her experiences with the campus community at a homecoming event where she also was inducted into the UWC Hall of Fame. She was also part of the women's national squad that earned their first-ever place in the 2019 FIFA Women's World Cup hosted in France in June.
- Cricketer Zubayr Hamza won his senior cricket team colours in a five-day Test and became the Proteas 100th player since readmission.



- Kurt-Lee Arendse, star UWC rugby player, was called up to the Blitzboks Sevens' team and has become a regular member of the national squad.
- Several student athletes travelled to Italy to participate in the 30th Summer Universiade, while Director of Sport, Mandla Gagayi, was selected as head of delegation and Elmiel Cloete and Clement Trout were appointed as managers for the women's and men's 7s rugby teams respectively. Team South Africa finished 10th out of 127 countries, with 18 medals – six gold, eight silver and four bronze.
- Rising football star Bongeka Gamede was selected for the Banyana Banyana squad participating in the 2019 FIFA Women's World Cup in France. Her inclusion took the UWC Banyana Banyana contingent to six.
- Our stature on the sporting field was exemplified further in the performance of Herschel Jantjies, a former UWC rugby player, who played a stellar role in South Africa winning the Rugby World Cup.

EQUITABLE AND AFFORDABLE ACCESS

The fourth Sustainable Development Goal (SDG) speaks directly to inclusive and equitable quality education and lifelong learning opportunities for all, with the target that, by 2030, countries should provide equal access for all women and men to affordable and quality technical, vocational and higher education, including university. Although South Africa has done relatively well in providing access to basic education for all its children since the end of apartheid, it remains doubtful that we will be able to fulfil the SDG target within the next 11 years, given the unevenness in the quality of education and the unacceptable levels of poverty. It is then obvious that, for the vast majority of young South Africans, a university education will remain an elusive dream. A 2016 Global Education Monitoring Report that examined disparities between the richest and poorest students in terms of completion of higher education found that, across 76 countries, 20% of the richest 25- to 29-year-olds had completed at least four years of higher education, compared with less than 1% of the poorest. A Statistics South Africa report, "Higher Education and Skills in South Africa, 2017", highlighted the fact that, of the 2.8 million youth aged 18 to 24 who were not attending any educational institutions, half of them (1.4 million) reported that they did not attend any educational institution because they had no money for fees.

As an institution with a deeply rooted commitment to providing access to young people who would, in all likelihood, not have attended university because of their socio-economic status, UWC has steadfastly believed that no academically deserving student should be left behind. It is this very same commitment that has led us to maintain a low fee structure that, in turn, has resulted in a

lower income base and has also influenced the disbursements from the National Student Financial Aid Scheme (NSFAS). While we acknowledge the significant benefits that NSFAS has brought to the lives of millions of students, the system continues to experience challenges, and changes have been introduced that have placed an additional burden on institutions. In January 2019, the University received notification from NSFAS of changes to the disbursements of allowances to qualifying students, stating that allowances would be standardised across the sector; allowances would be disbursed directly to students (and third parties) through a secure bank account; the voucher system would be discontinued; and universities would be expected to distribute the students' allowances monthly from February to November.

Below is a breakdown of the financial support our students received in 2019 compared to the preceding years:

NUMBER OF STUDENT BENEFICIARIES PER YEAR					
FUND	2015	2016	2017	2018	2019
NSFAS	5 838	7 185	5 734	7 856	9 119
UWC Bursaries	4 862	5 783	6 060	5 957	6 136
Other Bursaries	5 970	6 343	4 858	3 474	4 224
Total	16 670	19 311	16 652	17 287	19 479

ATTRACTING, RETAINING AND DEVELOPING EXCELLENT TALENT

The University continues to explore and introduce progressive and innovative ways of promoting itself as an employer of choice, not only in the region but also nationally and internationally. No strategy, however brilliant, can succeed without the appropriate supportive behaviours to realise it. This necessitates the leadership to remain acutely alert to broad values, attitudes and behaviours that our employees share and experience on a daily basis, as well as how these affect job satisfaction, staff retention and an inclusive culture of excellence.

It is for this reason that we undertook our third campus-wide Culture Survey during 2018 to ascertain how well aligned UWC's institutional culture is with the values and ethics that it propagates, and where the shifts in emphasis are. The previous two surveys were conducted in 2011 and 2014. The values-based survey, conducted online through a web-based secure portal to ensure anonymity, was successfully completed in October 2018, with a completion rate of 49.5%. The results were shared with the campus community in 2019 through a series of workshops and conversations. The survey will continue being used as a useful mechanism to ensure that we seek a positive alignment between employees' personal values and those of the University.

Fostering a successful working relationship with the University of the Western Cape Employees Union (UWCEU) is an important mechanism to ensure optimal employee engagement. The University regards the union as a stakeholder and, since its formation, training opportunities have been extended to shop stewards. The platform for engagement with the union is through the monthly scheduled meeting for consultative purposes, as well as engagements through the Employee Relations Department. After UWCEU's successful registration as a union, the University signed a Recognition Agreement with it on 20 February 2019. The Agreement recognises the UWCEU as the sole and exclusive collective bargaining agent, provided it maintains a membership of 50% plus 1. We recognise sufficient representation at 30% plus 1. Shop stewards hold office for three years, after which nominations and re-elections take place.

The Human Resources Department started developing the University's new Employment Equity Plan, as the current plan is set to end in May 2020. During 2019, a project plan was finalised and a task team established to lead the drafting of the UWC Employment Equity Plan 2020-2025. As a university community that seeks to ensure diversity at all levels of the institution, we are committed to employment equity and following the prescripts of the Employment Equity Act.

Below is a breakdown of our staff complement according to categories over a seven-year period:

STAFF CATEGORY	2013	2014	2015	2016	2017	2018	2019
Executive, management professionals	136	137	142	145	148	104	101
Instruction / research professionals	574	615	645	678	658	681	679
Support professionals	42	29	43	34	40	77	79
Total professional staff	752	781	830	857	846	862	859
Technical staff	127	134	132	112	114	111	109
Non-professional administrative staff	580	612	630	589	586	608	609
Crafts / trades staff	43	40	41	40	38	34	32
Service staff	27	29	31	33	31	32	29
Total non-professional staff	777	815	834	774	769	785	779

As evident from the Annual Performance Report, we are slightly short of our target of the percentage of permanent instructional/research staff with doctoral degrees, at 59,9% as opposed to the target of 60%. This level is the result of several interventions over a number of years, particularly driven by the office of Prof José Frantz, DVC: Research and Innovation – some of which include publication retreats where researchers are given the time and space to focus

on writing and producing research publications, and workshops on proposal development and thesis writing.

Similarly, while our numbers of researchers with National Research Foundation (NRF) ratings is just below target, we continue to invest in preparing our staff to apply for ratings through a range of mechanisms, such as application workshops.

ADMINISTRATIVE SYSTEMS IN THE DIGITAL AGE

Preparing a university for technological changes in the digital age is no longer optional. UWC's Centre for Innovative Education and Communication Technologies (CIECT) continued to make great strides to enhance online teaching and learning and to ensure that community engagement initiatives are provided on our digital platforms, such as the iKamva Learning Management System and related technical support structures. The construction and refurbishment of the new computer labs and related buildings have also increased our digital academic capabilities. The joint commitment by the Mechanical, Engineering and Related Services Education and Training Authority (MerSETA) and the DHET has helped leapfrog UWC into the space of immersive technologies through the acquisition of enabling hardware and software that will assist in capacitating the next generation of students with new knowledge and skills to embrace a different future.

One of the factors impeding effective internal and external communication and making it difficult to promote collaboration and to connect people across business functions is UWC's outdated legacy systems that do not "talk to each other". The University has discontinued the incremental upgrading of outdated systems and implemented 'Project Synergy' as part of an integrated enterprise-resources planning (ERP) system, combining both Finance and Human Resource functions within "Softworx infor LN" and "Educus Vision" respectively. The new ERP system is aimed at addressing operational inefficiencies and crossing functional silos, while improving data integrity. As with projects of this nature, we are experiencing some challenges, but we continue to work towards achieving the objectives of the project.

The completion of fibre provision, combined with a refreshing of Wi-Fi access points and re-cabling of most buildings on campus has resulted in the data connectivity on campus improving significantly. To illustrate the significance thereof, in 2019 we hit peak internet usage when 30 TB of data was consumed across the network in one day. This capability not only supports more effective engagement by students, but it also aids academics to better engage locally and internationally. Through our Business Intelligence (BI) project, we are starting to reap the benefits of combining the University's



data architectures, applications, databases and data analytics and business analytics to gain real-time, interactive access, analysis and manipulation of information. With further improvements, the BI project promises to help evaluate the past and present situations and performance with a view to transform data into information for improved monitoring and decision-making.

Access to relevant high-quality information is vital for learning, teaching and research endeavours at UWC, and this is directly linked to the University mission and vision and the IOP core goal areas 1, 2 and 3. In this regard, the University Library plays a vital role, particularly in access to databases. In 2019, the Library participated in National Database Licensing initiatives of Government and Universities South Africa (USAF), such as the Open Access (OA2020) Project aimed at transforming scholarly journals from the current subscription system to new, open-access publishing models that enable unrestricted use and re-use of scholarly outputs and assure the transparency and sustainability of publishing costs.

Areas that require further attention in 2020 are the renewal of UWC's website and intranet to improve both internal and external communication.

CAMPUS INFRASTRUCTURE AND SURROUNDINGS

There is a growing body of knowledge about cities and neighbourhoods awakening to the importance of place in regional development and the role of universities as anchor institutions and place-makers. During this reporting period, we have actively advanced UWC's capabilities to become an anchor institution, fully connected to the city and surrounding communities and industries. An important priority for this leadership team is to connect the University to the

mainstream life of the city and province to break out of its apartheid-induced isolation.

During the period under review, much has been accomplished to take full occupation of repurposed on- and off-campus buildings to expand UWC's footprint into the Bellville Central Business District to co-locate cognate departments. The recent completion of a large-scale project, totalling 10 542 assignable square meters, now houses the School of Nursing, School of Natural Medicine and the departments of Physiotherapy and Occupational Therapy, together with the Dean of the Faculty. This is an important milestone in UWC's efforts to provide appropriate environments for learning and teaching, help build community and improve the overall health and safety of the area. Through this relocation, the University acknowledges its anchoring role to further the revitalisation of the CBD and as a mechanism to help shape the future identity of the greater Tygerberg sub-region.

The shortage of student accommodation remains a key concern for the leadership team. We originally acquired approximately 4,2 hectares of land south of the campus to develop a student village able to accommodate about 2 700 students. As plans unfolded, we became aware of alternative land, totalling almost 29 000 square metres in size, in much closer proximity to the campus that could provide a vital corridor between the envisaged accommodation and main campus and ensure that our students had safe passage between the two campus sites. Unfortunately, protracted negotiations to satisfy the needs of all the role players delayed the project significantly, but I am encouraged by the commitment of all parties to resolve matters to ensure that the construction of affordable student accommodation commences in 2020 to enhance the transformative potential of the University. I am pleased to report that we have also managed to conclude a like-for-like arrangement with the Western Cape

Department of Human Settlements to swap the aforementioned 4,2 hectares of land for land immediately abutting the sports precinct and to acquire the remainder of the site through a sale agreement. Jointly, the newly acquired land as well as the envisaged student housing will significantly expand the footprint of the main campus.

During 2017, the Western Cape experienced a severe drought that threatened to bring University activities to a halt. This prompted us to introduce more sustainable practices and materials as part of our infrastructure expansion and renewal projects. The establishment of a borehole purification plant in 2019 has brought a measure of self-sufficiency to the University in terms of water usage with, 500 000 ℓ of drinking water being produced per day. This amounts to 25% of our extractable capacity, and means that 60% of our daily use is fed directly into UWC's water reticulation system, while the balance (40%) is drawn from municipal water supply. The world-class, state-of-the-art facility is among the first of its kind at a university in South Africa, and a number of interested parties have expressed an interest to replicate the system at other institutions located in water-scarce regions.

Having completed several significant infrastructure projects (the Community and Health Science site in Bellville, the Computation and Mathematical Sciences complex and the Arts infill project) in 2018, we are committed to continuing our goals as defined in the current Institutional Operating Plan. In 2019, we actively pursued the acquisition of the Belhar student housing project. We also are pursuing the repurposing and construction of an Education Precinct to house the Faculty of Education on the south campus, and the former school in Greatmore Street, Woodstock to house activities of the Centre for Humanities Research.

REPUTATION MATTERS

The Media, Marketing and Communications office had its Integrated Communications and Marketing Strategy (ICMS) approved by the Executive Management Committee in 2019. Later in the year, the office's Phase 2 document of the strategy was approved. Phase 2 puts in place the mechanics and metrics to position the University of the Western Cape in the public domain as a leading higher learning and research, teaching institution in Africa and the world. As the strategy dictates, the activities and resources of the Media, Marketing and Communications unit are divided in a 70:30 ratio – 70% of resources are devoted to pushing UWC's narrative by proactive means like media campaigns, while 30% of resources are devoted to responding to media queries. The ratio has worked well,

but it should be noted that the increasing demands on the office by various stakeholders make the concentration on media campaigns a challenge.

For the PEAR (Professional Evaluation and Research) media-monitoring analysis period from 1 to 30 September 2019, the top three universities in South Africa in terms of coverage were: UCT, with a total of 5 207 clips; UWC, with a total of 1 585 clips; and Wits, with a total of 1 249 clips. UWC generated the second-highest amount of coverage in this month, with an AVE of R55 018 908 and a cumulative reach of 554 937 236. When one compares previous analysis periods to the current period, it is clear that UWC's media presence has increased dramatically. Coverage focused on awards, research, sport and student-related topics. The majority of the coverage for 2019 was positive. During the months of August and September, the country united to speak about against gender-based violence. Among the victims were the University of Cape Town student Uyinene Mrewetyana and UWC's Jesse Hess. The office was involved in organising a memorial service for Jesse. The memorial service – which saw staff, management, student leaders and students unite in the Main Hall – made national headlines. Earlier, UWC gained widespread recognition for rejecting an application from kwaito star Mandla "Mampintsha" Maphumulo to hold an event at our stadium. The musician was filmed assaulting his girlfriend, Babes Wodumo.

By the end of November 2019, standing and profile on the University's Risk Register featured outside the Top 10 institutional risks identified, whereas it had previously ranked alarmingly high. This is significant and indicates that the Media, Marketing and Communications office has gone a long way over the past 18 months to mitigate risks and enhance the standing and profile of the University.

The Times Higher Education (THE) Gold Age University Rankings 2019, released at the end of June, saw the University placed within the top 150 universities that had been established for more than 50 years but less than 80 years. This year's Golden Age table – so named to reflect what THE describes as the Golden Age in global higher education, characterised by rapid university expansion and increasing investment in research – features 271 universities, up from 200 last year. The Golden Age ranking uses the same methodology as the World University Rankings.

In April, Times Higher Education, in its first University Impact Rankings, ranked UWC in the 101 to 200 band. The Times Higher Education University Impact Rankings are the only global performance tables that assess universities against the United Nations' Sustainable Development Goals, using indicators to provide comprehensive and balanced comparisons across three broad areas: research, outreach, and stewardship. This first edition included



more than 450 universities from 76 countries. UWC's top-performing areas in declining order were Reduced Inequalities, Gender Equality and Quality Education. Other areas in the following Sustainable Development Goal rankings were: Peace, Justice and Strong Institutions, Good Health and Wellbeing, Decent Work and Economic Growth, Sustainable Cities and Communities, Climate Action, Industry, Innovation and Infrastructure, and Partnership for the Goals.

The global higher education analysts Quacquarelli Symonds (QS) World University 2019/2020 rankings placed UWC in the Top 1 000 universities in the world. More than 80 000 academics and 40 000 employers contributed to the rankings through the QS global surveys, while QS said it analysed 99 million citations from 10.3 million papers, and 1 000 institutions were ranked. Six indicators are used to score universities' ranking: academic reputation (40%), employer reputation (10%), faculty-student ratio (20%), citations per faculty (20%), international students (5%) and international staff (5%).

FINANCIAL VIABILITY

The financial health of an institution such as ours is very much tied to external vicissitudes such as the state of the South African economy and the conditions under which our citizens live. The year in review has not been a favourable one for our country's economy, as it entered its third recession since 1994 and experienced marginal growth in its gross domestic product. The expectations for 2020 are similarly disappointing. In the light of these negative circumstances,

I am pleased that the University's financial status remained positive in 2019 and that the University's finances were in good standing at the December 2019 financial year-end and that we can report surplus funds. A detailed overview of the University's finances is found in the Financial Review in this Annual Report.

CONCLUSION

In many respects, UWC continues to punch above its weight. It occupies a unique position in the South African higher education landscape as it seeks to play a key role in the intellectual and social spheres of the various publics that it serves. During 2019, we have made good progress but we cannot afford to rest on our laurels: we have to create new narratives and lasting legacies. In doing so, we will be challenged by harsh economic realities and a fast-changing environment, compelling us to constantly ask difficult questions about our relevance, responsiveness and viability. At the end of my first term as Rector and Vice-Chancellor, I wish to express my sincerest gratitude to all who contributed to UWC's achievements. With UWC's 60th celebrations coming up, I am truly excited about the next phase of the institution's development and to see many of the initiatives for which we have laid a solid foundation coming to fruition.

Prof Tyrone Pretorius

Rector and Vice-Chancellor



Prof Tyrone Pretorius

UWC's goals are ambitious and require strong, visionary leadership and highly competent strategic management if we are to succeed.

THE GREAT HALL
Main Campus Bellville





CHAIRPERSON OF SENATE REPORT

INTRODUCTION

A decade ago, the African continent was a key focus at the UNESCO 2009 World Conference on Higher Education in Paris, with challenges such as the diversification and access of students, financing, regional cooperation, and strengthening areas such as science and technology, research and innovation. Now, a decade later, we are still grappling with many of these issues and continue working towards providing inclusive and equitable education to the young people of our nation. The upheaval within South Africa's higher education sector over the past few years has brought these challenges into sharp focus, resulting in a period of deep introspection.

As Chairperson of Senate, the University body that is responsible for the general academic and research functions of the institution, I am very aware of the engagements and debates about our academic project – not only at the University of the Western Cape, but also on a broader national level. This report therefore represents the ongoing efforts of various constituencies at the University, the various initiatives and investments that have been made to improve the quality of education that we provide to our students – from when they enter the institution as first-time entrants to the interventions made at postgraduate level. The concerns of the abovementioned UNESCO conference are by no means obsolete, and this Senate report offers a broad scope of the achievements and challenges of UWC in 2019.

COMPOSITION OF SENATE

The role of Senate is vital in overseeing the academic project, and its composition reflects this focus; but, as with our other governance bodies, Senate's composition also shows that we recognise the value of broader participation. Senate is supported by its executive committee and a range of subcommittees. All the Senate subcommittees have clear terms of reference that set out their roles and responsibilities.

The UWC Senate consists of:

- members of the University executive
- Council representatives
- deans of faculties
- professors (along with specified visiting, extraordinary and honorary professors)
- directors of schools, centres and institutes at the University

- chairpersons of all academic departments or similar academic structures
- eight academic employees
- eight employees from the professional and support sector
- eight registered students
- the director of library services
- the director of teaching and learning
- the director of postgraduate studies

and such additional persons, not more than eight in number, as the Council, on the recommendation of the Senate, may decide upon.

LEADERSHIP AND FACULTIES

UWC's goals are ambitious and require strong, visionary leadership and highly competent strategic management if we are to succeed. Over the past year, Senate, through its faculties and subcommittees, gave focused attention to a range of educational and research matters that affect and influence the intellectual vibrancy of the University. The University has been in the fourth year of implementation of its Institutional Operating Plan (2016 to 2020), and there is much to suggest that it has done exceptionally well in each of the areas of strategic significance, as well as in embracing technology and maintaining an alertness to unique opportunities that can aid our development. Leadership at the level of the executive and deans remained stable and, as a sign of confidence and to maintain continuity, Council, on the recommendation of Senate, has extended the term of office of the Vice-Chancellor with an additional five years.

UWC's academic programmes are offered through seven faculties, namely: the faculties of Arts; Community and Health Sciences (CHS); Dentistry; Economic and Management Sciences (EMS); Education; Law; and Natural Sciences. The majority of faculties – with the exception of Dentistry and certain departments in Community and

Health Sciences – are located on the main campus in Bellville. The Faculty of Dentistry operates from two campuses, with the primary campus at the Tygerberg Hospital Complex in Bellville and a satellite campus in Mitchell's Plain. In 2019, we launched the opening of the Faculty of Community and Health Sciences (CHS) campus in the Bellville Central Business District (CBD), which is home to the departments of nursing, occupational therapy, physiotherapy and the School of Natural Medicine, as well as the faculty offices. The other CHS departments remain based on the main campus.

OUR STUDENT BODY

2019 student enrolment

Central to developing and sustaining a conducive intellectual environment is a solid respect for what students and staff bring to the institution and an eagerness to engage creatively and critically with a wider complex world. In response to a national need to increase epistemological access and expand the country's research base, UWC's student enrolment growth has been an exciting challenge. In 2019, we marginally exceeded our enrolment of first-time entering undergraduate students, as shown in the Annual Performance Plan. Overall, our student headcount enrolment of 23 784, compared to an expected total of 24 570, is just over 3% below the planned target. This is largely due to the under-enrolment at postgraduate level, particularly in areas such as honours and postgraduate diploma programmes, for which fewer bursaries are available. This area has received consistent attention, but we remain aware that our efforts to increase our postgraduate numbers need to be intensified in order to maintain the pipeline towards Master's and doctoral studies. Overall, the enrolment represents a year-on-year growth of 4% compared to the actual headcount of 22 835 in 2018. More pleasing has been the steady growth in Master's and doctoral enrolments and graduation rates.

Below is a set of tables that elaborate on our student enrolment over a number of years:

2010 – 2019 HEADCOUNT ENROLMENT IN DIFFERENT ENROLMENT CATEGORIES								
Enrolment categories	2010	2012	2014	2015	2016	2017	2018	2019
First-time entering undergraduate students	3 783	3 871	4 109	4 048	5056	4 575	4 537	4 829
Total undergraduate	14 297	15 595	16 159	16 258	17 320	17 595	17 447	18 855
Masters	1 489	1 511	1 667	1 767	1 821	1 988	2 049	2 170
Doctoral	504	603	714	792	885	968	1 029	1 095
Total postgraduate	3 762	3 996	4 424	4 123	4 476	4 848	5 388	4 929
Total students	18 059	19 591	20 583	20 381	21 796	22 443	22 835	23 784
Postgraduate enrolment as a proportion of total enrolment	20.8%	20.4%	21.5%	20.2%	20.2%	21.6%	21.6%	20.7%

When considering student enrolment, it is also important to manage our enrolment processes in such a way that we achieve the desired enrolment mix across major fields of study as per the so-called Classification of Educational Subject Matter (CESM) categories. We are pleased that we were able to balance the supply of students in critical skills areas, and that our 2019 enrolment per major field of study is closely aligned with our mandated targets, as shown in the Performance Report.

2010 – 2018 ENROLMENT PER MAJOR FIELD OF STUDY									
	2010	2012	2014	2015	2016	2017	2018	2019	2019 %
Science, Engineering, Technology	6 648	7 118	7 794	7 716	8 118	8 408	8 367	8 577	36%
Business/Management	2 367	2 667	2 512	2 437	2 715	2 820	2 936	2 895	12.2%
Education	2 072	1 805	1 767	1 738	1 990	2 162	2 353	2 728	11.5%
Other Humanities	6 972	8 000	8 510	8 489	8 974	9 053	9 179	9 584	40.3%
TOTAL	18 059	19 590	20 583	20 383	21 797	22 443	22 835	23 784	100%

The table below provides an overview of enrolment per level of study for each of UWC's faculties. The Economic and Management Sciences (EMS) faculty, which includes several social science subjects, is the largest faculty in terms of overall headcount, and the majority of postgraduate students are enrolled in the Faculty of Economic and Management Sciences and the Faculty of Natural Sciences.

2019 HEADCOUNT ENROLMENT PER FACULTY								
Enrolment Category	Arts	CHS	Dentistry	Education	EMS	Law	Science	TOTAL
First-time entering students	1 084	684	96	547	1 251	348	819	4 829
Headcount UG diplomas and degrees	3 885	2 790	510	2 456	4 569	1 862	2 783	18 855
Headcount Honours degrees and PG diplomas	157	156	149	163	756	73	210	1 664
Headcount Master's degrees	231	479	178	95	377	271	539	2 170
Headcount Doctoral degrees	162	213	24	116	160	71	349	1 095
TOTAL headcount enrolment	4 435	3 638	861	2 830	5 862	2 277	3 881	23 784
Proportionate headcount per faculty	18.7%	15.3%	3.6%	11.9%	24.6%	9.6%	16.3%	100%

UWC is no different from many other universities around the world in that it has a higher number of female students. Global research has shown that, since the 1990s, women have begun outranking men in terms of university enrolment. This points to a variety of factors, most of which emanate from the basic education phase. In fact, a Statistics South Africa report shows that, in each of the nine provinces in 2017, female learners had a higher participation rate and that they were more likely to attend post-school institutions. In 2019, female students represented 61% of the student body.

STUDENTS	MALE	FEMALE	TOTAL
First-time entering students	1 876	2 953	4 829
Headcount UG diplomas and degrees	7 128	11 727	18 855
Headcount Honours and PG diplomas	743	921	1 664
Headcount Master's degrees	840	1 330	2 170
Headcount Doctoral degrees	544	551	1 095
Total Headcount Enrolment	9 255	14 529	23 784

ACADEMIC PLANNING AND QUALITY ASSURANCE

Senate, through the Senate Academic Planning (SAP) Committee, plays an important role in developing the academic goals and objectives of the University and considers, develops and reviews academic plans for UWC's medium- and long-term future. SAP further considers, among others, proposals with regard to the introduction of new academic programmes and changes to existing programmes. These are recommended to Senate. Nationally, the Council on Higher Education (CHE) has executive responsibility for quality assurance and promotion. Multiple professional bodies are also involved in programme accreditation and quality assurance. The quality of our academic offerings are of the utmost importance, and programme and departmental reviews form an important part of the annual University cycle.

During 2019, and after the CHE review of the LLB programme, the Faculty of Law obtained approval from Senate for its new four-year and five-year (Extended Curriculum Programme) LLB programmes, as well as for the re-introduction of the BA (Law) degree. The two new LLB programmes will be phased in as from 2020, and the BA (Law) degree as from 2021.

The Health Professions Council of South Africa (HPCSA) is a statutory body, established in terms of the Health Professions Act, and provides control over the education, training and registration of practising health professionals. It is also mandated to ensure that the standards of education and training are maintained by institutions of higher learning. To this end, the HPCSA conducted reviews of the Bachelor of Science in Dietetics and the Bachelor of Oral Health, and reaccreditation was received for both programmes.

The most regular and deep-seated quality mechanism in our quality monitoring process is the annual reflective reports of academic departments. These reports are tabled at SAP each year and discussed by the committee, after which recommendations are made to Senate. Departmental reviews are a well-established process and have been occurring in a regular, systematic and centralised way for the past decades. These reviews focus on those aspects of the department's functioning which, among others, are important to the delivery of quality learning and teaching and the achievements of departments. There is ongoing evidence that these reviews are conducive to continuous improvement, and that they lead to changes in practice, policy and resource allocation. In 2019, our annual cycle of academic reviews included the following academic departments and programmes:

- Department of Anthropology and Sociology
- Department of Foreign Languages
- Department of Physiotherapy
- School of Business and Finance
- English for Educational Development

LEARNING AND TEACHING

The University has a longstanding commitment to excellence in learning and teaching. The majority of students are enrolled in undergraduate and postgraduate taught programmes. UWC offers a challenging suite of excellent academic programmes in areas of national importance to build capacity and help address huge inequities in key professional fields. In order to have a real impact, the scholarship of teaching and learning should be a symbiotic activity of research informing our teaching, and teaching stimulating our research. When well-grounded research underpins teaching practice and innovation, and teaching experience stimulates deeper research insight, the scholarly outcome is significant. The Learning and Teaching portfolio, under the leadership of the DVC: Academic, plays a vital role in ensuring that the necessary support is provided in order not only to retain students, but for them to achieve academic success. These interventions and support mechanisms include the following:

The University accepted the **Student Success and Retention Framework** in 2019, designed by the Academic Planning Unit (APU), in conjunction with Dr Sue Pather, head of the First-Year Experience (FYE) Programme and Tutor Enhancement Programme. The framework captures the research and findings generated over the past two years, which demonstrate an institutional understanding of the factors that influence student success and the factors in which the University can intervene to bring about improvements, thus providing a framework for action to promote student retention and success.

The APU assisted faculties to implement the recommendations of the Extended Curriculum Programmes Review of 2017/2018, which included strengthening reporting lines and accountability by locating **Extended Curriculum Programmes (ECP)** under the Deputy Deans for Teaching and Learning. All ECP programmes have undergone curriculum revision, and two fully amended ECP programmes, namely Nursing and the LLB, were submitted to the DHET and were approved for implementation in their revised forms in 2020.

The **Accelerated Excellence Programme (AEP)** was implemented in January 2018 for high-performing second-year students as an intervention to support the Reward and Recognition of Learning and Teaching at UWC. This programme is also regarded as a retention strategy, as it has evolved into a programme that first-year students strive to be selected into. Although the programme includes academically high-performing students, the course is designed to include modules that contain content on developing life skills (essential skills) and the competencies that will be required in the changing world of work. The programme includes monthly meetings and four residential courses that take place over weekends. Residential programmes take place on a quarterly basis and cover topics that are aimed at enhancing, also practically, the graduate attributes required for the 21st-century graduate.

Institutional **tutor training** has proven to be an effective way to support students across all seven faculties. In terms of feedback on the training from tutors, most stated that it was valuable and that they felt confident to perform their duties.

The **First-Year Transition Programme (FYTP)**, which forms part of the student success and retention programme, was introduced into faculties to assist first-year students with university transition. Research shows that first-year students feel comfortable to seek support and advice from peers rather than staff. First-Year Transition Officers (FYTOs) report to Deputy Deans: Teaching and Learning and work closely with the first-year lecturers, first-year mentors in the faculty and first-year students. During 2019, 45 first-year mentors were appointed across the seven faculties to support first-year students with their academic and social transition to university.

It is imperative that, alongside the support for our students, we provide the necessary support for our academic staff. In this regard, the DVC: Academic plays an important role, particularly through the Directorate of Learning and Teaching under the leadership of Prof Vivienne Bozalek. Various initiatives have been introduced to strengthen the professionalisation of teaching and learning through formal and informal education for academics. One of these initiatives included the New Academics Transitioning into Higher Education Regional Colloquium (NATRC) 2019, an event hosted jointly by the University of the Western Cape, the Cape Peninsula University of Technology, Stellenbosch University and the University of Cape Town. The colloquium provided a platform for new academics and academic staff developers to come together to discuss, share, develop and engage with what it means to be a new academic in the current HE context. The student protests of 2015/2016 prompted many academics to engage in a process of reflecting, reframing and re-constructing how they understand curriculum and pedagogy in HE.

In addition, the international journal of teaching and learning, *Critical Studies in Teaching and Learning*, initiated by the Directorate of Teaching and Learning as part of the implementation plan to support the strategic plan on Teaching and Learning at UWC, was given accreditation by Scopus in 2019 and has already received accreditation from the DHET.

Technology and Learning and Teaching

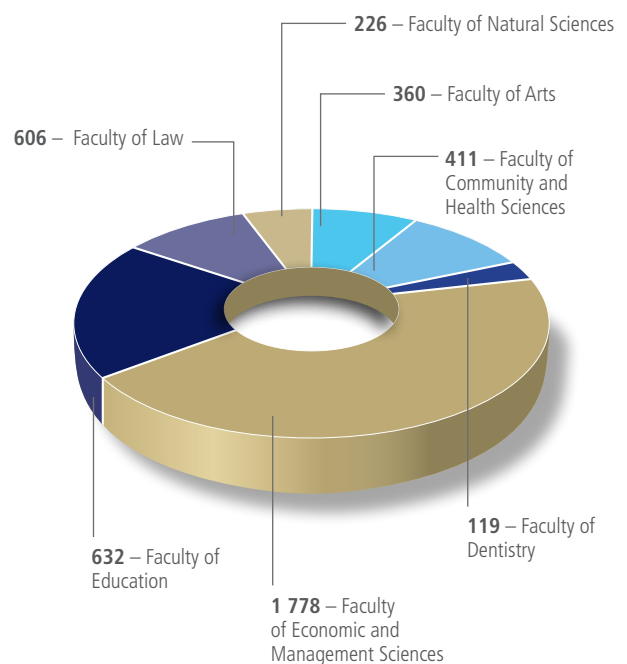
Blended learning has become an integral part of the learning and teaching environment and, in this, the Centre for Innovative Education and Communication Technologies (CIECT) plays a leading role in preparing both students and lecturers to become conversant with new technology and its varied applications. Throughout 2019, the CIECT team worked closely with lecturers of the seven faculties, advising and skilling them to effectively use applications such as the

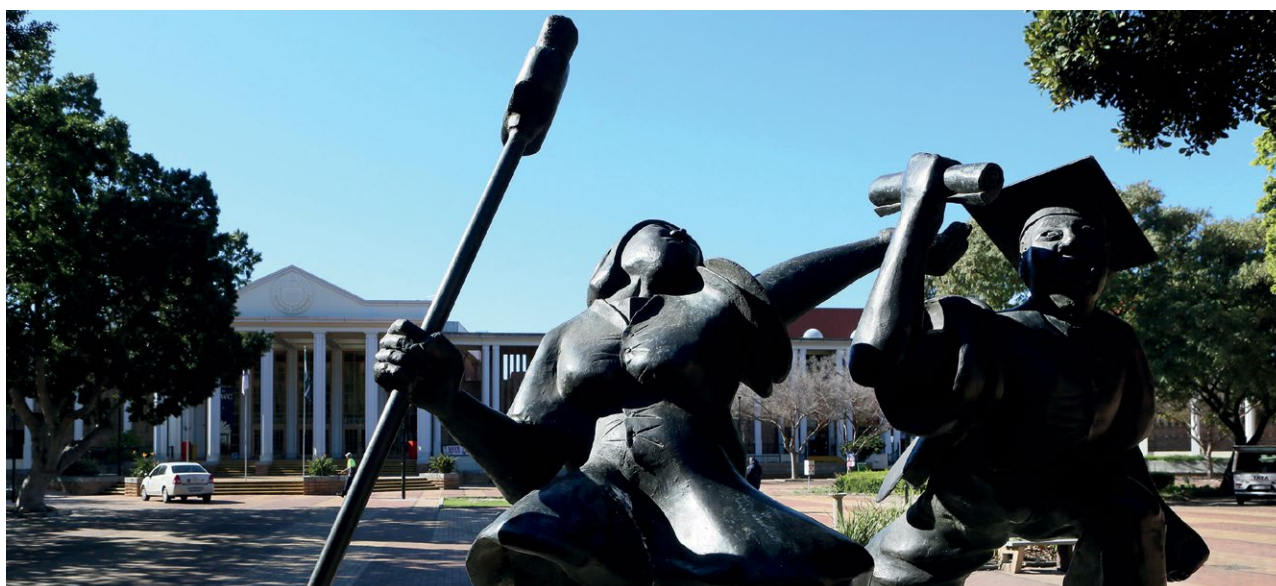
“Lessons” tool to develop and structure learning content according to specific topics. Instructional YouTube videos were embedded in the online environments in order for students to view practical examples of how to access, navigate and engage within the Learning Management System, dubbed iKamva. This design promoted a scaffolded learning approach that helps with preparation for tests as well as practical and theoretical tasks. Lecturers continued to make use of the ‘Tests and Quizzes’ tool to create eAssessments for formative assessments and to extend the effectiveness of traditional teaching practices.

CIECT also worked with individual faculties to create specific online content, for instance lecturers in the Law Faculty started including podcasts within their blended learning environments, allowing them to expand on topics covered during face-to-face lectures.

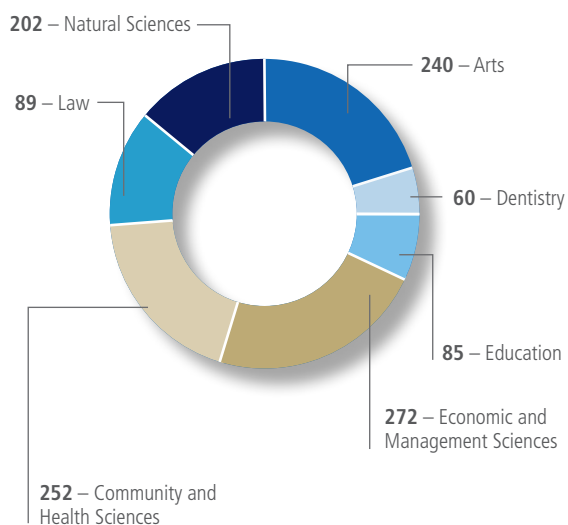
The Instructional Design team conducted workshops and demonstrations (during lectures and/or tutorial periods) – for students across faculties. These workshops enabled students to effectively engage in the institutional LMS, iKamva; Turnitin (Tii); Digital Storytelling and Google Applications (Blogger, Drive and ePortfolio): A total of 2 508 students engaged in these hands-on workshops from January to December 2019. In addition, Digital Academic Literacy (DAL), a computer literacy programme, is offered by CIECT to students in their first-year at UWC and integrated into accredited modules across various faculties. The programme is offered over a semester and caters for the varying needs and demands of novice users of information and communications technology.

STUDENTS TRAINED JAN – NOV 2019





MODULES CREATED PER FACULTY



Student Success

Students' learning, success and persistence to complete academic goals are central to the University's mission. In acknowledging that anyone with the capacity to succeed in higher education should be supported, we are in a continuous process of evaluating and improving our success and retention strategies, as well as providing interventions and mechanisms to ensure that our students realise their academic ambitions. In the section above, we have detailed several programmes that have been designed with the explicit purpose of assisting students – from tutoring programmes, first-year interventions to introductory sessions to basic digital literacy. We

do so because we understand that we cater for a diverse student population whose educational backgrounds might not have prepared them sufficiently for the academic rigours of university.

During 2019, the Director of Teaching and Learning, Teaching and Learning specialists in faculties and Faculty Deputy Deans of Teaching and Learning collaboratively planned and engaged in further actions and interventions to implement the UWC Teaching and Learning Strategy in all seven faculties. The plan sets out the major goals, which are outlined in the UWC Teaching and Learning Strategy, the actions that are required to meet those goals, the performance measures that would show they have been met, and the expected outcomes, that is, by when each action must be achieved and what would be expected at that time, as well as the responsible parties for achieving the particular actions. The plan was updated to focus on the period 2017 to 2019. This generic Teaching and Learning Implementation Plan developed for 2017 to 2019 was used by faculties to implement their own teaching and learning implementation plans so that these would be aligned with the vision developed for UWC as a whole.

High-level mathematical competencies lie at the centre of many of the 4IR technologies, and improving the maths skills of our undergraduate students is a faculty strategic priority. The unprecedented success of the "Maths Turn-Around Project" for second-year mathematicians, initiated in 2018, continued into 2019, with even greater success in the Faculty of Natural Sciences. Not only did pass rates climb from 70% to 80% for the first semester maths course, but the new-found confidence and enthusiasm for mathematics has spilt over to the first-year cohort, where record pass rates exceeding 50% were recorded for the first time. The leadership, commitment and dedication of the Faculty Teaching and Learning specialist, Dr Honjiswa Conana,

coupled with the enthusiastic support of the staff and both postgraduate and undergraduate students in the Department of Mathematics and Applied Mathematics, has forged a close-knit team that has ignited a positive revolution in the attitude to mathematics in the Faculty. In 2019, the Maths Turn-Around Project team was duly recognised nationally in the form of three commendations awarded to the team by the Higher Education Learning and Teaching Association of South Africa (HELTASA).

Also in 2019, Dr Conana used the lessons learned from the Maths Turn-Around Project to successfully tackle problematic throughput rates in a Human Biology module delivered by the Department of Medical Biosciences to dentistry students. A 95% pass rate was achieved, indicating that the success of the Maths Turn-Around Project can be extrapolated to other high-impact modules in the Faculty.

UNDERGRADUATE SUCCESS	2013	2014	2015	2016	2017	2018	2019
Degree credit rate	81%	81%	84%	80.7%	80.2%	80.9%	81.0%
Number of undergraduate degrees awarded	2 385	2 678	3 275	2 896	3 154	3 189	3 780
Graduates as a % of total headcount enrolment	21%	22%	23.5%	21.5%	21.3%	21.6%	22.2%

On the recommendation of the Council on Higher Education (CHE), the Law Faculty piloted the implementation of student tracking in the Faculty in the following four modules across the year levels: Customary Law 121; Legal Interpretation 221; Negotiable Instruments 331; and Preparing for Legal Practice 401. This process was augmented with the offering of additional support to at-risk students in the form of revision lecturers on Saturdays during the examination period. At-risk students in this context were defined as all students who qualified to write the examination, but whose continuous assessment mark was between 40% and 49%. The revision classes were well attended and student feedback very positive. As from 2020, the Faculty will be implementing student tracking in all modules offered.

RESEARCH AND INNOVATION

Excellence in research is central to UWC's purpose as a higher education institution in a context where links are repeatedly made at a conceptual and operational level between research and teaching in a socially aware environment. During 2019, UWC has done exceptional well measured by several metrics: the quantity and quality of peer-reviewed research publication outputs; numbers of registered postgraduate students, and the throughput of Honours, Master's and PhD graduates; new and renewed National Research Foundation (NRF) ratings of staff; national and international research grant-funding success; national and international research awards; and invitations to staff and postgraduate students and postdoctoral research fellows to give plenary and invited talks at international

conferences. Other indicators include the involvement of staff in the organising of research conferences and workshops, the appointment of staff to editorial and advisory boards and research working committees, and the breadth and depth of national and international research collaborations.

Research strengths

UWC's reputation lies in those areas and programmes that make it regionally and internationally distinctive and for which we are able to attract significant funding support. In 2019, the National Research Foundation (NRF) continued to "support and promote research through funding, human resource development and the provision of the necessary research facilities in order to facilitate the creation of knowledge, innovation and development in all fields of science and technology", including funding for next-generation researchers. The agency also supported emerging as well as established researchers and made strategic investments in areas such as the South African Research Chairs Initiative (SARChI Chairs) – the Flagship Programme in the Humanities and the Centre of Excellence in Food Security, both located at UWC. The funding support attests to the confidence that the NRF and other agencies have in the quality of UWC staff and the excellence of research they are undertaking. The quality and standing of a university's researchers are, among others, reflected in the sustained number of rated researchers and the improvement in the number of A-rated scientists. The ratings and SARChI chairs are respectively reflected in the table and list below.

NRF ratings	2015	2016	2017	2018	2019
Number of staff with NRF ratings	124	142	142	150	146
A-rated researchers	3*	3*	3	3	6
B-rated researchers	25	33	32	36	36

*Includes one joint appointment between UWC and UCT

Institutes, Schools, Research Centres and research niches

The SARChI Chairs are:

- Visual History and Theory – Prof Patricia Hayes
- Health Systems Governance – Prof Helen Schneider
- Bioinformatics and Human Health – Prof Alan Christoffels
- Poverty, Land and Agrarian Studies – Prof Ben Cousins (Prof Ruth Hall was appointed as the second DST/NRF Chair in Poverty, Land and Agrarian Studies, succeeding Prof Cousins, who retired at the end of December 2019)
- Astronomy and Astrophysics – Prof Roy Maartens
- Cosmology and Multi-Wavelength Data – Prof Mario Santos
- Nuclear Science – Prof Smarajit Triambak
- Nano Electrochemistry and Sensor Technology – Prof Emmanuel Iwuoha
- Microbial Genomics – Prof Marla Tuffin
- Multi-level Government, Law and Development – Prof Nico Steytler
- Mathematics Education – Prof Cyril Julie
- Health Systems, Complexity and Social Change – Prof Asha George
- Teaching and Learning in TVET (Technical Vocational Education and Training) – Prof Joy Papier
- Observational Radio Astronomy (shared with UCT and SKA) – Prof Russ Taylor
- Analytical Systems and Processes for Priority and Emerging Contaminants (ASPPEC) – Prof Priscilla Baker
- Development of Human Capabilities and Social Cohesion through the Family – Prof Nicolette Roman
- Waste and Society – Prof Rina Schenck
- SA-UK Bilateral Chair in Social Protection for Food Security in South Africa – Dr Stephen Devereux
- Desmond Tutu Research Chair in Religion and Social Justice – Prof Sarojini Nadar

UWC also co-hosts the Centre of Excellence in Food Security with the University of Pretoria, with the University's Prof Julian May as director. Established by the NRF in 2014, the Centre's core mission is the generation of knowledge to improve access to sustainable and sufficient amounts of food for poor, marginal and vulnerable populations. Prof May also holds the UNESCO Chair in African Food Systems.

The University further hosts the Flagship on Critical Thought in African Humanities of the Centre for Humanities Research (CHR), the first flagship to be awarded to a historically disadvantaged institution.

It is impossible in a report of this nature to give adequate coverage of the range of research initiatives in a specific year, but below is a brief mention of units, centres and institutes that contribute to UWC's growing reputation as a research-led university.

- **The South African National Bioinformatics Institute (SANBI)** is a major centre dedicated to the development of bioinformatics and genomics in South Africa.
- The **DST/MinTek Nanotechnology Innovation Centre: Biolabels Unit** is working on the identification of molecular biomarkers for diseases such as cancer, diabetes and HIV.
- The **South African Institute for Advanced Materials Chemistry (SAIAMC)** has been designated by the DST as a Competence Centre in Systems Analysis, Integration and Technology Validation for Hydrogen and Fuel Cell Technologies.
- The **Institute for Microbial Biotechnology and Metagenomics (IMBM)** conducts research on the exploitation of microbial genome diversity, cloning and expression, and conducts research on biofuels technology.
- The **Institute for Water Studies** undertakes research and advocacy on sustainable groundwater use and management in Africa.
- In the Arts Faculty, the **Centre for Humanities Research (CHR)** promotes cross-disciplinary research in the Human and Social Sciences and its international standing is growing exponentially. The CHR is in the process of expanding its physical footprint through the refurbishment of an off-campus facility in the Greatmore Street building in Woodstock that will house a Laboratory of Kinetic Objects and artists in residence. This relocation forms part of a strategy to anchor UWC more firmly in the metropolitan sub-region.
- The **Dullah Omar Institute for Constitutional Law, Governance and Human Rights** (previously the Community Law Centre) played a key role in drafting the South African Children's Act and the 2008 Child Justice Bill, and currently enjoys observer status in the African Commission on Human and People's Rights.
- The **Institute for Post-School Studies (IPPS)** in the Faculty of Education focuses on activities that promote a holistic understanding of post-schooling challenges, actively inform policy, enhance implementation and improve desired outcomes, particularly in vocational and adult education and training.
- The **Desmond Tutu Centre for Religion and Social Justice** was launched in 2015 and aims to enhance Archbishop Tutu's legacy in ethical leadership, reconciliation and spirituality.
- The **Centre for Multilingualism and Diversities Research** was launched in 2015 with the brief to interrogate contemporary and historical African intellectual heritage through a critical review of the role of language and multilingualism.

Research funding

The University has been relatively successful in attracting Restrictive Funds to support its research agenda, and the NRF has been a key funder of our research endeavours and the acquisition of expensive research equipment. The state of the domestic economy, coupled

with unfavourable exchange rates, signal greater uncertainty about future funding. In anticipation thereof, we actively encourage our researchers to apply for external funding and support their attendance at proposal-writing workshops to secure funding for their research and for that of our postgraduate students. The following examples are of grants awarded to support the University's research capacity.

In 2019, the NRF awarded a R35-million grant for the Hydrogen and Real-time eXperiment (HIRAX) Phase 2. The project, of which the University is one of six participating South African institutions, is a planned radio telescope that will sit alongside the Square Kilometre Array (SKA) in the Karoo and will map nearly all of the southern sky. Recently, two new prototype telescope dish designs were deployed at the South African Radio Astronomy Observatory Hartbeeshoek in Gauteng, marking the completion of the collaboration between the project and local engineering and design firms. The final HIRAX telescope in the Karoo will be an array of 1 024 dishes and will be used to study the evolution of the universe. In addition to the South African partners, there are 17 international partners that provide financial and in-kind contributions. The award signals an important milestone in UWC's involvement in the Square Kilometre Array and HIRAX projects.

Research events and achievements of note

The Faculty of Natural Sciences continued to perform well in all these research areas in 2019, and representative examples of our research and innovation success are provided in this reflective report. Of special mention is the improvement (about 30%) in the number of research publications submitted by the Faculty for subsidy purposes in 2019 compared to the number of publications submitted in 2018. Record numbers of publications were published by the Department of Physics and Astronomy, the Department of Earth Sciences, and the Department of Biodiversity and Conservation Biology. A truly outstanding contribution of 105 research publications in one year was achieved by the astronomy research group.

The South African Bioinformatics Institute (SANBI), under the directorship of Professor Alan Christoffels, SARChI Chair in Bioinformatics and Health Genomics, has made great strides in leveraging advances made in DNA technologies and changing approaches to epidemiology, clinical diagnostics, drug-susceptibility testing, and the dynamics of the transmission of microbes. However, one of the challenges SANBI faces is that public health bioinformatics software development is fragmented and relies heavily on government platforms and academic software development. In March 2019, SANBI formed part of an international group of experts to explore this challenge, and one of the key conclusions was to combine global efforts through the establishment of the Public Health Alliance for Genomic Epidemiology (PHA4GE) to help develop

consensus standards and best practices. PHA4GE has already begun to take some critical formative steps with the establishment of technical resources, an organisational charter, a code of conduct and five domain-focused technical working groups. Activities for the first two years will be funded by the Bill and Melinda Gates Foundation to the value of \$800 000. This initiative has significant implications for UWC's future academic sustainability by bringing DNA data analytics to the public health space.

The South African Institute for Advanced Materials Chemistry (SAIAMC) raised over R46 million in research funding in 2019 and achieved a number of research and innovation milestones. For example, from the HySA Systems project led by Prof Siva Pasupahti:

- A Fuel Cell-powered Multi-rotor Unmanned Ariel Vehicle (UAV) prototype was developed, with its first successful flight on 12 August 2019. Ongoing optimisation should result in near three-hour flight times.
- Collaboration commenced with Split University (Croatia) for the modelling and simulation of fuel-cell vehicles with commercial-grade software development tools.
- A UWC/HySA Systems in collaboration with Impala Platinum completed the successful development and testing of a prototype fuel-cell power module for forklift applications through accessing integrated metal-hydride hydrogen storage tanks. This project is the continuation of a long-term, successful collaboration with Impala Platinum Refineries begun in October 2015. In this collaboration, UWC has designed and built fuel-cell forklifts with metal hydride hydrogen storage extension tanks. These forklifts have been re-fuelled by a UWC-designed hydrogen refuelling station, and have continued to operate without any major issues for over five years.

The Energy Storage and Effluent Treatment Center (ESFTC) at SAIAMC, led by Prof Ben Bladergroen, was responsible for the following development:

- To further ESFTC's research into effluent treatment in 2019, the Water Research Commission (WRC) funded the development of a Capacitive Deionisation Stack to facilitate the introduction of low-energy intensive desalination technology in South Africa. In addition, a further effluent treatment project using the Hydrodynamic Cavitation-Flotation process at First National Battery was funded (R1.9 million) by the WRC. This is expected to save the company R1.5 million annually on effluent disposal costs, leading to the formation of a strategic industrial partnership with UWC. The ESFTC also secured funding (R2.5 million) from Winetech to develop the same flotation technology to treat winery effluent. Currently, Klein Constantia, Spier and Koelenhof are involved in the latter project.

Our research innovation was recognised at the first jointly held Innovation Bridge and Science Forum South Africa in December, with the University being invited to exhibit four products that have been developed by our researchers. The Zenzeleni network, aimed at providing low-cost internet access to rural communities and developed by the Computer Science department, previously won an award at Innovation Bridge. Four exciting examples of innovation are listed below:

- (i) SignSupport, a mobile app that unlocks pre-recorded South African Sign Language (SASL) videos stored on a phone, bridges information and communication gaps between deaf and hearing people in their preferred language;
- (ii) The UNIQTYPER® forensic DNA kit, developed by Prof Maria Eugenia D'Amato and her team from the Department of Biotechnology, was officially launched last year. The technology encompasses a Y-STR (Y-chromosome short tandem repeat) forensic kit offering higher discriminatory power, which is faster and more cost-effective than leading commercial products for processing sexual assault DNA evidence;
- (iii) iBATECH, a biofertiliser that is a natural plant extract product derived from the indigenous plant kraalbos (*Galenia africana*), contains a combination of several flavonoids that display antimicrobial properties and also can increase the polyphenolic and sugar content of plants, thereby improving overall plant health and yield; and
- (iv) Baobab LIMS is an African-led innovation that was developed as part of the B3Africa consortium. It is an affordable sample- and laboratory-management tool for biobanking that has been implemented in low- and middle-income countries (LMICs) that previously (due in part to financial constraints) were rarely able to implement a LIMS.

A significant achievement for the Faculty of Community and Health Sciences was the renewal of Prof Helen Schneider's UWC/MRC Health Systems Research Unit. Since 2015, she has also been the director of the UWC/MRC Health Services to Systems Research Unit. This research unit informs and advises projects such as the universal health coverage plan for South Africa, and develops health and social policy to strengthen health systems. Another achievement is the work conducted by Profs Swart, Puoane and colleagues on the Global Food Research Project. The main projects related to this research include SMART2D: A People-centred Approach Through Self-management and Reciprocal Learning for the Prevention and Management of Type-2 diabetes; Sivile Senza: Adapting the Diabetes Prevention Programme for a Developing World Context; and ROFE: Researching the Obesogenic Food Environment, Its Drivers and Potential Policy Levers in South Africa and Ghana.

The Institute for Poverty, Land and Agrarian Studies (PLAAS)

continued shaping the national debate about land reform through, for example, the national conference on Resolving the Land Question hosted in February 2019, the national conference on the Future of Farm Workers (hosted by CoE in Food Security and PLAAS), and Professor Ruth Hall's participation in the Presidential Advisory Panel on Land Reform and Agriculture.

The Faculty of Economic and Management Sciences, led by the Department of Political Studies, entered into a Memorandum of Understanding to engage in a partnership with GovChat South Africa. GovChat is South Africa's largest online civic engagement platform. It is accessible on any mobile handset and feature phones. GovChat enables Government to speak to citizens directly at no cost, while receiving service delivery-related messaging in return. It exists through partnerships with the South African Local Government Association (SALGA), the Department of Cooperative Governance and Traditional Affairs (COGTA) and the Government Communication and Information System (GCIS). The EMS Faculty will be working with GovChat as a University Partner, which will include collaboration on data analysis, research and student engagement through work-integrated learning. UWC joined GovChat at its launch in October, which was attended by various stakeholders that included government, the non-government sector, and business. Postgraduate students from the Department of Political Studies will assist with the data analysis and, together with academics, collaborate with various local government municipalities in making sense of the data and plotting solutions for future good practice.

Other 2019 highlights include:

- Prof Joy Papier, SARCHI Chair in Post-School Studies in the Faculty of Education, was appointed to the World Bank Advisory Group on TVET in Africa in February 2019 and attended its first meeting in Rwanda in May.
- Dr Fanelwa Ajayi, a senior Lecturer in Physical Chemistry, was one of two recipients of the 2019 National Research Foundation Emerging Researcher (or Early Career) Award. She received the award for her ground-breaking work at the University's SensorLab in the field of TB/HIV drugs metabolism enzyme electroactive sensor development and green nanotechnology.
- The volume 'Ambivalent: Photography & Visibility in African History', edited by Prof Patricia Hayes (SARCHI Chair in Visual History and Theory) and Gary Minkley, was final stages of production with Ohio University Press can come out in paperback in November 2019. It represents a new generation of young African scholars working in visual history, a field heavily dominated by Euro-American scholarship. As one reviewer put it, the book 'promises to be a game-changer'.
- Profs Nico Steytler and Charles Fombad co-edited a book titled: 'Decentralisation and Constitutionalism in Africa'

(Oxford University Press, 2019), and the collection of essays assessed the efforts of African governments to constitutionalise decentralisation, be it in the form of federalism, local government or traditional authorities.

- The Department of Linguistics' Prof Felix Banda and his former PhD student Niklaas Fredericks won the award for the best article in 2018 from the African Language Association of Southern Africa (ALASA) for a paper entitled 'Voicing in non-click consonants and orthographic design in Khoekhoegowab'.
- Another noteworthy achievement was the nomination of and subsequent shortlisting for the British Association for Applied Linguistics book prize of a volume co-edited by Lisa Lim, Christopher Stroud and Lionel Wee, entitled 'The Multilingual Citizen. Towards a Politics of Language for Agency and Change'.
- The International Society on General Relativity and Gravitation (ISGRG), which holds a major scientific congress every three years, met in Valencia, Spain. At each triennial meeting, ISGRG selects new ISGRG Fellows. At the 22nd triennial meeting of the ISGR on 12 July 2019, Professor Roy Maartens from the Physics and Astronomy Department was selected as an ISGRG Fellow. His citation read: "For his contributions to the study of relativistic cosmology, and for his leadership and service within the relativity and gravity community in the UK and in South Africa".

Postgraduate support

UWC's strategic plan emphasises the importance of postgraduate study to building research excellence at the University. Although the growth in Master's and doctoral students is pleasing in relation to our desire to shift the ratio of undergraduate to postgraduate towards 70:30 over the next decade, it is still lagging at 78:22. This intended ratio continues to guide decisions for providing a supportive environment conducive for student success. The office of the DVC: Research and Innovation, with the financial assistance of the University Capacity Development Programme (UCDP), has also introduced a range of initiatives to support postgraduate students. These initiatives include winter and summer schools, academic mentoring and writing fellowships. The academic mentoring involves the annual selection and training of mentors, with retired academic staff mentoring PhD students and PhD students acting as mentors to Master's students. The writing fellowships, which focused on proposal completion, thesis completion and publication, greatly benefited our postgraduate students and significantly reduced the risk of student attrition.

A key aspect of postgraduate success lies in the supervisory capacity of our academic staff. In this, we are pleased with the year-on-year increase in the number of permanent instructional/research staff with doctoral degrees, as set out in the Performance Plan. In 2018, 55,2% of staff had PhDs, as opposed to 59,9% of staff in 2019.

Among the purposes of its doctoral degrees, UWC seeks to produce new knowledge through the research of staff and doctoral students that extends the frontiers of disciplines, and in so doing produces new knowledge of such quality that it will give the institution national and international prominence. In 2019, we introduced several new postgraduate programmes:

- A Doctor of Philosophy in Technical and Vocational Education Training, and a Doctor of Philosophy in Higher Education Studies were introduced with the intention to develop a new generation of education professionals in South Africa and beyond, to conduct research that addresses the many lacunae in knowledge in this field. They will also address the diverse needs of the economy, such as the challenge of oversupply or undersupply of skills in the system, as well as the lack of mobility and articulation across the education sectors. This area is also supported by the SARCHI Chair in Teaching and Learning in Post-school Education and Training.
- The Master's in Sport for Development was offered for the first time in 2019, with 19 students registered for the programme. This Master's programme was designed together with colleagues from Katholieke Universiteit Leuven in Belgium. Colleagues from other departments (SRES and Physiotherapy) in the Faculty and the University contributed to the design of the programme.
- This year saw the first cohort of graduates from the E-skills development postgraduate diploma with an augmented and virtual reality (AR/VR) stream, situated in the Department of Computer Science and the Department of Information Systems. The success of the investment in AR/VR in the Department of Computer Sciences resulted in an application to the DHET in 2019 for a new postgraduate diploma in immersive technologies focused entirely on AR/VR.
- The Faculty of Economic and Management Sciences introduced the Master of Arts in Work-Integrated Political Studies.

The University uses a number of benchmarking measures to measure the success of its students. One of these is the time to degree, calculated by dividing the total number of Master's and doctoral students enrolled respectively in that year by the average time they took to complete their degrees. UWC aims to have its students complete within the internally stipulated time to degree. The University is in the process of conducting a self-evaluation of its doctoral provision. Through this campus-wide exercise, UWC will give considerable attention to creating the necessary conditions to help improve postgraduate students' throughput rates. The table that follows shows the University average with regard to time to degree (in years) for Master's and doctoral graduates respectively between 2015 and 2019.

MASTER'S TIME TO DEGREE (IN YEARS) PER FACULTY	2015	2016	2017	2018	2019	Average
Arts	2.9	3.4	3.9	3.3	3.9	3.5
Community and Health	3.4	3.8	3.6	3.5	3.7	3.6
Dentistry	4.4	4.0	3.4	3.3	3.7	3.8
Education	3.8	4.2	3.8	4.6	4.8	4.2
Economic and Management Sciences	3.3	3.7	3.6	3.5	3.5	3.5
Law	3.0	2.6	2.5	2.6	2.7	2.7
Natural Sciences	3.1	2.8	2.9	3.0	3.0	3.0
University average	3.4	3.5	3.4	3.4	3.6	3.5

DOCTORATE TIME TO DEGREE (YEARS) PER FACULTY	2015	2016	2017	2018	2019	Average
Arts	3.8	4.3	4.2	5.1	5.0	4.5
Community and Health	3.8	4.5	5.0	5.2	5.5	4.8
Dentistry	4.0	4.4	0.0	3.5	4.6	3.3
Education	5.0	5.6	4.8	4.2	5.2	5.0
Economic and Management Sciences	4.5	4.4	4.7	5.5	4.4	4.7
Law	4.0	5.5	5.0	3.8	4.0	4.5
Natural Sciences	4.9	5.3	4.5	4.9	5.0	4.9
University average	4.3	4.9	4.0	4.6	4.8	4.5

Research output

This year's research output shows a pleasing overall year-on-year improvement, although we have declined slightly in our research output for Master's students. As indicated in the Performance Report, the above target is largely the result of the increase in doctoral degrees awarded and points to our postgraduate support and interventions described elsewhere in the Annual Report.

	2010	2012	2013	2014	2015	2016	2017	2018	2019*
Publication units	267	365	406	483	485	507	483	516	582*
Research Master's	221	254	267	255	275	215	215	296	286
Doctoral	60	75	111	104	100	91	91	122	125
Weighted total	667	844	1 006	1 050	1 060	995	971	1 178	1 243

*Unaudited

INTERNATIONAL RECOGNITION AND PARTNERSHIPS

In a context that "knowledge knows no boundaries", there are several reasons why UWC has continued to pursue robust international activities and research partnerships vigorously. UWC has a longstanding and mutually beneficial relationship with universities across the globe. Through these, and the active collaboration of productive researchers and students, UWC features positively in global higher education rankings, bearing testimony to the institution's excellence and socially just and relevant contribution to knowledge production. Furthermore, the 2019 internationalisation strategy has deepened international partnerships of mutuality with the Global North and the Global South, and has borne ample fruit. Examples hereof include: the most active mobility programmes with six European and Nordic partners; short course exchanges with the Universities of Illinois, Kentucky and Missouri in the United States;

two supranational research consortia with the Universities of Ghana, Addis Ababa, Makerere and West Indies, the American University of Beirut, as well as UCT and Wits; and the ongoing partnership with the Universities of Minnesota and Toronto in collaboration with Fort Hare. The year 2019 saw a great increase in the international mobility of our postgraduate students, including semester-long research and writing residencies abroad. The general benefit of partnerships such as these is most visible in the increase in co-authored publications with our international colleagues, joint funding applications and joint PhD programmes, and UWC's growing stature as an African-centred, research-led institution. UWC is also a significant contributor. Through its niches, it offers, among others, remarkable access to the dynamics of change and the dissemination of contextualised African knowledge for scholars and students from abroad.



The joint distance education and digital innovation space at UWC and the University of Missouri has resulted in regular seminars and the successful procuring of research funding from the National Science Foundation (NSF) in the USA and the National Research Foundation in South Africa. This focus on UWC's digital connectedness for research and teaching has enabled strong collaborations with institutions in the USA, Europe and Africa. The practice of comprehensive internationalisation that encompasses research, teaching, mobility, internationalisation at home and relationship building globally is active and vibrant at the institution. The resultant international partnerships have delivered trilateral partner agreements of cooperation and joint PhD degree programmes, and have greatly enhanced multi-continent knowledge production, research dissemination and cross-boundary and transdisciplinary engagement for a global impact.

In line with our strategy to build sustainable, mutually beneficial international partnerships, UWC has increased the breadth and depth of its engagement in the USA and the Americas more broadly, the Nordic regions, Asia and Europe. The Nordic scholarly partnerships with the universities of Western Norway (HVL), Bergen Malmo and Uppsala, which had borne excellent partnerships in the form of bilateral staff and student exchanges and innovative joint research, have expanded further in the Biosciences, Theology, the School of Government in the Faculty of Economic and Management Sciences, the Humanities, Dentistry, and Social and Health Sciences. Of particular import is the South Africa–Sweden bilateral cooperation focused on the UN Sustainable Development Goals. This has resulted in UWC enjoying multi-university teaching and research collaborations with Swedish and Nordic institutions of higher learning, as embodied in the South African Sweden Universities Forum (SASUF). This Forum has brought together researchers, funders and University administrators and management from the two countries to engage with each other and begin driving the joint research agenda in several thematic areas. The year 2019 has seen greater engagement on community development across all research, mobility and teaching co-initiatives.

In the humanities, through the leadership of the Centre for Humanities Research (CHR), UWC has secured international donor funding to support doctoral research as well as faculty residencies at international institutions, such as the Universities of Minnesota and Toronto, and residential schools for doctoral students in Ethiopia and Chile and international research consortia based in Ireland, Chicago in the USA, and South Korea.

The new leadership of the University of Missouri, President Choi, has pledged to continue and enhance the 34-year UWC-UM partnership. Discussions about expanding the University of Missouri South African

Education Programme to include a student mobility arm, focusing particularly on research capacitation and active co-learning and co-teaching, augur well for the expansion of the horizons of our UWC student and staff.

The Centre for Humanities Research continued with its focused and inventive inquiry towards renewing the pedagogic projects of academic disciplines, considering emerging research themes and expanding the range of research questions. The Greatmore Precinct, which will house UWC's Humanities and Cultural Hub in Woodstock, Cape Town, is progressing well in developing local-public-international creative research and innovation for collaborative research with artists in residence, scholars and community artists. Several of the CHR's international partners are committed to joining this initiative. It is in this mutually creative environment that true innovation and socially transformative engagement will be catalysed.

The Erasmus Plus (EM+) programme is another important international partnership that continues to blossom at UWC. These increasing mobilities and joint research partnerships with institutions in the European Union augur well for UWC's reputation. They have also resulted in an excellent research network and capacitation experience gain for our staff and students.

UWC also further deepened its strategic partnerships for research, exchange and scholarly engagement on the East and West Coasts of the USA, in Brazil, Chile and Argentina, in Japan, and in Malaysia and the Philippines (the ASEAN countries). These focus on the areas of Public Health, Governance, Human Rights, Bioscience, Poverty and Agrarian Studies, Bioinformatics, the Humanities, Food Security, Data Sciences, History, Psychology and Plant Sciences.

In 2019, internationalisation at UWC progressed with its promise to bring a critical focus on the technological, economic, political and research issues in the world, while being fully embedded in a common understanding of its emergence as an institution, from adversity to excellence for mutual progress.

COMMUNITY ENGAGEMENT

One of the core principles of UWC's Mission Statement says that, "drawing on its proud experience in the liberation struggle, the University is aware of a distinctive academic role in helping build an equitable and dynamic society". A key aspect of this has always been its alertness to context, and UWC continues its engagement with surrounding communities to nurture and sustain relationships that are fair, respectful and open. The work of the Community

Engagement Unit (CEU) oversees a vast array of formal community engagement projects, such as leadership training in areas that deeply affect vulnerable communities. As an institution located in the northern part of the City of Cape Town, many of our surrounding communities are impoverished and experience many of the associated social challenges, and we have worked with the City to provide the necessary support. Furthermore, all our faculties pursue their own programmes with communities – be it in the terrain of women empowerment, educational interventions or in-service training for our students.

Below is a list of some of the programmes and activities of 2019:


- The substance abuse training course of the CEU at UWC is a capacity-building and training initiative that attempts to address these challenges. The Community Workers Substance Abuse Training initiative consists of eight short courses. These short courses are packaged in a manner to assist community workers to develop attributes towards, as well as gain skills and knowledge in, the implementation of substance abuse programmes at the community level.
- The nexus between science and community provides an enormous creative opportunity for meaningful professional community engagement, such as the outstanding contribution of Prof Carolina Odman from the Inter-University Institute for Data Intensive Astronomy (IDIA), who provides outreach activities centred on astronomy, including, inter alia, community high-tech skills development.
- A number of staff and students of the Faculty of Community and Health Sciences were involved in an outreach activity to Genadendal that included students from the Schools of Nursing and Natural Medicine, and the departments of Dietetics and Physiotherapy.
- Social Work students assisted community members with social problems, such as family conflict and substance abuse. The students also worked under the direction of social workers from Genadendal Child Welfare Society to present life-skills group sessions at two primary schools located in Genadendal and a nearby farming community.
- The Faculty of Economic and Management Science's Department of Information Systems hosted learners from various schools, exposing them to basic digital literacy skills. The objective of the workshop was to inspire the learners towards careers in technology, and to debunk gender stereotyping associated with ICT careers.
- The Law Faculty's Law Clinic provides legal assistance to the poor, while at the same time giving senior law students clinical education and training. Its main focus areas are family law, the

law of property (defending evictions) and the law of succession (section 18(3) deceased estates). In cooperation with the Legal Aid Board, the Clinic also provides representation for the indigent accused in criminal matters at two community courts – Fezeka and Mitchell's Plain – which are in close proximity to UWC.

- The UWC Science Learning Centre for Africa (UWC-SLCA), in collaboration with Garden Cities Archway Foundation and the Western Cape Education Department, launched five science-learning centres in the Western Cape in 2019, bringing the number of centres to 84 since the collaboration's establishment in 2009.
- The CEU hosted the 3rd Annual Community Engagement Colloquium, "Finding the synergy between CE, research, teaching and learning in the context of the 4th industrial revolution", focusing on examples of community engagement in learning, teaching and research in the context of the 4IR. Broad themes such as "Community engagement in the 4th industrial revolution" and "Facilitating sustainable leadership in communities: preparing for the 4IR", were presented at the colloquium sessions.
- Our engagement with the Fourth Industrial Revolution and its vast opportunities and challenges stretches beyond the classroom and equipping our students with relevant skills. In an innovative collaboration, UWC, Samsung SA and the Department of Trade and Industry have launched a Research and Development (R&D) Academy Project that will focus on empowering unemployed young people by teaching them software development and digital social innovation skills over six months. In the first three months of the programme – due to start in 2020 – students will be taught coding skills by a Microsoft professional.

CONCLUSION

The University will celebrate its 60th year of existence in 2020, and I believe that we have made significant strides over the past six decades. But, as with all evolving projects, many challenges and opportunities for further growth and development will present themselves. The UNESCO conference I mentioned at the beginning of this report examined the trajectory of higher education across the world and the key issues at stake, many of which have retained their validity even today. It is for us to continue grappling with these matters in order to provide our students with the best educational environments possible.



Prof Tyrone Pretorius
Rector and Vice-Chancellor

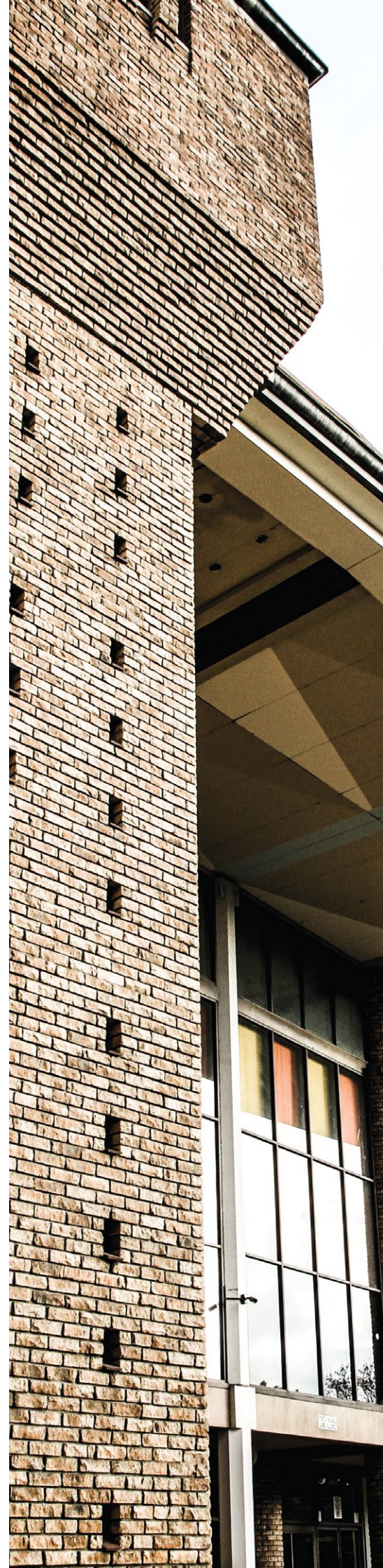
INSTITUTIONAL FORUM REPORT

It gives me great pleasure to present the deliberations and discussions of the Institutional Forum (IF), an organisation of the University of the Western Cape that is comprised of representatives of the University Management, Senate, Council, academic and non-academic employees and the Student Representative Council. The Forum, an advisory body mandated by the Department of Higher Education, Science and Technology, holds the important function of ensuring that the University Council is informed of the views of internal stakeholders with respect to transformation and other matters. According to the Department's "Guidelines for Good Governance Practice and Governance Indicators for Councils of South African Public Higher Education Institutions", the Forum has an advisory role to Council that "encompasses issues pertaining to institutional transformation, the mediation of conflict among campus stakeholders, and the selection of candidates for senior management positions".

The Forum met three times during 2019 to deliberate on a range of the above, such as the appointment process of University leaders, the transformation of the higher education sector, as well as the process of designing a new Institutional Operating Plan (IOP) to act as a blueprint for growth and development for the next five years, starting in 2021.

In terms of the appointments, the Forum deliberated the extension of the terms in office of two Deputy Vice-Chancellors, namely the DVC: Academic and the DVC: Student Development and Support. According to Clause 6.3 of the Senior Appointments Committee (SACC), the process to consider the extension of the period in office of Deputy Vice-Chancellors should start at least 18 months before the expiry date. The process approved by Council allows for consultation with the Senate and the IF. As the SACC had met on 7 February 2019 to interview the DVC: Academic, Prof Vivienne Lawack, the IF met to consider her reappointment as her term in office would end on 31 March 2020. The IF advised Council that it supported the recommendation of the SACC to extend the term of Prof Lawack

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for a period of five years, starting on 1 April 2020. The Forum also approved the extension of term in office for Prof Pamela Dube, the DVC Student Development and Support from 1 January 2020 for a further five years, and the appointment of Prof Monwabisi Knowledge Ralarala as Dean of the Faculty of Arts for a period of five years, commencing 1 January 2020.

The full-scale transformation of higher education remains, without a doubt, one of the pressing challenges of our time as a direct consequence of apartheid, which had created an unequal race-based university system. Although it is more than two decades since apartheid ended, these legacies endure and a university such as the University of the Western Cape, created as a coloureds-only institution, has to grapple with many significant challenges, such as the needs of its varied student population as well as its employee composition. It is for this reason that the Forum decided that transformation would be a standing item on the agenda.

The IF deliberated on the feedback on the Colloquium on Transformation in Higher Education, convened by Minister Naledi Pandor, Minister of Higher Education, and held on 5 November 2018. Attended by stakeholders from across the sector, the Colloquium sought to discuss a range of topics, including institutional culture, governance, management and leadership, transformation competencies and strategies that work.

The Forum also discussed the Universities South Africa (USAf) conference, held on 2 October and attended by over 250 delegates representing academics, researchers, postgraduate students, policymakers as well as business representatives. The conference looked at reimagining higher education in South Africa for the future, and each one of the committees of USAf were the curators of the sessions. The Transformation Strategy Group, of which Prof Dube is a member, curated a session.

The Forum was also informed of the new Institutional Operating Plan (IOP) to be launched in 2020, and decided that it should ensure that it contributed meaningfully to the University Plan.

As an integral part of the University's internal structures, I am pleased with the work that my colleagues and I have been able to perform within the Institutional Forum and that we were able to assist in nurturing a culture of tolerance and respect, as well as ensuring that UWC works optimally as a place of learning, teaching and research.



Prof Brian van Wyk
Chairperson



COUNCIL'S STATEMENT ON GOVERNANCE

The University of the Western Cape and its Council are committed to the principles of transparency, accountability, fairness and social responsibility. Accordingly, for the period under review, the Council endorsed and practised, as far as is applicable, the principles of good governance as reflected in the Code of Practices and Conduct and the Code of Ethical Behaviour and Practice of the King IV Report, as well other generally accepted Guidelines and Codes for good governance. In supporting these principles, the Council recognises the need to conduct its governance oversight function of the University with integrity and accountability. The Council Audit and Risk Committee monitors compliance with sound governance principles and provides advice to Council as needed.

During 2019, Council, through its Audit and Risk Committee, requested a high level assessment and gap analysis of the University's application of the King IV principles that are deemed to be relevant to public universities. The assessment was completed in 2020 and will receive the required attention where gaps or weaknesses were identified.

Council

The Council's responsibilities are set out in the Institutional Statute and are in accordance with the stipulations of the Higher Education Act, 1997. The Council is responsible for the ongoing strategic direction of the institution and for the approval of major developments, which functions are facilitated by regular reports from Management.

The role of the Chairperson of Council is separate from the role of the Rector and Vice-Chancellor. The Chairperson holds office as a member of Council for the duration of his/her term, and may be re-elected for a second term, provided that the individual was re-elected as a member of Council.

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In keeping with the Institutional Statute, the UWC Council comprises a maximum of 30 members, 60% of whom are members who are not registered students or employees of the University. Membership also includes staff and students, as per the categories outlined in the University's Statute. At its last meeting of the year, held on 20 November 2019, 27 members were serving on Council, with vacancies in the categories representing donors and additional members. Of the members serving in Council, 17 (62.9%) were not in the employ of the University or student representatives.

The Council meets at least four times per year and has several committees, including a Remuneration Committee, a Finance Committee, an Audit and Risk Committee and a Membership Committee. All of the committees are formally constituted with terms of reference, and largely comprise Council members who are neither employees nor students of the University. Council committees meet at different intervals, but most of them meet before the scheduled quarterly Council meetings and report to the Council on their mandated areas of responsibility. A list of Council committees and information on the membership and attendance of Council, Finance, and Audit and Risk Committee meetings are attached in the Annexures to this Annual Report.

Council held four (4) meetings in 2019.

Council is ultimately accountable to the Minister, and members are fully cognisant of their collective and individual responsibilities. Council members do not receive remuneration for the meetings they attend.

In line with the Code of Conduct for Council, members are requested at every meeting of Council to declare, in writing, any conflict of interest relating to matters on the agenda.

In 2019, Council performed a self-assessment of its activities and performance against its terms of reference.

Finance Committee

The Council's Finance Committee exercises control over all University funds and advises Council on financial strategy and financial progress against benchmarks and annual budgets. The Finance Committee is also responsible for:

- advising Council on the overall financial management of the University;
- assessing the financial planning of the University with respect to its financial viability and ensuring that the University continues to operate as a 'going concern';
- monitoring and advising Council on the ongoing performance of the University in relation to the approved operational and capital budgets;
- evaluating the annual financial statements of the University;
- evaluating the financial impact of material decisions taken; and
- advising Council on the long-term financing strategy with respect to immovable capital projects.

The Finance Committee meets at least quarterly and continuously monitors and reports to Council regarding the University's financial performance.

In 2019, the Committee performed a self-assessment of its activities and performance against its terms of reference.

Tender Committee

The Tender Committee must ensure that a course of optimum value and efficiency is maintained by adopting best procurement practices and ensuring open and fair competition, subject to the University's approved procurement policies. The Committee also has the responsibility to develop and update policies with regard to:

- the procurement of goods and services in general;
- black empowerment equity;
- supplier selection; and
- other matters incidental to the procurement of goods and services; and must submit such policies to Council for its approval.

The Committee must, after due process has been followed, award tenders and report on the awarding of such tenders to Council.

In exercising its duties, the Tender Committee must see to it that the procurement of goods and services takes place in a fair, transparent, efficient and cost-effective manner, and it must report to Council at least twice a year.

Audit and Risk Committee

The Audit and Risk Committee reviews the findings and reports of the University's internal and external auditors. Both the internal and external auditors have unrestricted access to the Committee, ensuring that their independence is in no way impaired. The Committee has a maximum of six (6) members and all members of the Audit Committee are independent of the University. The membership of the Committee only allows for Council members, or experts in the field, to serve on it. The Committee is chaired by a member of Council who is not the Chairperson of Council.

The Committee held four (4) meetings in 2019. The internal and external auditors and appropriate members of the executive management attended all the meetings.

The Audit and Risk Committee operates in accordance with Council-confirmed written terms of reference that clearly set out the Committee's responsibilities in relation to:

- assessing combined assurance and its appropriateness to address the significant risks facing the University;
- the approval of annual internal and external audit plans;

- overseeing both the internal and external audit functions;
- monitoring management's responsiveness to the findings and recommendations of internal audit;
- monitoring the independence of the external auditor in the annual financial statements; and
- oversight and internal controls of enterprise risk management.

At UWC, the internal audit function is managed by an external service provider, appointed by the Audit and Risk Committee to fulfil the function. As part of its oversight role, the Committee is responsible for the performance assessment of the internal and external audit service providers.

The Audit and Risk Committee further assists Council in terms of exercising its information technology (IT) governance responsibility through internal audit reviews that include issues of control design and operating effectiveness as these relate to the key applications affecting data in the Annual Financial Statements.

The Finance and Audit and Risk committees of Council have one joint meeting per year, to consider, for recommendation to Council, the Annual Financial Statements and the report of the external independent auditors to Council.

In 2019, the Audit and Risk Committee reviewed and recommended to Council the University's Strategic Risk Register.

In 2019, the Committee also performed a self-assessment of its activities and performance against its terms of reference.

Remuneration Committee

The Remuneration Committee has the authority to take final decisions regarding the remuneration and conditions of employment of Council-appointed senior management, which includes the University executive and deans of faculties. Members of the Remuneration Committee are all external members of Council, with the Chairperson of Council as its chair. The Remuneration Committee conducts its business within formal parameters set by Council and stated in the Committee's standing orders.

There were no exceptional payments recommended by the Remuneration Committee in the year under review. The Annual Financial Statements in this Annual Report reflect the earnings of the senior management separately, with comparative figures for 2018.

Membership Committee

The Council Membership Committee considers nominations for Council vacancies in terms of the Institutional Statute and makes recommendations regarding suitable persons, where applicable. The



Committee assigns Council members to the various subcommittees and is responsible for the implementation of the Code of Conduct for Council members.

Information, Communication and Technology Governance Committee

Council is responsible for information technology governance and is supported in fulfilling this function by the Information, Communication and Technology Governance Committee, a joint committee of Council and Senate, which is chaired by an external member of Council. The Committee operates in accordance with approved standing orders that outline its responsibilities in relation to:

- overseeing policy and strategic matters;
- monitoring progress, compliance and risk; and
- monitoring progress, compliance and risks on matters relating to information and communication technology (hardware and software).

Information technology forms an integral part of the teaching and learning, research, innovation and administrative operations of the University.

The Council Audit and Risk Committee also supports Council in terms of its IT governance responsibility, with oversight on IT-related reports received from the internal auditors.

Conflict management

Council agreed in its Code of Conduct to deliberate immediately on matters in which conflict arises as a result of, for example, a declaration of vested interest, and to decide upon these matters in accordance with generally accepted practice. Council also has a Council Charter to regulate the conduct of Council members and to determine how, in future, it will enforce discipline in the event of a breach of the Code of Conduct.

Executive Management Committee

The Executive Management Committee is responsible for implementing Council-approved strategies and for managing the University's affairs. The Executive Management Committee is chaired by the Vice-Chancellor and meets twice a month. The Committee's terms of reference encompass strategy development, collaboration between faculties and units, and maintaining and managing the University's operations in the most effective and efficient way. The Executive Management Committee is responsible, inter alia, for ensuring that the accounting records of the University are maintained in good order by the accounting information systems and personnel complement, and this is monitored by the Audit and Risk Committee through the work of the internal and external audit functions.

Employee and student participation

The University uses a variety of participating structures to resolve issues that affect employees and students directly and materially. These structures are designed to achieve good employer/employee and student relations and for the effective sharing of relevant information, consultation, and the identification and resolution of conflict. They embrace goals relating to productivity, career security, legitimacy and identification with the University.

Ethical standards

The University is committed to the highest standards of integrity, behaviour and ethics in dealing with all stakeholders, including its Council members, managers, employees, students, customers, suppliers, competitors, donors and society at large. Council members and staff are expected to observe the institution's ethical obligations in order to conduct its business through the use of fair competitive commercial practices.

This Council Statement on Corporate Governance was approved by the Council of the University of the Western Cape at its meeting of 2 July 2020.

COUNCIL STATEMENT ON TRANSFORMATION AND SUSTAINABILITY

The transformation of higher education in South Africa forms a key component of the broader processes of the political, social and economic transformation of our society. Council recognises that, as a public higher education institutions in South Africa, UWC's practices and the manner in which the University makes sense of its knowledge generation and dissemination roles can either reproduce the patterns of inequality that shaped our society, or they can be critical levers of change. The University and its Council are committed to striving to be such a lever.

Transformation is at the heart of UWC's mission. It is strongly embedded in its history as a public institution working actively for the public good through its ongoing commitment to the transformation of the country. Transformation is woven into UWC's intellectual project, and its fruits are evident in the rich diversity of the University's student and staff composition. However, the University and its Council recognise that the transformation of higher education in South Africa is a dynamic and ongoing project, both as part of the broader political, social and economic transformation of the country, and because universities are powerful agents of national transformation.

UWC's 2030 vision, as outlined in the Institutional Operating Plan 2016 to 2020 (IOP), indicates that "through its (UWC's) activities and practices it will strive to be an effective partner in the larger national project of building a sustainable and equitable non-racial, non-sexist, democratic, multilingual society ...". The IOP continues to position transformation and sustainability as crosscutting themes across all eight strategic goal areas, supporting UWC's efforts to "be a significant agent of transformation by playing a distinctive intellectual and academic role in building a just and equitable South Africa."

For UWC, its concern with sustainability forms a critical aspect of the larger transformational concern. Sustainability is not viewed primarily as a technical or environmental matter, but is regarded as a social necessity that speaks to a vision

SCHOOL OF PUBLIC HEALTH BUILDING
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of the future in which elements critical to that future are sustained. On this basis, it requires the University to engage critically with its own institutional practices. Lasting transformation requires the University and its Council to pay rigorous attention to sustainability in the following broad areas:

The student environment

- Changing the size, shape and mix of the student population and the academic programme to facilitate greater access to higher education for previously disadvantaged learners, and their participation in programmes in which they have previously been underrepresented and in which, in most instances, the country faces a shortage of skills;
- Giving students the opportunity to engage meaningfully with the campus community and to create an environment in which students experience a sense of belonging; and
- Providing an appropriate environment in support of the academic success of students and their holistic development as graduates who are able to continue to engage critically within their respective contexts; engaged and committed citizens and accountable agents of social good; and confident lifelong learners, capable of critical reflection in constantly changing contexts.

The workplace environment

- Developing and supporting engaged leadership that is able to grapple with the challenges of building and shaping UWC's distinctive academic role as a public higher education institution in a fast-changing global context;
- Building and nurturing an institutional culture that is conducive to staff effectiveness and where the necessary autonomies of academic practice are respected within a framework of accountability and responsiveness to global challenges;
- Enriching the workplace through the attraction, development and management of diverse talents, which includes continued attention being paid to the employment of staff in underrepresented categories such as staff with disabilities and black African staff;
- Focusing on staff development, and preparing and developing the new generation of academic and University leaders through focused programmes and interventions; and
- Refining and monitoring a Reward Strategy that seeks to compensate employees appropriately.

The learning, teaching and research environment

- Improving opportunities for all students to succeed in their studies through teaching and learning practices that are able to meaningfully address the learning needs of students;
- Providing responsive and enabling academic programmes that will enable graduates to be better prepared to face 21st-century challenges;
- Promoting and facilitating enhanced learning opportunities through the innovative use of emerging technologies; and

- Building and improving research capacity through targeted research development, creating a research-conducive environment and increasingly contributing to the production of new knowledge in support of the country's development.

The built and IT environment

- Ensuring coherent and sustainable infrastructural development that promotes safe and supportive living and learning conditions, and that enhances the organisation in support of the delivery of high-quality academic programmes, as well as supporting the requirements of research excellence;
- Optimising infrastructure utilisation and ensuring the quality and effectiveness of the infrastructure through ongoing maintenance and addressing backlog maintenance; and
- Supporting stable and modern information technology infrastructure to facilitate greater operational efficiency and improving access to learning and research opportunities and material.

The natural environment

- Enhancing sustainable approaches to natural resources through institutional practices and ongoing academic inquiry through teaching, learning and research activities; and
- Protecting the natural environment and biodiversity on campus, especially as represented in the UWC Cape Flats Nature Reserve.

The financial environment

- Developing a strong and increasingly diversified financial base that is better aligned with the funding of institutional strategies in support of strengthening the core mandate of the University; and
- Promoting and conducting its business through the use of fair commercial competitive practices.

The public domain

- Enhancing the internal and external standing and reputation of UWC as a dynamic academic institution of high repute through an integrated communication approach and public engagement

that seeks to promote strong and enduring collaborations and partnerships between the University and its broad range of stakeholders.

The leadership, management and governance environment

- Consistently scrutinising the University's strategic direction;
- Nurturing a culture of meaningful change to enhance the University's ability to adapt to new and changing circumstances whilst remaining true to its values and the pursuit of intellectual excellence; and
- Strengthening a culture of efficiency, accountability and good governance in the execution and oversight of strategic direction and strategy implementation.

Council is satisfied that the IOP builds on the strengths of the previous IOP and brings appropriate focus to issues of sustainability and transformation as part of its focus on repositioning UWC as a vibrant and dynamic intellectual institution in the 21st century. We look forward to the engagement that will begin in 2020 that will chart the way forward in determining the new IOP that will commence in 2021. This Council Statement on Transformation and Sustainability was approved by Council at its meeting of 2 July 2020 and is signed on its behalf by:



Ms Yasmin Forbes

Chairperson on Council



Prof Vivienne Lawack

Acting Rector and Vice-Chancellor



UNIVERSITY of the
WESTERN CAPE

a place of quality a place to grow,
from hope to action through knowledge

Honouring
a Life of
Selfless
Service

Enkosi
NELSON MANDELA



COUNCIL AUDIT AND RISK COMMITTEE REPORT

The Council Audit and Risk Committee (CAR) of the University of the Western Cape (UWC) has written terms of reference that specify that members of the Committee must be independent of the University. The Committee is chaired by an external member of Council and the Committee's terms of reference were approved by the UWC Council.

In accordance with its terms of reference, the Committee was able to fulfil its role as an independent committee, with accountability to Council.

Key aspects of the committee's mandate

In accordance with its terms of reference, the Committee has oversight over the following key areas:

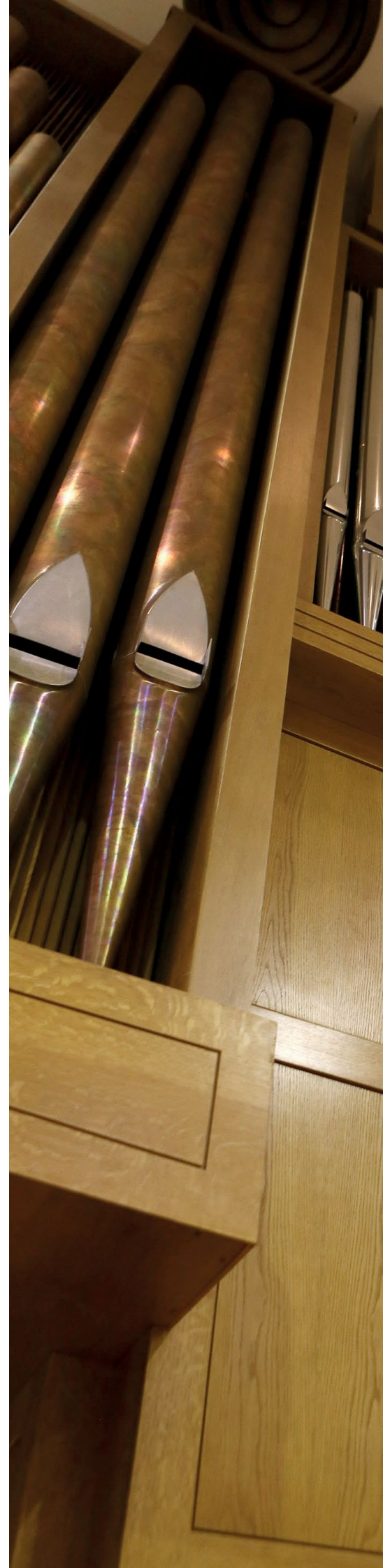
- UWC's financial reporting
- Internal audit
- External audit
- Enterprise risk management

Composition of the committee and attendance

The Committee's membership allows for a maximum of six members – three external Council members and three additional members – all of whom are independent of the University. There was one vacancy in 2019. The members of the Audit and Risk Committee come from various sectors and have a blend of skills and experience in business, auditing, governance and risk management. The qualifications of the respective Audit and Risk Committee members are included in the Annexures to this Annual Report.

Audit and Risk Committee Members	7 March 2019	7 June 2019	13 August 2019	24 October 2019
Mr B. Khan	Apology	Present	Apology	Apology
Ms C. Hess	Present	Present	Present	Present
Ms N. Mbulawa	Present	Present	Apology	Present
Mr N. Buick	Present	Present	Present	Apology
Mr J. Matthews	Not applicable	Present	Apology	Apology

During 2019, the Committee held quarterly meetings that were all quorate and during which it carried out its oversight duties as set out in the terms of reference and summarised in the Council Statement on Governance. All meetings were attended by the internal and external auditors. The auditors have unhindered access to the Committee and, at every meeting, there is provision for the auditors to meet with the Committee without management being present. The Office of the Auditor-General also has a standing invitation to attend the Committee meetings, and a representative attended one meeting.



Summary of the main activities undertaken during the year

In executing its duties in 2019, the Committee attended to the following key matters:

- Periodic reports on progress with the closure of the UWC Pension Fund, a defined benefit fund.
- The Strategic Risk Register and related reports that were tabled during quarters 2 and 4 were discussed and recommended to Council with comments.
- The outcome of the UWC Enterprise Risk Maturity Assessment, which confirmed that the current risk management efforts are focused on strategic risk management. Recommendations were made for management to enhance the risk management process and to ensure risk management is cascaded formally to all levels in the institution. Management recognised the recommendations for improvement and the need for ongoing risk awareness, and presented an operational risk register summary at the Quarter 4 meeting.
- The various internal audit reports that were received during 2019 were considered. Specific attention was paid to information technology general controls (ITGC) and these were found to be unsatisfactory. The Committee engaged Management about the shortcomings and monitored and reported to Council on the efforts to address the identified shortfalls.
- The internal audit plan and internal audit budget for 2020 were approved.
- There was quarterly monitoring of management progress in addressing all prior years' outstanding internal audit findings.
- The external audit coverage plan for the 2019 financial year and the external audit budget were approved.
- The external auditor's report on management issues that arose during the normal audit cycle for the year ended 31 December 2018.

The Audit and Risk Committee also commissioned the following reviews:

- A high-level gap analysis of the UWC Procurement Policy in comparison with best practice procurement principles. The results of this review were also presented to the Ad-hoc Tender Committee.
- A high-level assessment and gap analysis of UWC's current application of the 16 principles as contained in the King IV™ Code on Corporate Governance.

Action plans arising from these reviews are being implemented by management.

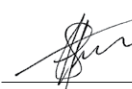
The Committee also considered and recommended the following reports in this Annual Report to Council for approval:

- Council's Statement on Governance
- Report on Internal Operational Structures and Controls
- Report on Risk Exposure Assessment and the Management Thereof

In terms of good governance practices, the Committee performed a self-assessment of its activities and performance against its terms of reference.



Ms Yasmin Forbes
Chairperson of Council



Ms Cindy Hess
Chairperson: Council Audit and Risk Committee

INTERNAL SYSTEMS OF OPERATIONAL STRUCTURES AND CONTROL REPORT

The University of the Western Cape maintains systems of internal control and processes that promote the safeguarding of assets against unauthorised acquisition, use or disposal. These systems are designed to provide reasonable assurance to the University and its Council that the operational environment supports the safeguarding of the University's assets and the preparation and communication of reliable financial and other information.

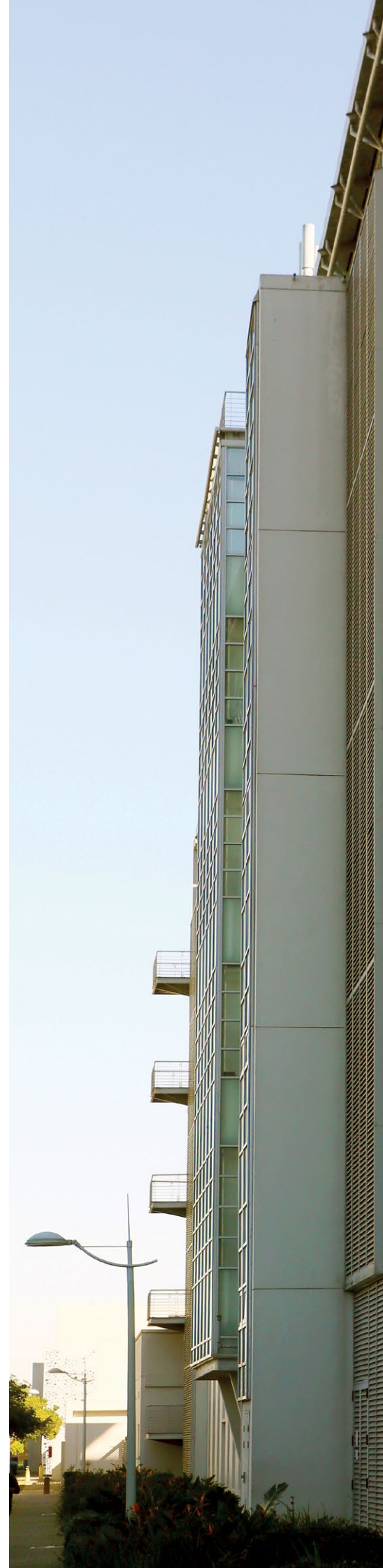
The systems of internal control designed by management include the documentation of organisational structures, the assignment of responsibilities and the establishment of policies and procedures in key areas.

Technology-enabled information systems are in use throughout the organisation. Management's intention is that the systems should be designed in a manner that balances ease of use for all users while meeting internal control requirements. In utilising electronic technology to conduct transactions with staff and with third parties, management maintains that control aspects are subject to scrutiny and that procedures are designed and implemented to manage the risk of fraud or error. Executive management has increased their oversight over IT systems because of their increased complexity, the reliance on IT systems and an escalation in cybersecurity risks globally. The Audit and Risk Committee has also increased its scrutiny of the University's IT systems and related IT risks.

During 2019, the Director: Information and Communications Systems (ICS) presented quarterly reports to the Audit and Risk Committee, which focused on:

- ICS progress towards addressing all internal audit findings
- Top ICT strategic risks, including IT/cybersecurity risk
- ICS internal governance update
- ICS operational update

The Audit and Risk Committee noted the salient features of the ICS reports and the key risks, key projects and progress. There were no major changes to key IT systems during 2019. As part of addressing operational control concerns, ICS continues to focus on project delivery, IT governance, risks and internal IT controls, and the review and optimisation of internal processes. An upgrade to the firewall was implemented and is assisting in improving IT security. In addition, the Integrated Security and General IT Controls Framework is being contextualised for UWC to avoid duplication, while ensuring comprehensive coverage of relevant processes



and controls. The objective is to produce combined control objectives with associated, consolidated controls, tests, test artefacts and performance measures that will be used to govern the system of IT controls.

Internal audit monitors the adequacy and effectiveness of internal control systems based on internal audit coverage plans discussed with management and approved by the Audit and Risk Committee. Internal audit's findings and recommendations are reported to management and the Council via the Audit and Risk Committee. Corrective actions are taken by management to address control deficiencies and other opportunities for improving systems. The internal audit process includes a follow-up of agreed management action plans, the results of which are then reported to the Audit and Risk Committee.

The Audit and Risk Committee provided the necessary focus to ensure that the majority of the outstanding matters pertaining to previously reported internal and external audit findings, were resolved. In response, Management submitted detailed feedback on progress, supported by corrective action plans and due dates. There are inherent limitations to the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls. Accordingly, even an effective internal control system can only provide reasonable assurance with respect to the reporting of financial information and the safeguarding of assets. Furthermore, the effectiveness of an internal control system can change with circumstances. In instances where it is detected that internal control systems have failed, it should be determined whether further investigation is required.

The Audit and Risk Committee received reports from the internal auditors on various internal audit projects at each of its four meetings during the year. The internal audit coverage is based on a rolling three-year plan, and therefore not all processes are covered in each year. Internal audit performed certain operational, financial and IT audits during the year, and reporting included follow-ups of previously reported findings. Feedback was also provided on the University's Strategic Risk Register and the emerging risks.

Reports to the Audit and Risk Committee by both the internal and external auditors indicate that there are some outstanding items in terms of controls deemed to be inadequate or ineffective. These matters were reported to the Management, the Audit and Risk Committee and Council. The progress with addressing such issues will be reviewed in subsequent follow-up audits and duly reported.



Ms Cindy Hess

Chairperson

Council Audit and Risk Committee



Mr Granville Smith

Director

Internal Audit function:
KPMG Services (Pty) Ltd

RISK EXPOSURE ASSESSMENT REPORT

This report presents the University of the Western Cape's (UWC) Risk Exposure Assessment and the management thereof.

The University Council takes ultimate responsibility for risk management, which includes evaluating key risk areas and ensuring that processes for risk management and systems of internal control are implemented.

The governance of risk management

The University embarked on an enterprise risk management process with the development of a Risk Management Framework in 2010. The University compiled a formal Strategic Risk Register that is updated annually and presented to Council via the Audit and Risk Committee.

The Audit and Risk Committee, Finance Committee and Executive Management advise Council on key risks. The Council Safety, Health and Environmental Risk Committee reports important health and safety and environmental risk issues to the Audit and Risk Committee, which in turn reports on risk to Council.

The risk management governance structure at UWC is represented below:



INTERIOR OF THE FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES BUILDING

Main Campus Bellville

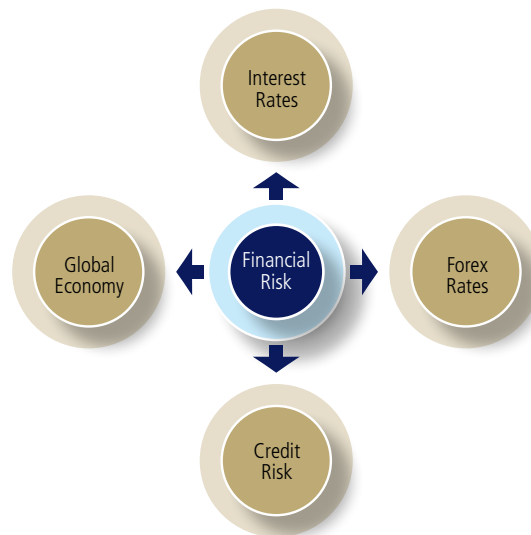


Assessment of risk exposure

UWC uses the framework of a higher education business model, as well as the objectives of its Institutional Operational Plan (IOP), to identify strategic risk exposure. The higher education model defines the main aspects of risk in terms of its macro-environment, and then in terms of the University's key operational areas. These key areas can be summarised as the student experience, learning and teaching, research and innovation, and facilities and administrative services.

These risk exposures are first defined as inherent risks in terms of likelihood and impact, and then as residual risks after taking into account controls or actions by management. These risks can be categorised in terms of financial and non-financial risks.

Financial risks



The University is exposed to a range of financial risks, which include, for example, interest rate risk, foreign exchange rate risk, and credit risk. Shifts in international funding agencies' funding focus areas could also have a negative impact on the University's ability to continue to secure international research funding at current levels. The South African economy experienced a technical recession during 2019, and high levels of unemployment and labour unrest remain local challenges. In addition, rolling electricity blackouts have also had a negative impact on investor confidence and people's ability to spend, resulting in international rating agencies downgrading South Africa to "junk status".

Foreign exchange risk

The weakness and fluctuation of the Rand have a direct impact on the Restricted Funds, as a large portion of donor income is received in foreign currency. At times, the changes in exchange rates work to the advantage of the University, but they have a very negative impact on the cost of Library subscriptions to international research databases, the cost of internationally published books and e-books, and on the cost of imported specialised equipment and the maintenance thereof.

Interest rate risk

Interest rates will always pose a degree of risk, as the University has more than one long-term loan and, if there are increases in interest rates, these affect such loans. The expansion of major infrastructure projects and the concomitant price escalation risk pose an additional risk to UWC's reserves.

Credit risk

The fact that a significant proportion of UWC's applicant pool come from disadvantaged communities poses a specific credit risk. Students who do not succeed academically, or succeed only partly, may not qualify for continued financial aid (NSFAS or donors) and may not be able to honour their financial obligations to the University. This often results in higher dropout rates, with serious financial implications in terms of debt collection and academic output rates.

The continuous improvement of academic support systems aims to mitigate this risk.

UWC continues to manage financial risk by paying particular attention to effective financial planning, cash flow management and the ongoing improvement of financial management systems.

Non-financial risks



Non-financial factors that pose risks to UWC include:

- reputation management;
- attracting and retaining appropriately skilled employees;
- achieving student enrolment targets and throughput and retention rates;
- operational risks resulting from process failures;
- information technology systems; and
- the provision of sufficient and appropriate infrastructure.

Non-financial risk-mitigation actions

These risk areas are of strategic importance, as the materialisation thereof can have a significant direct and indirect financial impact on UWC. They are being addressed by the various actions plans within specific departments.

UWC strives to link its strategy with governance, performance and risk management. There is an opportunity to combine risk-mitigation measures with performance management information to achieve greater alignment and, ultimately, improved performance.

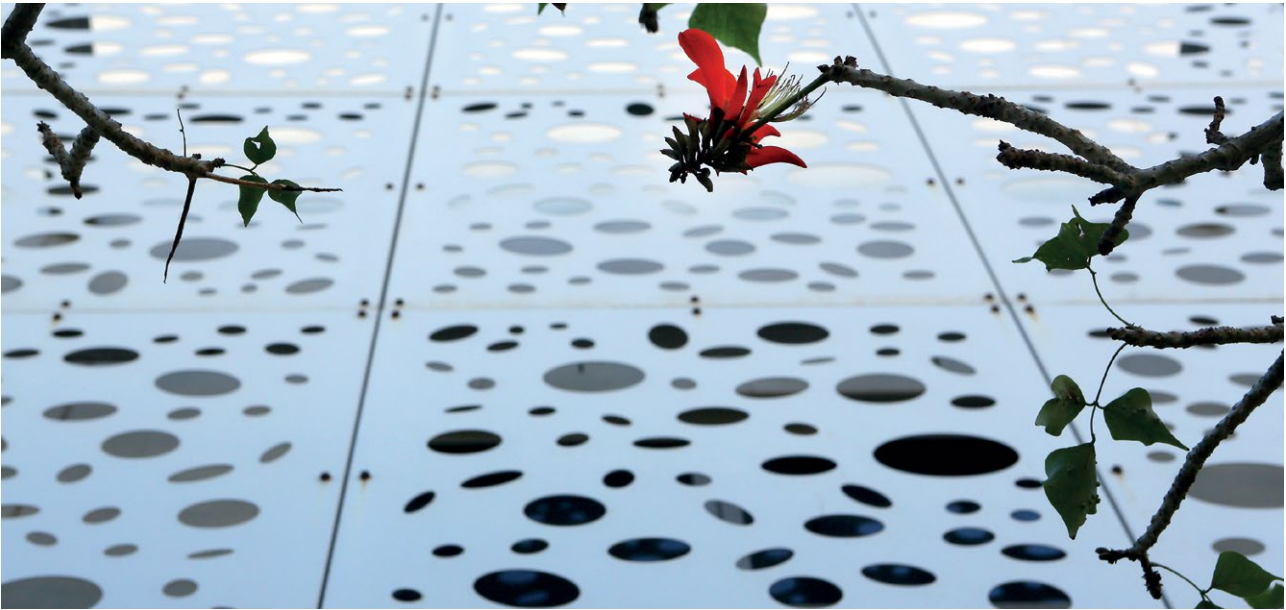
Macro-risk factors in higher education

South African universities experienced a great deal of disruption during 2015 and 2016 with the national #FeesMustFall campaign. The situation stabilised mid-2017 and, at the end of 2017, the President announced that the threshold to qualify for funding through the National Student Financial Aid Scheme (NSFAS) would be raised to support more students from poor families. This has resulted in more students receiving financial support from the State. There are ongoing challenges with the NSFAS centralisation and the State's inability to support all students qualifying for NSFAS support. Towards the end of 2019, a number of universities, including UWC, faced student protest action related to the limited provision of student accommodation.

Risks associated with cybersecurity vulnerabilities, data privacy, identity management and the adequate protection and integration of data remain a concern globally and also affect the University's risk profile. UWC's vision is to continuously prepare itself as a modern university within the digital age. Rapid changes in information and communications technology (ICT) affect current delivery models and UWC's ability to manage its competitive risk with peer universities. The above-mentioned risks have been captured as context to inform UWC's top 10 risks.

The University management submitted an updated Strategic Risk Register to the Audit and Risk Committee in October 2019, and the updated register was presented to Council during its November 2019 meeting. The top 10 risks identified by management's assessment of risk are as follows:

- Student throughput and success: Failure to achieve student throughput rates and provide the support required.
- ICT infrastructure: UWC's ICT infrastructure could undermine the University's ability to deliver on its core functions and pursue its strategic intentions.
- Financial viability: Failure to strengthen and diversify the UWC financial base to secure the financial sustainability needed to support UWC's academic mandate and deliver on strategic priorities.
- Strategic shape and size: Failure to reach enrolment targets in the



different qualification levels and across the spread of academic programmes.

- Talent pool: Failure to recruit, retain and develop the key competencies and capabilities of UWC staff to rise to the contextual challenges in support of the institutional vision and strategic goals.
- Research excellence: Failure to position UWC as an excellent research university with local relevance, regional impact and global recognition.
- Leadership: Failure to provide effective leadership and governance to operationalise the IOP and create a common vision and understanding of the strategic priorities for the UWC community at large.
- Holistic student development: Failure to provide students with a safe, meaningful and stimulating university experience.
- Standing and profile: Failure to shape the internal and external profile of UWC through the use of various communication and marketing strategies.
- Innovation: Failure to build and strengthen UWC's innovation capacity.

Combined Assurance Plan

A combined assurance model incorporates and optimises all assurance services and functions so that, taken as a whole, these enable an effective control environment, support the integrity of information used for internal decision-making by management, the Council and its committees, and support the integrity of the organisation's external reports.

Following the update of the Strategic Risk Register in October 2019,

the next step is to finalise the draft UWC Combined Assurance Plan (CAP) to provide a consolidated view of the key UWC assurance providers (both internal and external) for each key strategic risk identified. Therefore, UWC is in an iterative process of developing and embedding a combined assurance process to integrate risk management with the University's strategy and performance processes.

Risk management is an iterative process and the identification of risk is crucial to organisational improvement. The University is striving to embed this into its organisational culture and is formalising risk management procedures in a structured and disciplined manner, not only at a strategic level, but also by cascading this down at an operational level to enhance its risk management maturity.

The University's executive management is continuously monitoring UWC's risk profile to ensure emerging risks are identified and managed. This is done on an ongoing basis, considering the international, national and local context within which UWC operates.

Ms Cindy Hess

Chairperson
Council Audit and Risk Committee

Prof Vivienne Lawack

Acting Rector and Vice-Chancellor

FINANCIAL REVIEW

When we first heard about the coronavirus, most of us dismissed it as a disease outbreak in some remote part of the world, paying little attention to it only to discover a few months later that our world has changed completely as the Coronavirus spread across the world. As I write this report, the whole world is facing unprecedented health challenges in relation to the Coronavirus also known as COVID-19. Within five months into 2020, millions have been infected globally and locally we have more than 23 000 confirmed positive cases identified with more than 400 deaths directly related to the pandemic.

The world was not prepared for the pandemic and no country was left unscathed by the COVID-19 virus. Economies were closed during various levels of lockdowns implemented by governments that has reconfigured some markets and changed the way we perceive survival, business, education, health and safety and serious reflection on our humanity.

However, during 2019, we had what we consider today to be a very normal global economic year with China and the USA in a trade war, the Eurozone stocks outperformed, London not faring well due to Brexit and a strong US Dollar all contributed to weakening emerging market currencies.

The South African economy experienced a technical recession during 2019 and rebounded due to increased economic activity. High unemployment and labour unrest remain a challenge for South Africa with unemployment reaching a 15-year high, rolling electricity blackouts had a negative impact on investor confidence and people's ability to spend and international rating agencies downgraded South Africa to "junk status". Yet, South Africans are very positive about business prospects during and post COVID-19 with a growth outlook into the future.

OPERATING RESULTS

Revenue streams consolidated

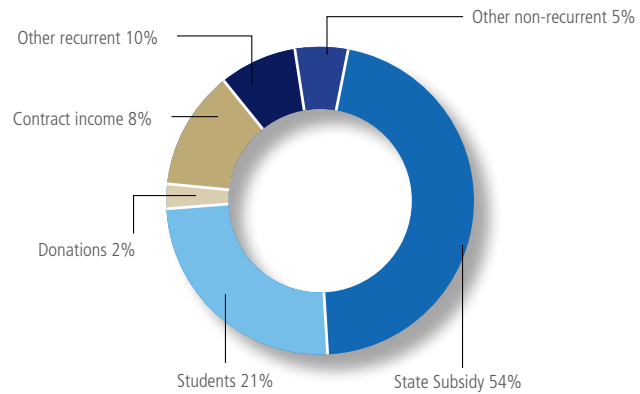
The University is funded from many sources that can broadly be categorised in the revenue streams highlighted below. The graphs below depict the size of the different revenue streams in proportion to the aggregate on consolidation. In the Annual Financial Statements ending 31 December 2019, all bursaries paid for by the University were netted-off against tuition income as required by IFRS 15 – Revenue from Contracts with Customers. The table and pie-charts below show both the tuition income and bursary expense gross amounts.

LIFE SCIENCES BUILDING

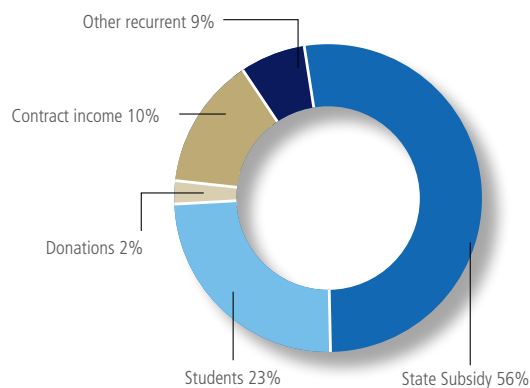
Main Campus Bellville



SHARE OF REVENUE STREAMS 2019



SHARE OF REVENUE STREAMS 2018



Comparison of income derived from different revenue streams in 2019 and 2018

State subsidy constituted the largest portion of UWC's revenue streams, contributing 54% (2018: 56%) to income in proportion to the consolidated pool of funding and student income to the extent of 21% (2018: 23%). The remaining 25% (2018: 21%) is represented by third stream income items. State subsidy has increased due to increase in clinical grants and state-funded fee increases. Other non-recurrent income of 5% (2018: 0%) comprises of the recognition of movement in market value now recognised through the Statement of Comprehensive Income which was previously recognised through the Statement of Changes in Funds.

The University has intensified activity in third stream income that will be available as distributable reserves in order to compliment the University's operations and reserves. Many projects in this area are in force, with some in incubation phase. A UWC Innovations (Pty) Ltd commercial entity is in place that forms the platform for certain commercial projects.

In 2019, UWC posted assets of R5.2 billion (2018: R4.7 billion) with an operating surplus of R288 million (2018: R168 million). The operating surplus is 7% (2018: 3%) of unrestricted income.

ABRIDGED INCOME AND EXPENDITURE OF COUNCIL-CONTROLLED AND STUDENT ACCOMMODATION FUNDS

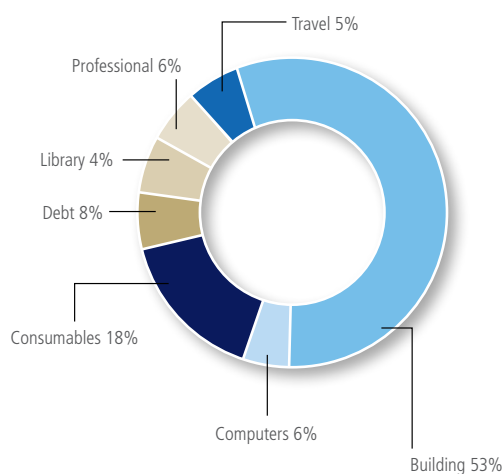
	2019 (Rmil)	% diff	2018 (Rmil)	% diff	2017 (Rmil)	% diff	2016 (Rmil)	% diff	2015 (Rmil)	% diff
TOTAL INCOME	1 822,1	11%	1 646,7	5%	1 563,0	2%	1 526,7	12%	1 365,1	10%
State subsidies and grants	1 085,7	10%	990,1	17%	846,2	5%	802,3	14%	702,6	7%
Tuition and accommodation income	653,6	9%	598,7	5%	570,4	4%	548,0	7%	510,1	9%
Bursaries	(112,6)	46%	(76,9)		0,0	0%	0,0	0%	0,0	0%
Other recurrent income	169,1	28%	132,1	-10%	146,4	-17%	176,1	16%	152,3	31%
Other non-recurrent income	26,3		2,7	0%	0,0	0%	0,3	100%	0,1	100%
TOTAL EXPENSES	1 777,7	8%	1 642,5	6%	1 549,6	2%	1 522,2	13%	1 349,7	19%
Employment costs	1 081,3	11%	975,1	11%	879,7	9%	810,0	4%	779,5	11%
Operating expenses	467,2	-3%	482,5	-3%	498,7	-3%	515,5	13%	455,1	26%
Depreciation	162,5	21%	134,3	17%	115,1	14%	100,9	1%	100,0	23%
Impairment losses	39,6	71%	23,2	100%	0,1	0%	0,0	0%	0,0	0%
Retirement funds' adjustment	1,7	-85%	10,9	-61%	27,8	-62%	73,0	0%	(00,4)	-97%
Disposal of property, plant & equipment	8,7	100%	0,0	0%	6,4	100%	0,0	100%	0,1	100%
Finance costs	16,7	0%	16,6	-24%	21,9	-100%	22,8	46%	15,5	178%
Transfers of nominated bursaries	(81,2)	55%	(52,5)							
NET SURPLUS	125,6	122%	56,6	321%	13,4	196%	4,5	-71%	15,4	-85%
Capital Expenditure	281,2	-5%	296,1	-38%	478,8	81%	265,2	73%	153,1	23%

The unrestricted operating surplus for 2019, as shown above, is R125.6 million (2018: R56.6 million).

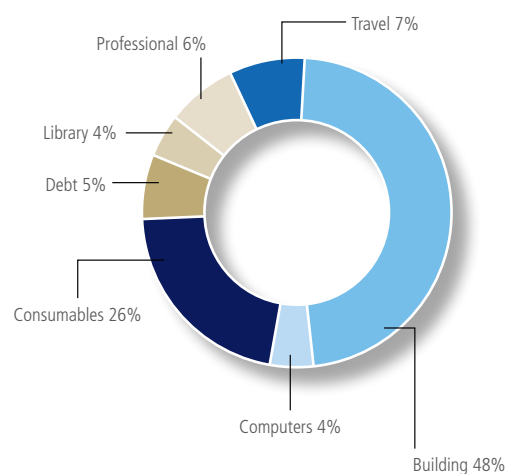
OPERATING EXPENSES

Operating expenses has stabilised and all costs are within budget. The pie charts below reflect unrestricted operating expenses only.

OPERATING EXPENSES 2019



OPERATING EXPENSES 2018



Comparison of operating expenses in 2019 and 2018

Operating expenses include strategically funded intervention programmes that accelerate third stream income and supports teaching and learning initiatives as well as a range of research-related strategies. Depreciation remained in line with prior years as most of the current capital improvement and expansion projects reached completion during 2019. The impact of tariff increases associated with utilities like water and electricity has resulted in a larger increase share of buildings costs in proportion to other costs.

The Student Accommodation Fund yielded a loss of R8.2 million (2018: R9.3 million). The fund requires an acceleration in fee increases to break even. Ideally, the fund should yield at least a 5% return on capital for reinvestment on infrastructure.

STUDENT DEBT

The University has consistently improved its collection rate over the years with continued refinement of the debt collection process supported by dynamic management information and reporting to further direct engagement with individual students and their parents, student leadership, donors and stakeholders regarding the settlement of debt.

Although student debt recovery slowed down since the “#FeesMustFall” protests in 2015, there has been considerable improvement of collections in the latter part of 2018. The University experienced its first cohort of qualifying “Fee-Free” students that was administered by the National Student Financial Aid Scheme (NSFAS) in the form of a grant.

UWC has a history of registering academically viable, indigent students without the necessary financial resources to pay their tuition and residence fees upfront and this supports UWC’s Mission statement that commits the University to providing meaningful access. In return, the University’s commitment to facilitate access is supported by students and families taking responsibility for the cost associated with higher education. At registration, all students are required to pay an upfront amount that is less than 15% of the average student billing per annum. It would be desirable to collect more fees at registration but it is a highly contested process at most universities in South Africa. Settlement agreements are entered into with individual students to stagger payments throughout the year. In most instances, these agreements are honoured by students. NSFAS, donors and various stakeholders have played a significant role in reducing student debt. In the current economic climate, we are very grateful to donors, parents, guardians and students for their unequivocal commitment to address student debt.

RESTRICTED FUNDS

Restricted Funds represent donations, grants and contracts accounted for during the year. The University continued to do well in this area and the fund generated a surplus of R162 million (2018: R 111 million).

SUBSEQUENT EVENTS

On 5 March 2020, South Africa recorded its first confirmed COVID-19 positive case and the President of South Africa declared the country a “state of disaster”, announcing a national lockdown that commenced on 26 March 2020 in order to slow down the number of infections. This resulted in the closure of most of the economy except for defined essential services. During May 2020, the number of confirmed COVID-19 positive cases exceeded 23 000 people.

The University operations were curtailed for the period of the lockdown and it activated its business continuity plans for staff to work from home. On 23 May, the Minister of Higher Education, Science and Innovation issued a statement that university operations may commence at a third of its capacity for ease of exercising social distancing and implementation of health and safety measures when the lockdown level is declared at Level 3.

The University has adopted a flexible learning and teaching approach that will allow the academic project to continue during the lockdown period and has adopted a “NoStudentWillBeLeftBehind” campaign to fund the implementation of the flexible learning and teaching approach. It included the immediate upgrade of information technology infrastructure to accommodate online learning, transforming the curriculum to digital format, remote learning, purchase of data for connectivity and devices for needy students to access the online learning management system and various other interventions that will allow the completion of the 2020 academic year.

The COVID-19 pandemic has brought significant uncertainty to the South African economy with hundreds of job losses that could have a negative impact on future student debt collection, thus posing a threat to the university’s financial health.

SIGNIFICANT ACCOUNTING ISSUES AND DISCLOSURES

The University’s financial reporting and preparation of financial statements are based on International Financial Reporting Standards (IFRS). Below is an explanation of certain significant items in the financial statements.

GOVERNMENT GRANTS AND DISCLOSURE FOR GOVERNMENT ASSISTANCE

At year-end, the Government Grants relating to non-current assets (note 25) were valued at R1 380 million (2018: R1 210 million) in the Consolidated Statement of Financial Position. This is mainly as a result of grants received over the years from the DHET for infrastructural improvement and expansion projects. Although this is income received, in terms of IAS 20: Accounting for Government Grants and Disclosure for Government Assistance, the grant received is recognised as a liability (deferred income) and subsequently recognised as income over the period of the assets' useful life to match the costs to the related assets on a systematic basis. The DHET has committed funding for future years that will continue to influence this balance. The liability will not be discharged in full when the buildings are brought into use but will be reduced annually to the extent of the related costs for which they are intended to compensate, on a systematic basis.

The net effect is paradoxical, the more the DHET supports the University in expanding its infrastructure, the higher our liability on the Statement of Financial Position. The University carries a liability for the lifetime of the building or asset that will be reduced systematically over the life of the buildings or asset, even though it does not represent an obligation to be discharged in the future.

SERVICE CONCESSION: PROPERTY, PLANT AND EQUIPMENT

UWC adopted a process of capitalising the cost of student accommodation buildings, constructed on University land, on a "Build-Operate-Transfer" (BOT) basis on a registered notarial lease. The accounting policy requires full capitalisation of construction costs incurred and the depreciating of the building over its expected useful life. An equivalent liability is raised at the date of capitalisation and is derecognised over the life of the lease agreement as per note 2 and note 13. The payment obligation to discharge the loan for the construction is owned by the developer, Kovacs, who has undertaken the full risk of planning, development, management of operations and maintenance of the full project over a phased-in approach. The liability is therefore similar to Government Grants accounting policy in that the liability will be reduced systematically over a period of time, even though it does not represent an obligation to be settled in the future by the University.

LEASES

The University implemented IFRS16 "Leases", effective 1 July 2019. IFRS 16 requires lessees to recognise leased assets and liabilities on its Statement of Financial Position (Balance Sheet). In other words, assets that were traditionally recognised as an operating lease

expense as transfer of ownership does not transfer at the end of the lease, is now being capitalised due to the university being able to exercise right to control of use. Leases of equipment with low values and less than 12 months is expensed during the year. The net book value of leases capitalised is R30.6m.

INTEREST BEARING BORROWINGS

UWC entered into a long-term loan agreement with the Development Bank of South Africa (DBSA) to finance the completion of the Life Sciences Building during 2010. The initial loan value was R90 million at inception and was repayable over 10 years. The capital outstanding on the DBSA loan amounts to R4.5 million (2018: R13.5 million). A further loan of R219 million was entered into with ABSA Bank during 2015 for the completion of the Bellville Community and Health Sciences building, the Sports Stadium upgrade and expansion and the Chemical Sciences Building as detailed in note 9 of the Annual Financial Statements. The capital outstanding on the ABSA loan is R120 million (2018: R142 million).

UNIVERSITY OF THE WESTERN CAPE PENSION FUND – CONVERSION OFFER

The University of the Western Cape Pension Fund (UWCPF) is a defined benefit plan that is registered and governed by the Pension Funds' Act, as amended, is held separate from the University's assets and is controlled by an independent Board of Trustees (BOT).

On 28 November 2013, the UWC Council directed that an offer must be presented by UWC and the BOT to active members of the UWCPF to convert, on a voluntary basis, their benefits with a 5% enhancement, from a defined benefit basis to a defined contribution basis. The decision further included that retired members be ceded to an insurer which would meet the current and future obligations. On 9 April 2015, Council mandated the closure of the Fund and on 30 June 2015, Council resolved that the Fund must be closed within 24 months of the date of conversion. The mandate of Council was duly executed and after extensive and protracted negotiations between the University and the BOT, the terms of the offer to members were agreed on and an Agreement and Rule Amendment was signed on 3 December 2015. Members were consulted extensively and the conversion date was set effective 1 December 2016. Of the active 168 members of the UWCPF, 16 members chose to stay in the fund.

During 2017, the Conversion Report was submitted to the Financial Sector Conduct Authority (FSCA), previously the Financial Services Board (FSB). UWC was required to pay the Conversion Shortfall as per the Agreement between UWC and UWCPF. An amount of R32 980 000 was paid to UWCPF on 23 October 2017. The accrued

benefits of DC members in the UWCPF are to be transferred to the Sanlam Umbrella Fund with effect from 1 February 2018. The BOT and UWC agreed to transfer the remaining 16 members to the Sanlam Umbrella Fund effective 1 January 2019. There were no active members in the fund as at 31 December 2019.

In addition, UWCPF purchased a "With Profits Annuity" policy in the name of the UWCPF with a post retirement rate of 3.5% with Old Mutual Pensions. UWC paid an amount of R3 665 600 on 22 January 2018 to UWCPF to be applied to pensioners. The application to transfer the pensioners to Old Mutual Pensions was completed during 2019.

The liquidation of the UWCPF is expected to commence during 2020.

INFRASTRUCTURE IMPROVEMENT AND EXPANSION PROJECTS

The University continues its investment in infrastructure. Although a backlog of refurbishment and maintenance exists on existing infrastructure, annually UWC invests at least R40 million from its operating budget for the upkeep of the campus. We are very appreciative of the ongoing support from the DHET and our donors who believe in UWC and who continue to fund a myriad projects. It is noteworthy to mention the current projects.

South Campus Education Precinct Project: Funds were received from the DHET to relocate the Education Faculty and integrate its various departments into the South Campus. The project will provide some new facilities and will also include the repurposing of existing infrastructure to better support the teaching and learning activities of the Faculty and campus wide. The construction programme has been delayed due to the COVID-19 lockdown rules and is expected to commence when the restrictions of the lockdown are lifted.

Greatmore Street development: The University has also received funding for the repurposing of an old school building in Greatmore Street, Woodstock to support the activities of the Centre for Humanities Research (CHR). The facility will be home to some of the CHR's projects focusing on the study of the humanities as an object of creativity that will include a Laboratory of Kinetic Objects (LoKO) for the making of and exploration of prosthetic art objects. It will also house the artist-in-residence programme, a documentary film laboratory, a public lecture and performance space, a dedicated facility to house projects on Communicating the Humanities (a four-year grant to build capacity in documentary filmmaking in the Arts and Sciences) as well as photographic archiving to support the

research under the guidance of the SARChI Research Chair in Visual History and Theory. The planning phase of the project is proceeding well and the construction tender process will comment by mid-2020.

Unibell 2 700 Student Accommodation development: The University planned to commence with its construction programme during 2020 for the installation of 2 700 student accommodation beds opposite the Unibell Station in Belhar consisting of three erven. The project was delayed due to the COVID-19 lockdown rules and is expected to commence when the restrictions of the lockdown are lifted.

CONCLUSION

The financial results for 2019 are a tribute to the efforts of the Council, its Finance and Audit & Risk committees, Executive Management, Finance Department leadership, Infrastructure and Engineering and the campus community, who all applied sound fiscal discipline.

The University remains a going concern during the COVID-19 lockdown and has projected sufficient liquidity post-lockdown, based on various assumptions and scenarios.

The periods during and post COVID-19 lockdown will require strong leadership, close engagement with stakeholders and unity for the university to remain a going concern.



Mrs Xoliswa Daku

2018 Chairperson: Finance Committee



Mr Abduraghaman Regal CA (SA)

Executive Director: Finance and Services

COUNCIL'S STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

The Council is responsible for the preparation, integrity and fair presentation of the financial statements of the University of the Western Cape (UWC).

The financial statements presented on pages 77 to 121 of the UWC 2019 Annual Report have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of 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 judgements and estimates made by the management. The Council has noted all reports included in the 2019 Annual Report and has approved all Council Statements included in the Report. Council confirms the accuracy and consistency of the approved documents with the financial statements.

The financial statements have been audited by Ernst and Young Inc., who have been given unrestricted access to all financial records and related data, including minutes of meetings of the Council and its committees. The Council believes that representations made to the independent auditors during their audit were valid and appropriate.

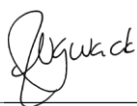
Approval of Annual Financial Statements

The Annual Financial Statements on pages 77 to 121 of this Annual Report were approved by Council on 2 July 2020 and are signed on its behalf by:



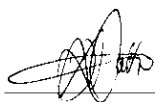
Ms Yasmin Forbes

Chairperson of Council



Prof Vivienne Lawack

Acting Rector and Vice-Chancellor



Ms Xoliswa Daku

Chairperson Council Finance Committee





INDEPENDENT AUDITOR'S REPORT

to the Minister of Higher Education, Science and Technology and the Council of the University of the Western Cape

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of the University of the Western Cape and its subsidiaries (University) set out on pages 78 to 121, which comprise the consolidated statement of financial position as at 31 December 2019 and the consolidated statement of comprehensive income, consolidated statement of changes in funds and consolidated cash flow statement for the year then ended as well as the notes to the consolidated financial statements, including a summary of significant accounting policies.

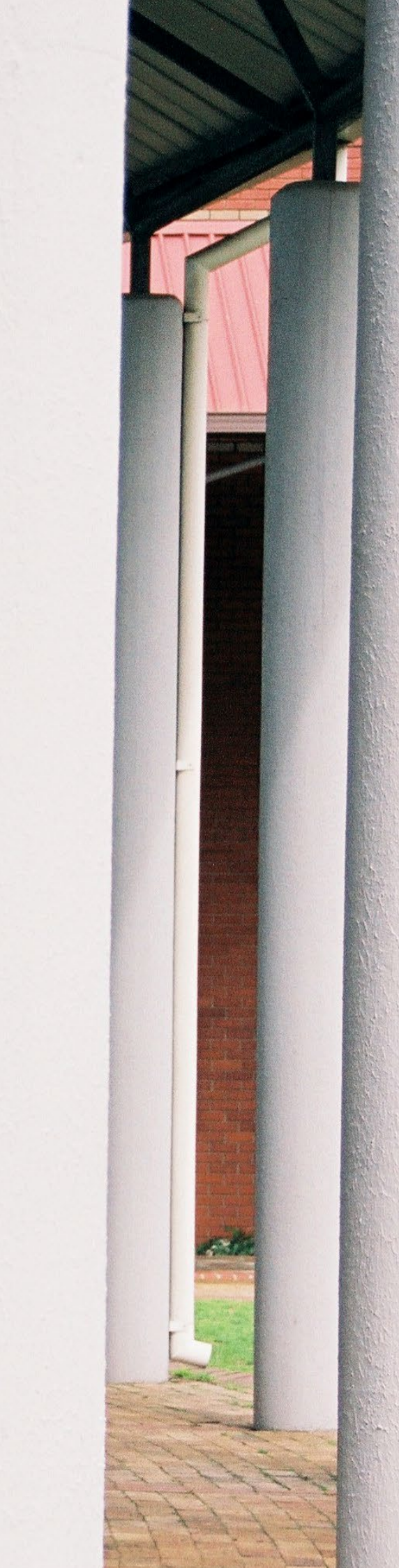
In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa, 1997 (Act no. 101 of 1997) (HEA).

Basis for opinion

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

We are independent of the University in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct of Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board of Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and





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

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

Responsibilities of the Council for the consolidated financial statements

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

In preparing the consolidated financial statements, the Council is responsible for assessing the University'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 University or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in the annexure to the auditor's report. This description, which is located at page 74 and 75, forms part of our auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, we have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. We performed procedures to identify findings but not to gather evidence to express assurance. Accordingly, we do not express an opinion or conclusion on these matters

Our procedures address the reported performance information, which must be based on the approved performance planning documents of the University. We have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. Our procedures did not examine whether the actions taken by the University enabled and contributed to the achievement of service delivery outcomes as planned. Our procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, our findings do not extend to these matters.

We evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the University for the year ended 31 December 2019:

OBJECTIVES	PAGES IN THE ANNUAL REPORT
Goal Area 1 – the size, shape and mix of the student population and academic Programmes	9 - 10
Goal Area 2 – Develop an environment conducive to excellence in learning and teaching in support of student success and retention	10
Goal Area 3 – Maintain a critical mass of strong, productive researchers	11
Goal Area 4 – Actively pursue greater representation in support of equity and diversity	11

We performed procedures to determine whether the reported performance information was consistent with the approved

performance planning documents. We performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete. We did not raise any material findings on the usefulness and reliability of the reported performance information for the selected objectives.

Other matter

We draw attention to the matter below.

Achievement of planned targets

Refer to the annual report on pages 8 to 11 for information on the achievement of the planned targets for the year.

REPORT ON AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof we have a responsibility to report material findings on the compliance of the University with specific matters in key legislation. We performed procedures to identify findings but not to gather evidence to express assurance. Accordingly, we do not express an opinion or conclusion on these matters.

We did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

The Council is responsible for the other information. The other information comprises the information included in the annual report which includes the report of the Chairperson of Council, the report of the Rector and Vice-Chancellor, the report of the Chairperson of Senate, the report of the Institutional Forum, Council's statement of governance, Council's statement on transformation and sustainability, the report of the Council Audit and Risk Committee, the report on internal systems of operational structures and control, the report on risk exposure assessment, the financial review and Council's statement of responsibility for the financial statements as required by the Regulations for Reporting by Public Higher Education Institutions. The other information does not include the consolidated financial statements, the auditor's report thereon and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

Our opinion on the consolidated financial statements and material findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit, of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the selected objectives presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Internal control deficiencies

We considered internal control relevant to our audit of the consolidated financial statements, reported performance information and compliance with applicable legislation. However, our objective was not to express any form of assurance on it. Accordingly, we do not express an opinion or conclusion on these matters.

Matters of internal control considered are limited to significant deficiencies that resulted in a basis for a modification of the audit opinion, or any material findings reported on the audit of the annual performance report or any material findings on the audit of compliance with legislation included in this report.

Consequently, as no matters were reported, we did not identify any significant deficiencies in internal control as described above.

Other reports

We draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the University's financial statements, reported performance information, compliance with applicable legislation and other related matters and are either in progress or have been completed. These reports did not form part of our opinion on the consolidated financial statements or our findings on the reported performance information or compliance with legislation:

Audit-related services

We issued seven agreed-upon procedure engagement reports during the year ended 31 December 2019. Sixteen additional agreed-upon procedure engagement reports were issued by other service providers. These agreed upon procedures were performed at the request of various entities providing funding to the University and covered periods ranging from 1 January 2015 to 31 December 2019.

We conducted one special audit as requested by donors during the year ended 31 December 2019. One additional special audit as requested by donors was performed by other service providers. These audits were signed off in terms of the entity specific accounting policies and were performed at the request of various entities providing funds to the University and covered periods ranging from 1 April 2018 to 31 December 2019.

Ernst & Young

**Ernst & Young Inc.
3rd Floor
Waterway House
3 Dock Road
V&A Waterfront
Cape Town
8000**

**Director: Abdul Majid Cader
Registered Auditor
Chartered Accountant (SA)**

2 July 2020

ANNEXURE - AUDITOR'S RESPONSIBILITIES FOR THE AUDIT

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

CONSOLIDATED FINANCIAL STATEMENTS

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

Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

Conclude on the appropriateness of the Council's use of the going concern basis of accounting in the preparation of the consolidated financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the





consolidated 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 to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Communication with those charged with governance

We communicate with the 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.

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

From the matters communicated to those charged with governance, we determine those matters that were of the most significance in the audit of the consolidated financial statements of the current period and are therefore key audit matters. We describe these matters in this auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in this auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.





ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019



CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	ZAR 2019	ZAR 2018
ASSETS		5 176 272 350	4 737 241 456
Non-current Assets		3 794 677 489	3 631 597 519
Property, plant and equipment	2	2 324 597 161	2 250 984 054
Right-of-use assets	2,1	30 635 910	-
Service concession: Property, plant and equipment	2,2	180 116 820	183 813 134
Investments	3	1 256 717 323	1 194 464 339
Post employment fund surpluses		2 610 275	2 335 992
Retirement fund surplus	10,2	2 066 050	1 831 992
Pension fund surplus	10,1	544 225	504 000
Current Assets		1 381 594 861	1 105 643 937
Inventories	5	1 419 011	1 668 866
Accounts receivable		217 722 012	192 955 261
Student fee debtors	6	101 555 072	106 970 236
Other receivables	7	116 166 940	85 985 025
Cash and cash equivalents	8	1 066 931 916	908 533 164
Short term investments	3	95 073 931	2 045 698
Staff loans	4	447 991	440 948
FUNDS AND LIABILITIES		5 176 272 350	4 737 241 456
Funds available		2 917 069 444	2 654 211 341
Council controlled funds		(579 626 666)	(601 208 888)
Restricted use funds		1 227 168 975	1 063 493 483
Student accommodation funds		(74 456 150)	(75 914 478)
Property, plant and equipment funds		2 324 597 161	2 250 984 057
Service concession: Property, plant and equipment fund		19 386 124	16 857 167
Non-Current Liabilities		1 791 371 806	1 614 948 489
Interest-bearing borrowings	9	98 710 406	125 203 666
Lease Liabilities	16	25 907 003	-
Service concession: Liability	13	124 505 425	130 730 696
Deferred government grants	25	1 380 315 530	1 210 194 975
Contract liabilities	28	51 049 687	43 774 213
Leave pay provision	11	110 883 755	105 044 939
Current Liabilities		467 831 100	468 081 626
Accounts payable and accrued liabilities	12	313 959 690	349 480 866
Current portion of service concession liability	13	6 225 271	6 225 271
Current portion of government grants	25	53 693 823	39 327 921
Current portion of contract liabilities	28	43 672 939	24 309 145
Current portion of Lease Liabilities	16	7 126 432	-
Current portion of leave pay provision	11	16 907 517	17 766 950
Student deposits	14	-	316 045
Current portion of interest-bearing borrowings	9	26 245 428	30 655 428

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2019

Notes	Council controlled funds ZAR	Restricted use funds ZAR	Student Accommodation funds ZAR	Service Concession: PPE ZAR	Property, plant and equipment funds ZAR	Fair value adjustments reserve ZAR	Total Funds
FOR THE YEAR ENDED 31 DECEMBER 2019							
Accumulated funds at 1 January 2019 (ZAR)	(601 208 888)	1 063 493 483	(75 914 478)	16 857 167	2 250 984 057	-	2 654 211 341
Adjustment on initial application of IFRS 16	(467 331)	-	-	-	-	-	(467 331)
Adjusted opening balances after implementation of IFRS 16	(601 676 219)	1 063 493 483	(75 914 478)	16 857 167	2 250 984 057	-	2 653 744 010
Total comprehensive income for the year	109 282 256	162 289 057	(8 245 879)	-	-	-	263 325 434
Net surplus for the year	133 862 136	162 289 057	(8 245 879)	-	-	-	287 905 314
Pension Fund	(24 579 880)	-	-	-	-	-	(24 579 880)
10,1							
Transfers for acquisition/disposal of PPE	(223 687 663)	-	-	-	223 687 663	-	-
Transfer of depreciation on PPE	144 066 666	-	9 704 207	(3 696 314)	(150 074 559)	-	-
Transfers to eliminate dormant entities	190 473	(190 473)	-	-	-	-	-
Concession Liability release	(6 225 271)	-	-	6 225 271	-	-	-
Other inter-fund transfers	(1 576 908)	1 576 908	-	-	-	-	-
Accumulated funds at 31 December 2019	(579 626 666)	1 227 168 975	(74 456 150)	19 386 124	2 324 597 161	-	2 917 069 444
FOR THE YEAR ENDED 31 DECEMBER 2018							
Accumulated funds at 1 January 2018 (ZAR)	(498 081 813)	885 852 990	(73 408 910)	15 067 474	2 085 775 633	103 623 271	2 518 828 645
Adjustment on initial application of IFRS 15		(40 624 115)					(40 624 115)
Adjustment on initial application of IFRS 9		103 623 271				(103 623 271)	
Total comprehensive income for the year	(498 081 813)	948 852 146	(73 408 910)	15 067 474	2 085 775 633	-	2 478 204 530
Net surplus for the year	73 859 252	111 484 567	(9 337 008)	-	-	-	176 006 811
	65 907 860	111 484 567	(9 337 008)	-	-	-	168 055 419
Pension Fund	7 951 392	-	-	-	-	-	36 052 789
10,1							
Transfers for acquisition/disposal of PPE	(295 072 030)	-	-	-	295 072 030	-	-
Transfer of depreciation on PPE	127 467 744	-	6 831 440	(4 435 578)	(129 863 606)	-	-
Transfers to eliminate dormant entities	-	-	-	-	-	-	-
Concession Liability release	(6 225 271)	-	-	6 225 271	-	-	-
Other inter-fund transfers	(3 156 770)	3 156 770	-	-	-	-	-
Restated Accumulated funds at 31 December 2018	(601 208 888)	1 063 493 483	(75 914 478)	16 857 167	2 250 984 057	-	2 654 211 341

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	ZAR 2019	ZAR RESTATED 2018
TOTAL INCOME		2 554 459 503	2 276 545 018
Recurrent revenue		2 434 233 303	2 273 842 092
State subsidies and grants	15	1 383 913 658	1 265 596 192
Student fee revenue	28	542 280 729	522 893 450
Tuition Fees		654 901 084	599 769 997
Bursaries		(112 620 355)	(76 876 547)
Income from contracts	28	213 912 223	237 918 220
For research		137 166 777	184 881 920
For other activities		76 745 446	53 036 300
Private gifts and grants		48 882 694	47 479 116
Other recurrent income	19.1 / 28	91 822 060	70 021 559
Sub-total		2 280 811 364	2 143 908 537
Interest revenue calculated using the effective interest method	17	87 443 531	65 493 346
Interest on investments at fair value through profit or loss	17	40 740 167	44 541 368
Dividends income	17	25 238 241	19 898 841
Non-recurrent items		120 226 200	2 702 926
Gain of marketable securities	17	93 935 967	-
Gain of settlement on defined benefit plan	10,1	26 290 233	-
Profit on disposal of property, plant and equipment		-	2 702 926
TOTAL EXPENDITURE		2 266 554 189	2 108 489 599
Recurrent items		2 256 138 293	2 073 509 305
Personnel		1 286 376 902	1 157 475 239
Academic professionals	18	676 166 202	611 964 582
Other personnel	18	610 210 700	545 510 657
Expected credit losses	19,2	39 591 927	23 210 431
Other operating expenses	19,2	751 010 053	741 920 941
Depreciation	2	162 480 665	134 299 184
Sub-total		2 239 459 547	2 056 905 795
Finance costs	20	16 678 746	16 603 510
Non-recurrent items		10 415 896	34 980 294
Loss on market value of Investments	3/17	-	24 103 751
Loss on disposal of Property, plant and equipment		8 745 768	-
Pension fund surplus expenditure	10,1	1 670 128	10 876 543
NET SURPLUS FOR THE YEAR		287 905 314	168 055 419
Other Comprehensive Income		(24 579 880)	7 951 392
Other Comprehensive Income not to be reclassified to surplus or deficit in subsequent periods		(24 579 880)	7 951 392
Remeasurement (losses) / gains on defined benefit plan	10,1	(24 579 880)	7 951 392
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		263 325 434	176 006 811
The surplus for the year is analysed as follows:			
Council Controlled Funds		133 862 136	65 907 860
Accommodation Funds		(8 245 879)	(9 337 008)
Restricted Funds - Normal activities		162 289 057	111 484 567
NET SURPLUS FOR THE YEAR		287 905 314	168 055 419

The restatement relates to a classification of bursaries from Bursaries and prizes included in other operating expenditure to Tuition fee revenue under student fee revenue. The restatement had no effect on the surplus as previously reported. Refer to note 19.2

STATEMENT OF COMPREHENSIVE INCOME - COUNCIL CONTROLLED
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	COUNCIL CONTROLLED	
		ZAR 2019	ZAR RESTATED 2018
TOTAL INCOME		1 743 682 173	1 578 299 363
Recurrent revenue		1 717 391 940	1 575 596 437
State subsidies and grants	15	1 085 699 180	990 092 138
Student fee revenue	28	466 940 372	454 807 366
Tuition Fees		579 560 727	531 683 913
Bursaries		(112 620 355)	(76 876 547)
Income from contracts	28	40 502 582	39 855 969
For other activities		40 502 582	39 855 969
Other recurrent income	19.1 / 28	62 014 188	39 308 675
Sub-Total		1 655 156 322	1 524 064 148
Interest revenue calculated using the effective interest method	17	62 235 618	51 532 289
Non-recurrent items		26 290 233	2 702 926
Profit on disposal of property, plant and equipment		-	2 702 926
Gain of settlement on defined benefit plan	10.1	26 290 233	-
TOTAL EXPENDITURE		1 691 024 512	1 564 906 328
Recurrent items		1 680 608 616	1 554 029 785
Personnel		1 062 631 628	957 587 658
Academic professionals	18	568 938 622	522 315 153
Other personnel	18	493 693 006	435 272 505
Expected credit losses	19.2	39 591 927	23 210 431
Other operating expenses	19.2	408 929 857	429 160 442
Depreciation (inc. leases)		152 776 458	127 467 744
Sub-Total		1 663 929 870	1 537 426 275
Finance costs	20	16 678 746	16 603 510
Non-recurrent items		10 415 896	10 876 543
Loss on disposal of property, plant and equipment		8 745 768	-
Pension fund expenditure	10,1	1 670 128	10 876 543
Transfers of nominated bursary expenditure		(81 204 475)	(52 514 825)
NET SURPLUS FOR THE YEAR		133 862 136	65 907 860
Other Comprehensive Income			
Remeasurement(losses)/ gains on defined benefit plan	10,1	(24 579 880)	7 951 392
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		109 282 256	73 859 252

The restatement relates to a classification of bursaries from Bursaries and prizes included in other operating expenditure to Tuition fee revenue under student fee revenue.
The restatement had no effect on the surplus as previously reported. Refer to note 19.2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – STUDENT ACCOMMODATION
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	STUDENT ACCOMMODATION	
		ZAR 2019	ZAR 2018
TOTAL INCOME		78 468 433	68 399 911
Recurrent revenue		78 468 433	68 399 911
Student fee revenue	28	74 086 146	67 045 645
Other recurrent income	19.1 / 28	4 382 287	1 354 266
TOTAL EXPENDITURE		86 714 312	77 736 919
Recurrent items		86 714 312	77 736 919
Personnel		18 711 977	17 525 112
Academic professionals	18	-	1 293
Other personnel	18	18 711 977	17 523 819
Other operating expenses	19.2	58 298 128	53 380 367
Depreciation		9 704 207	6 831 440
NET DEFICIT FOR THE YEAR		(8 245 879)	(9 337 008)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – RESTRICTED USE OF FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	RESTRICTED USE FUNDS	
		ZAR 2019	ZAR RESTATED 2018
TOTAL INCOME		732 308 897	629 845 744
Recurrent revenue		638 372 930	629 845 744
State subsidies and grants	15	298 214 478	275 504 054
Student fee revenue	28	1 254 211	1 040 439
Tuition Fees		1 254 211	1 040 439
Income from contracts	28	173 409 641	198 062 251
For research		137 166 777	184 881 920
For other activities		36 242 864	13 180 331
Private gifts and grants		48 882 694	47 479 116
Other recurrent income	19.1 / 28	25 425 585	29 358 618
Sub-Total		547 186 609	551 444 478
Interest revenue calculated using the effective interest method	17	25 207 913	13 961 057
Interest on investments at fair value through profit or loss	17	40 740 167	44 541 368
Dividends income	17	25 238 241	19 898 841
Non-recurrent items		93 935 967	-
Gain on market value of Investments	17	93 935 967	-
TOTAL EXPENDITURE		488 815 365	518 361 177
Recurrent items		488 815 365	441 742 601
Personnel		205 033 297	182 362 469
Academic professionals	18	107 227 580	89 648 136
Other personnel	18	97 805 717	92 714 333
Other operating expenses	19.2	283 782 068	259 380 132
Non-recurrent items		-	76 618 576
Loss on market value of Investments	3/17	-	24 103 751
Transfers of nominated bursary expenditure		81 204 475	52 514 825
NET SURPLUS FOR THE YEAR		162 289 057	111 484 567
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		162 289 057	111 484 567

The restatement relates to a classification of bursaries from Bursaries and prizes included in other operating expenditure to Tuition fee revenue under student fee revenue. The restatement had no effect on the surplus as previously reported. Refer to note 19.2

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	ZAR 2019	ZAR 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Net surplus before interest and dividends	26	151 162 121	54 617 309
Adjusted for:			
Depreciation Property, plant and equipment	2	153 770 870	134 299 184
Depreciation Right-of-use assets	2	8 709 795	-
Decrease in service concession: Liability	13	(6 225 271)	(6 225 271)
Fair Value adjustment on Investment	3	(93 935 967)	24 103 751
Government grants deferred during the year	25	(92 538 721)	(127 749 660)
Pension fund cost / expenditure included in surplus	10,1	1 670 128	10 876 543
Pension fund contributions	10,1	-	(3 429 151)
Retirement fund income		(234 058)	(129 719)
Gain of settlement on defined benefit plan	10,1	(26 290 233)	-
		96 088 664	86 362 986
Working Capital adjustments			
Decrease / (Increase) in inventory		249 855	(156 826)
Increase in receivables		(24 766 751)	(13 895 935)
(Increase) / Decrease in staff loans		(7 043)	2 079
Increase in contract liabilities		26 639 268	27 459 243
(Decrease) / Increase in payables and provisions		(30 541 793)	118 395 133
Decrease in student deposits		(316 045)	-
Cash generated from operations		67 346 155	218 166 680
Interest received	26	128 183 698	110 034 714
Dividends received	17	25 238 241	19 898 841
Finance costs		(16 678 746)	(15 590 221)
Net cash flows from operating activities		204 089 348	332 510 014
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	2	(232 786 105)	(296 080 335)
Disposal of property, plant and equipment	2	9 098 442	1 008 305
Purchase of current investments	3	(93 028 233)	(2 045 698)
Purchase of marketable securities and fixed deposits	3	(417 791 216)	(521 090 850)
Proceeds on disposal of marketable securities	3	449 474 199	469 032 164
Net cash flows from investing activities		(285 032 913)	(349 176 414)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(6 779 604)	-
Repayment of long term loan: Absa	21,4	(21 903 257)	(21 745 428)
Repayment of long term loan: Development Bank of Southern Africa	21,4	(9 000 000)	(9 000 000)
Government grants received	25	277 025 178	291 652 398
Net cash flows from financing activities		239 342 317	260 906 970
Net increase in cash and cash equivalents		158 398 752	244 240 570
Cash and cash equivalents at the beginning of the year	8	908 533 164	664 292 594
Cash and cash equivalents at the end of the year	8	1 066 931 916	908 533 164

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The consolidated financial statements set out on pages 78 to 121 are prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and in the manner required by the Minister of Higher Education, Science and Technology in terms of section 4 of the Higher Education Act, 1997 (Act No. 101 of 1997), as amended. The consolidated financial statements are prepared on the historical cost basis, except for investments which are measured at their fair value.

Unless otherwise indicated, all amounts are expressed in South African Rands, which is the University's functional currency. All amounts are rounded to the nearest South African Rand.

Statement of compliance

The consolidated financial statements are prepared in compliance with both IFRS and Interpretations of those Standards as adopted by the International Accounting Standards Board.

Comparative information

The consolidated financial statements provide comparative information in respect of the previous period. The University uses the modified retrospective approach without prior year restatements: Refer to note 1.16 for additional disclosures.

Consolidation

Separate accounting cost centres are created for funds separately identified for specific research or operational activities. These cost centres are accounted for within the University's general ledger, and are consolidated in the preparation of the financial statements. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

The consolidated financial statements comprise the financial statements of the University and its related entities as at 31 December each year. The financial statements include the operations of The University of the Western Cape Foundation. The financial statements of related entities are consolidated from the date on which the University acquires effective control, up to the date that such effective control ceases. The University controls an entity when it exposed or has rights to variable returns from its involvement with the entity and can affect those returns through its power over the entity.

If the University loses control over an entity, it derecognises the related assets liabilities and all components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

1.2 FUND CATEGORIES

The statement of comprehensive income is prepared on a segmented reporting basis in the manner required by the Minister of Higher Education and Training in terms of section 41 of the Higher Education Act, 1997 (Act No. 101 of 1997), as amended. Income shown as Council Controlled relates to funds over which the Council has legal and discretionary control. Income shown as Restricted Use relates to funds generated in terms of legally enforceable requirements by a donor or grantor. Income shown as Student Accommodation relates to funds generated from student accommodation. Management continuously reviews the classification of the various funds and periodically reclassifies them, where deemed appropriate, for changes in the circumstances and conditions relating to them.

Transfer of funds between segments occur under the following conditions. Funds are transferred from a segment if the project is concluded and the unspent funds are transferred resulting project closure. Funds can be transferred from a segment when the University co-funds projects under another segment and the stipulation is approved as a condition of funding.

The funds in the consolidated statement of changes in funds are grouped according to the same criteria as the statement of comprehensive income and also includes a property, plant and equipment fund. Funds for the acquisition of property, plant and equipment are transferred to the property, plant and equipment fund, which thereafter carries the funds representing the carrying value of the items of property, plant and equipment. The restricted use funds represent the unspent portion of funds received which the University has an obligation to spend in terms of a mandate.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1.3 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The University present assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or sold or consumed in the normal operating cycle;
- Held primarily for trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current assets.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at twelve months after the reporting period.

All other liabilities are classified as non-current liabilities.

1.4 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, and other sales taxes or duty.

Contract liabilities

In terms of IFRS15, revenue is to be recognised when performance obligations have been satisfied. This is either over time or at a point in time and not when revenue is received. In the case where funds have been received for Research Contracts in advance that relate to future periods, a contract liability is recognised on the difference between the funds received and the amount that the entity is entitled to for the year of assessment. Revenue is recognised in the Statement of Comprehensive income and the difference recognised as Current and Non-current portion of contract liabilities in the Statement of Financial Position. The transaction price, as agreed within each contract, is allocated based on the performance obligations within a contract, if applicable. The University does not provide bundles of goods or services where the allocated transaction price might differ from the stand alone selling price. The stand alone selling price for each contract is the transaction price per the contract.

State subsidies and grants

The University receives state subsidies and grants each year to assist in covering costs that will arise during that year. State subsidies and grants for general purposes are recognised as income in the financial year to which the subsidy relates. Subsidies for specific purposes are accounted for at the time they are available for expenditure for the purpose provided. If the funding is provided in advance of the specified requirement, the relevant amount is retained as a liability and accounted for as current or non-current as appropriate, and is released to the net surplus when the expenditure is incurred. When a grant relates to an asset, the recognition of revenue is deferred and released to income in equal annual amounts over the expected useful life of the relevant asset.

Student fee revenue

Tuition, registration and residence fee revenue are recognised in income in the academic year to which it relates. The University has assessed that the students simultaneously receive and consume the benefits provided within the year, as such revenue is recognised over time. Scholarships, bursaries and other financial aid provided by the University to students for tuition and residence fees are recognised as a reduction of fees.

Income from contracts

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the University expects to be entitled in exchange for those goods or services. The University has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Other service revenue

Revenue from services is recognised by reference to the stage of completion, determined on a cost or time apportionment basis, as appropriate, of the services involved.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Income from private gifts and grants

Income from private gifts and grants is recognised when it accrues to the University. Unless specifically indicated otherwise, income is considered to accrue to the University when it is received.

Other recurrent income

Other recurrent income, involving the rendering of services, is recognised over time to the extent that the service has been provided. Other recurrent income includes gym membership fees, course note fees and short course fees.

Interest and dividends

Dividend income is recognised when the University's right to receive the payment is established and recorded as dividend income. Interest is recognised on the effective interest method, according to the terms of the contract and is recorded in interest income.

1.5 FINANCIAL INSTRUMENTS

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the University's business model for managing them. With the exception of trade receivables (student debt and other receivables) that do not contain a significant financing component, the University initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable at the acquisition date. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The University's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the University commits to purchase or sell the asset.

Fair value

The Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The University uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the University determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in note 3.

Financial assets at amortised cost (debt instruments)

The University measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The University's financial assets at amortised cost includes accounts receivables and staff loans.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, debt instruments may be designated at fair value through surplus or deficit on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Financial liabilities

Financial liabilities include accounts payable, accrued liabilities, students with credit balances and interest bearing borrowings.

Accounts payable, students with credit balances and accrued liabilities are initially measured at fair value. They are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in surplus or deficit when the liabilities are de-recognised as well as through the amortisation process. Gains and losses are recognised in the Statement of Comprehensive Income when the liabilities are de-recognised as well as through the amortisation process.

Offset

Financial assets and liabilities are offset and reported on a net basis when the University currently has a legally enforceable right to set off the recognised amounts as well as the intention to realise the assets and settle the liabilities on a net basis.

Derecognition

Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the University's consolidated statement of financial position) when

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

- The rights to receive cash flows from the asset have expired, or,
- The University has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the university has transferred substantially all the risks and rewards of the asset, or (b) the university has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the University has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the University continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the University also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the University has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the University could be required to repay

Financial liability

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in surplus or deficit.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is currently a legally enforceable right to set off the recognised amounts; and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment

The University recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the University expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For all other receivables, the University consider debtors in default when the contractual payments are 60 days past due. For other receivables and student fees receivables, the University applies a simplified approach in calculating Expected Credit Losses (ECLs). Therefore, the University does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The University has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

1.6 PROPERTY, PLANT AND EQUIPMENT

Purchased items of property, plant and equipment are initially recognised at cost, and thereafter stated at historical cost less accumulated depreciation (see below) and impairment losses. Where significant parts of an item of property, plant and equipment have different useful lives, they are accounted for and depreciated as separate components of property, plant and equipment.

Subsequent costs are included in an asset's carrying amount, or are recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits will flow to the University, and the cost of the item can be measured reliably. Maintenance and repairs, which do not meet these criteria, are charged against income as incurred. Depreciation is charged to net surplus of the statement of comprehensive income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Land is not depreciated. Residual values and remaining useful lives, are reassessed annually.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The estimated useful lives are as follows:

Buildings	
- Primary Structure	10 to 50 years
- Components	10 to 15 years
Vehicles	4 to 10 years
Computer Equipment	1 to 5 years
Furniture and equipment	3 to 50 years
Library, museum and art acquisitions are expensed in the year of acquisition.	

Impairments

The University assesses at the end of each financial reporting period whether there is any indication that an asset may be impaired. Where there is an indication of an impairment the assets carrying value is compared to its recoverable amount. The recoverable amount is the greater of the fair value of the asset less costs to sell, or the value in use. Any impairment losses, being an excess of carrying amount over recoverable amount, are included in net surplus of the statement of comprehensive income. Where there is an indication that previously recognised impairment losses may have decreased or no longer exist, the carrying amount of the asset is increased to its recoverable amount, and the reversal of the impairment recognised in net surplus in the statement of comprehensive income. The reversal of impairment of property, plant and equipment is limited to what the carrying value would have been had the impairment never occurred.

1.7 INVENTORIES

Inventory is valued at the lower of cost or net realisable value on a first-in-first-out basis. Net realisable value is the replacement cost of inventories.

1.8 POST-EMPLOYMENT BENEFITS

The University operates both a defined-benefit pension fund and a defined-contribution fund for its employees. The benefits in respect of the defined benefit pension fund are funded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses are recognised in other comprehensive income in full when they are incurred. Past service costs are recognised in full in net surplus at the earlier of when the plan amendment or curtailment occurs or when the entity recognises related restructuring costs. Service costs including current service costs, past services costs, gains and losses on curtailments and non-routine settlements should be recognised in profit & loss in relation to the defined benefit plan. The defined asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on yield of the JSE Coupon Nominal Bond Curve) less the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets that are held by a long term employee benefit fund. Fair value is based on market price information and in the case of quoted securities it is the published bid price. The value of any plan asset recognised is restricted to the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan. Net interest is calculated at the discount rate of 10.44%.

1.9 LEASES

In 2018 all leases, where substantially all risks and rewards associated with ownership have not transferred from the lessor to the lessee, are treated as operating leases and are recognised on a straight line basis over the lease term, except for contingent rentals which are recognised as incurred or accrued.

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of; whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets, or the arrangement conveys a right to use the asset. A reassessment is made after inception of the lease only if one of the following applies:

- There is a change in contractual terms, other than a renewal or extension of the arrangement;
- A renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;
- There is a change in the determination of whether fulfilment is dependent on a specified asset; or
- There is a substantial change to the asset.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) and at the date of renewal or extension period for scenario (b).

Since 2019, the University assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The University as a lessee

The University applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The University recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The University recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 2 to 10 years
- Equipment 3 years

If ownership of the leased asset transfers to the University at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 1.6 for impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the University recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the University and payments of penalties for terminating the lease, if the lease term reflects the University exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the University uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Please see note 16 for disclosure of lease liabilities.

iii) Short-term leases and leases of low-value assets

The University applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.10 PROVISIONS

Provisions are recognised where there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current rate that reflects the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as interest or expense in the statement of comprehensive income.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1.11 PERSONNEL COSTS

Personnel costs comprise of remuneration for services and other employee benefits which is the University's contribution to the employees' post employment funds. The amount disclosed represents the actual cost to the University.

1.12 OPERATING EXPENSES

Operating expenses, except where dealt with under a specific accounting policy, are charged to net surplus in the year in which they are incurred.

1.13 FOREIGN CURRENCIES

The University's financial statements are presented in South African Rands, which is the University's functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to net surplus of the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

1.14 SERVICE CONCESSION ARRANGEMENTS

Service concession arrangements are binding arrangements between a grantor and an operator in which the operator uses the service concession asset to provide a public service on behalf of the grantor for a specified period of time; and the operator is compensated for its services over the period of the service concession arrangement. When an agreement of this nature is entered into, the grantor recognises a service concession asset when the grantor controls the services that may be provided with the use of the asset and retains the beneficial interest in the asset. This asset is initially recognised at its fair value and subsequently accounted for in the same manner as property, plant and equipment. A corresponding liability is raised which is classified either as a financial liability, where the grantor has an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition, or upgrade of a service concession asset, or deferred revenue in the form of a grant of a right to use, where the grantor does not have an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition, or upgrade of a service concession asset, and grants the operator the right to earn revenue from third-party users or another revenue-generating asset. The university has entered into a right to use contract in respect of the construction and lease of a number of residences. This obligation to provide the operator with the right to use the asset is initially recognised at the fair value of the asset received. The revenue arising from providing the use of the asset is subsequently recognised in the net surplus over the period that the University is obliged to provide the operator with the right to use the asset, on a straight line basis.

1.15 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED AND NOT YET EFFECTIVE

IFRS and IFRIC Interpretations not yet effective

The listing of standards and interpretations issued are those that the University reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The University intends to adopt these standards when they become effective.

TABLE OF MANDATORY APPLICATION

New Pronouncements	Effective Date
Definition of a Business - Amendments to IFRS 3	01 Jan 2020
Interest Rate Benchmark Reforms -	
Amendments to IFRS 9, IAS 39 and IFRS 7	01 Jan 2020
Definition of Material - Amendments to IAS 1 and IAS 8	01 Jan 2020
The Conceptual Framework for Financial Reporting	01 Jan 2020

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1.16 CHANGES IN ACCOUNTING POLICY AND DISCLOSURE

IFRS16: Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the University is the lessor.

The University adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The University elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the University applied the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application.

Impact on Statement of Financial Position

The impact on the Statement of Financial Position of adopting IFRS 16: Leases at 1 January 2019 is as follows:

	ZAR 01-Jan-19
ASSETS	14 305 899
Right-of-use assets	
Liabilities	14 773 230
Lease liabilities	
Adjustment to Equity	(467 331)
Retained Earnings	

The University has lease contracts for various buildings and equipment. Before the adoption of IFRS 16, the University classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Refer to Note 1.9 Leases for the accounting policy prior to 1 January 2019.

Upon adoption of IFRS 16, the University applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 1.9 Leases for the accounting policy beginning 1 January 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the University.

- Leases previously accounted for as operating leases

The University recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The University also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
 - Relied on its assessment of whether leases are onerous immediately before the date of initial application
 - Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
 - Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
 - Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease
- Based on the above, as at 1 January 2019:

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

- Right-of-use assets of R14 305 899 were recognised and presented separately in the statement of financial position.
- Additional lease liabilities of R14 773 230 were recognised.
- The net effect of these adjustments had been adjusted to retained earnings (R467 331).

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018, as follows:

ASSETS	
Operating lease commitments as at 31 December 2018	46 776 638
Weighted average incremental borrowing rate as at 1 January 2019	8,37%
Discounted operating lease commitments as at 1 January 2019	43 273 811
Less:	
Commitments relating to short-term leases	(146 185)
Commitments relating to leases of low-value assets	(2 625 384)
Commitments relating to non-lease assets	(689 206)
Commitments excluded from day 1 adjustment for IFRS 16	(25 039 806)
Lease liabilities as at 1 January 2019	14 773 230

1.17 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements

In the process of applying the University's accounting policies, management has made certain judgements, apart from those involving estimations, which have significant effects on the amounts recognised in the financial statements as discussed below.

Estimation uncertainty

Key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Revenue from contracts with customers

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

Timing of research services

The University concluded that the revenue for research services is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the University. The fact that another entity would not need to re-perform the research that the University has undertaken to date demonstrates that the customer simultaneously receives and consumes the benefits provided by the University. The University recognises 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 University's performance against them.

Principal vs agent considerations

The University enters into collaborative research agreements between itself, funders and other Universities. Under these agreements, the University receives funds from the funders, and pays it over to other Universities when performance obligations have been met. The University recognises revenue to the extent that it controls the research services to be provided to the funders, and in such instances, the University is the principal. For the services provided by other Universities, the University has determined that it does not control the research services provided by the other Universities before they are transferred to the funders. The following factors indicate that the University does not control the services before they are transferred to the funders:

- The University is not primarily responsible for fulfilling the promise to provide the research services;
- The University has no discretion to determine the price of the services.

Therefore, the University determined that it is an agent in these contracts and did not recognise revenue relating to these contracts.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Property, plant and equipment

On an annual basis, management reviews the useful lives and residual values of immovable property, plant and equipment. In addition, management periodically obtains the opinion of external building specialists regarding the estimation of their useful lives. The useful lives and residual values of movable items of property, plant and equipment have been estimated with reference to historic information and market trends.

Student fee debtors and other receivables

The present value of student debtors is determined by discounting expected cash flows using an appropriate discount rate. The probability and timing of cash flows are estimated based on historical trends.

Defined benefit fund

The University's future obligation in respect of post-retirement medical aid contributions is actuarially valued based on the projected unit credit method. For the purpose of the valuation at 31 December 2019, key assumptions were made in respect of the discount rate, expected inflation on medical aid contributions, expected age of retirements and mortality rates. More details on these assumptions are provided in note 10.

Provision for expected credit loss on accounts receivable (student and other receivables)

The University uses a provision matrix to calculate ECLs for trade receivables and student fees receivable. The provision rates are based on days past due and historic default dates. The provision matrix is initially based on the University's historical observed default rates. The University will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the higher education sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The University's historical credit loss experience and forecast of economic conditions may also not be representative of students or customers' actual default in the future. The information about the ECLs on the University's student fees receivables is disclosed in Note 21.1

Leases

Determining the lease term of contracts with renewal and termination options. The University determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The University has several lease contracts that include extension and termination options. The University applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the University reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The University included the renewal period as part of the lease term for leases of buildings with shorter non-cancellable period (i.e., three to five years). The University typically exercises its option to renew for these leases because there will be a significant negative effect on research or the provision of student accommodation if a replacement asset is not readily available. The renewal periods for buildings with longer non-cancellable periods (i.e., 10 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to note 16 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Property lease classification - University as lessor

The University has entered into commercial property leases on its investment portfolio. The University has determined, based on an evaluation on the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

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amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and the rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Estimating the incremental borrowing rate

The University cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the University would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the University 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The University estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2 PROPERTY, PLANT AND EQUIPMENT

	Land & buildings ZAR	Furniture & equipment ZAR	Computer equipment ZAR	Vehicles ZAR	Total ZAR
Year ended 31 December 2019					
Opening net book value	1 783 833 029	201 979 150	188 436 753	8 227 639	2 182 476 571
Additions	154 874 149	26 258 707	18 581 458	2 604 077	202 318 391
Disposals	-	(263 349)	(471 650)	(1 024 062)	(1 759 061)
Depreciation charge	(70 539 800)	(33 829 338)	(44 211 547)	(1 493 871)	(150 074 556)
Closing net book value	1 868 167 378	194 145 170	162 335 014	8 313 783	2 232 961 345
At 31 December 2019					
Gross carrying amount	2 445 372 004	519 585 650	369 290 791	18 469 323	3 352 717 768
Gross accumulated depreciation	(577 204 626)	(325 440 480)	(206 955 777)	(10 155 540)	(1 119 756 423)
Net book value	1 868 167 378	194 145 170	162 335 014	8 313 783	2 232 961 345
Year ended 31 December 2018					
Opening net book value	1 260 624 060	185 216 718	106 596 389	8 091 385	1 560 528 552
Additions	584 904 783	48 112 918	117 858 553	1 943 677	752 819 931
Disposals	-	(118 872)	(280 822)	(608 611)	(1 008 305)
Depreciation charge	(61 695 814)	(31 231 614)	(35 737 367)	(1 198 812)	(129 863 607)
Closing net book value	1 783 833 029	201 979 150	188 436 753	8 227 639	2 182 476 571
At 31 December 2018					
Gross carrying amount	2 299 292 696	497 326 580	425 966 025	18 760 236	3 241 345 537
Gross accumulated depreciation	(515 459 667)	(295 347 430)	(237 529 272)	(10 532 597)	(1 058 868 966)
Net book value	1 783 833 029	201 979 150	188 436 753	8 227 639	2 182 476 571

Land and Buildings

- Main campus, Robert Sobukwe Road, Bellville, described as whole or remainders of Erf numbers 14869, 17018, 40240, 40241, 40242, 40243, in Bellville Township, Province of the Western Cape.
- Rector's House, described as Erf number 563 in Bellville Township, Province of the Western Cape.
- Hector Petersen Residence, Amandel Road, Belhar, described as Erf number 29059 in Bellville Township, Province of the Western Cape.
- House in Observatory, Cape Town, described as Erf number 26498 in Observatory, City of Cape Town, Province of the Western Cape.

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- Tygerberg Oral Health centre, described as Erf 15528 in Parow, City of Cape Town, Province of the Western Cape. (Legal transfer of this property took place in December 2011).
- Dentistry Building, Mitchells Plain Medical Centre, described as unit 2 of sectional title scheme 248 in Mitchells Plain, 29388, Province of the Western Cape.
- Bellville Community Health Science building - Erf No. 39713 located in Bellville City Centre and Section 139, 141, 146, 102-128 SS Bella Vista Bellville Township, Province of the Western Cape.
- Salus House - Erf No. 11044 located corner of Kruskal Avenue and Church Street Bellville Township, Province of the Western Cape
- Riverpark Flats- Sectional Title units located corner of First and Hoop Street Kuilsriver Township, Province of the Western Cape.
- Riverpark Erf 20924 Kuilsriver located corner of First and Hoop Street Kuilsriver Township, Province of the Western Cape.
- Gorvalla Lodge Modderdam Road Bellville Township, Province of the Western Cape.
- Vacant Land - Erf No. 24020 located Proton Road Belhar Township, Province of the Western Cape.
- Vacant Land - Erf No. 12015, 12016 and 40259 Bellville South Township, Province of the Western Cape.
- Vacant Land - Erf No.62053 a portion of Erf 29387 located corner of First Avenue and Fourth Avenue Mitchells Plain Township, Province of the Western Cape.
- Riverton Flats - Erf 3252 a portion of Erf 3253, Rietvlei Road Kuilsrivier.
- Vacant Land - Erf No. 14139, 78 Kasselsvlei Road, Bellville South Township, Province of the Western Cape.
- Centre for Advanced Studies of African Society - Erf No. 45509, Rondebosch, 7 Nursery Road, 7701, Cape Town.
- Transhex Building - Erf 23559 located at 405 Voortrekker Road, Parow, Western Cape

Work in Progress	Land & buildings ZAR	Furniture & equipment ZAR	Computer equipment ZAR	Total ZAR
Year ended 31 December 2019				
Opening net book value	22 906 903	1 129 542	44 471 038	68 507 483
Additions	46 205 640	1 007 679	30 304 694	77 518 013
Work in progress capitalised	(34 881 069)	-	(12 169 230)	(47 050 299)
Disposals	-	-	(7 339 381)	(7 339 381)
Closing net book value	34 231 474	2 137 221	55 267 121	91 635 816
At 31 December 2019				
Gross carrying amount	34 231 474	2 137 221	55 267 121	91 635 816
Gross accumulated depreciation	-	-	-	-
Net book value	34 231 474	2 137 221	55 267 121	91 635 816
Year ended 31 December 2018				
Opening net book value	462 360 100	337 954	62 549 025	525 247 079
Additions	126 276 732	791 588	43 686 724	170 755 044
Work in progress capitalised	(565 729 929)	-	(61 764 711)	(627 494 640)
Closing net book value	22 906 903	1 129 542	44 471 038	68 507 483
At 31 December 2018				
Gross carrying amount	22 906 903	1 129 542	44 471 038	68 507 483
Net book value	22 906 903	1 129 542	44 471 038	68 507 483

2.1 RIGHT-OF-USE ASSETS

The University has lease contracts for property and equipment used in its operations. Leases of property have lease terms between 2 and 10 years, while equipment generally have lease terms of 3 years. The University's obligations under its leases are secured by the lessor's title to the leased assets. The University is restricted from assigning and subleasing the leased assets. There are lease contracts that include extension and termination options, which are further discussed in note 16. The University has certain leases of office equipment with lease terms of less than 12 months with low values. The University applies the "short term lease" and "lease of low value assets" recognition exemptions for these leases.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

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Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

	Buildings ZAR	Equipment ZAR	2019 ZAR
IFRS 16 day 1 adjustment	10 431 707	3 874 192	14 305 899
Additions	20 795 611	4 244 195	25 039 806
Depreciation	(5 966 767)	(2 743 028)	(8 709 795)
Closing net book value	25 260 551	5 375 359	30 635 910
Reconciliation			
Gross carrying amount	31 227 318	8 118 387	39 345 705
Accumulated depreciation	(5 966 767)	(2 743 028)	(8 709 795)
Net book value	25 260 551	5 375 359	30 635 910

Please refer to note 16 for the carrying amounts of lease liabilities and the movements during the period.

2.2 SERVICE CONCESSION: PROPERTY, PLANT AND EQUIPMENT

Kovacs Student Housing Project

UWC has appointed KOVACS in terms of a financing agreement in a "Build Operate Transfer" (BOT) model whereby UWC leases land to KOVACS with a right to develop student residences exclusive to UWC students with a right to collect rentals at full risk. The financing agreement to UWC is regulated by a "Development Agreement", "Lease Agreement" and a "Management Agreement". The salient points of the agreements are: 1) The terms of the lease is 25 years plus 3 years of development; 2) KOVACS takes full risk of the business model; 3) The design and development of student accommodation stock is the responsibility of KOVACS with approval from UWC; 4) The total number of beds contracted amounts to 1100. The asset will be depreciated over its useful life. The obligation will be released to revenue on a straight line basis over the term of the lease. The land rentals will need to be recognised on a straight-line basis. At the end of the lease term only the asset will remain on the statement of financial position and this will continue to depreciate over the remaining useful life.

The development occurred as follows:

- Phase 1 of the service concession agreement was completed with construction costs of R68 251 244 having been incurred. 334 beds were available at the beginning of 2012.
- Phase 2 consists of the construction of 3 accommodation blocks with actual cost incurred of R53 696 848. A total of 288 beds were available for use at beginning of 2013.
- Phase 3 comprises the balance of the development entailing the construction of 478 beds at a cost of R84 047 617 were available at the beginning of 2014.

Reconciliation of KOVACS building	ZAR 2019	ZAR 2018
Opening net book value	183 813 134	188 248 711
Additions	-	-
Depreciation charge	(3 696 314)	(4 435 577)
Closing net book value	180 116 820	183 813 134
Reconciliation		
Gross carrying amount	205 995 709	205 995 709
Gross accumulated depreciation	(25 878 889)	(22 182 575)
Net book value	180 116 820	183 813 134

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FOR THE YEAR ENDED 31 DECEMBER 2019

3 INVESTMENTS

	ZAR 2019	ZAR 2018
Non current investments		
Investments consist of the following:		
Local equity and mutual funds	767 132 606	735 445 494
Interest bearing investments	244 152 064	277 102 471
Offshore investments	223 563 076	176 389 915
Endowment policy	5 536 895	5 526 459
Fixed deposits	16 332 682	-
Short term investments		
Money market unit trusts	95 073 931	2 045 698
	1 351 791 254	1 196 510 037
Reconciliation		
Opening value	1 196 510 037	1 166 509 404
Additions	510 819 449	523 136 548
Disposals	(449 474 199)	(469 032 164)
Fair value adjustment - surplus or (loss)	93 935 967	(24 103 751)
Closing value	1 351 791 254	1 196 510 037

3,1 FAIR VALUE HIERARCHY

The University uses the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

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

Level 2: Valuation techniques that use 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). For example, instruments measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are categorised as level 2. Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads, bond and equity prices and foreign currency exchange rates and equity indices. The net present value model was used to value the below endowment policies included in level 2.

Level 3: Valuation techniques using inputs that are not based on observable market data.

	31-Dec-19 ZAR	Level 1 ZAR	Level 2 ZAR	Level 3 ZAR
Local equity and mutual funds	767 132 606	767 132 606	-	-
Interest bearing Investments	244 152 064	244 152 064	-	-
Offshore investments	223 563 076	223 563 076	-	-
Endowment policies	5 536 895	-	5 536 895	-
Money market unit trusts	95 073 931	95 073 931	-	-
Total	1 335 458 572	1 329 921 677	5 536 895	-

During the reporting period ended 31 December 2019, there were no transfers between level 1 and level 2 fair value investments and no transfers into and out of level 3 fair value measurements.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

	31-Dec-18 ZAR	Level 1 ZAR	Level 2 ZAR	Level 3 ZAR
Local equity and mutual funds	735 445 494	735 445 494	-	-
Interest bearing Investments	277 102 471	277 102 471	-	-
Offshore investments	176 389 915	176 389 915	-	-
Endowment policies	5 526 459	-	5 526 459	-
Money market unit trusts	2 045 698	2 045 698	-	-
Total	1 196 510 037	1 190 983 578	5 526 459	-

During the reporting period ended 31 December 2018, there were no transfers between level 1 and level 2 fair value investments and no transfers into and out of level 3 fair value measurements.

4 STAFF LOANS

	ZAR 2019	ZAR 2018
Gross amount	911 291	904 248
Less impairment	(463 300)	(463 300)
	447 991	440 948

These loans are unsecured and attract interest at 15% with repayment terms varying from 1 to 12 months. The carrying value of staff loans approximate fair value.

5 INVENTORIES

	ZAR 2019	ZAR 2018
Maintenance store (at cost)	1 419 011	1 668 866
	1 419 011	1 668 866

Amounts expensed relating to inventory are included in repairs and maintenance under other operating expenses.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6 STUDENT FEE DEBTORS

	ZAR 2019	ZAR 2018
Gross amount	392 792 680	364 503 858
Less impairment	(291 237 608)	(257 533 622)
	101 555 072	106 970 236

Ageing of student debtors:	More than 2 years	Between 1 and 2 years	Less than 1 year	Total Debtors
Debtors	32 669 524	6 007 160	62 878 388	101 555 072

Student fee debt is non-interest bearing. Minimum payments are required on registration and on subsequent prescribed dates as published in the University's fee handbook. The portion of student debt which is considered doubtful after taking into account collections subsequent to year end and historic patterns of collection by the University as well as by professional debt collectors, is impaired. The impairment takes into account the present value of future expected cash flows. The fair value of student fee debtors is R101 555 072 (2018: R106 970 236) based on a discounted cash flow. The debtors book of the University is subject to collective impairment.

Movement in the impairment of student fee debtors were as follows:	ZAR 2019	ZAR 2018
At 1 January	(257 533 622)	(239 525 202)
Charge for the year	(33 703 986)	(18 008 420)
At 31 December	(291 237 608)	(257 533 622)

7 OTHER RECEIVABLES

	ZAR 2019	ZAR 2018
Prepayments	20 006 877	10 737 448
Accounts receivable	37 855 887	27 974 227
Gross amount	63 753 688	47 984 224
Less: Impairment	(25 897 801)	(20 009 997)
Other receivables in respect of subsidies, contracts and grants	25 607 525	15 732 428
Sundry receivables	32 696 651	31 540 922
Gross amount	39 358 828	38 203 099
Less: Impairment	(6 662 177)	(6 662 177)
	116 166 940	85 985 026

The majority of the impairment of R25 897 801 (2018: R20 009 997) represents sundry debtors relating to charges for rental and other cost recoveries. Sundry receivables comprise of amounts due from the Provincial Government of the Western Cape for salary recoveries, interest receivable on fixed deposits and value added tax due from the South African Revenue Service. The majority of the impairment of R6 662 177 (2018: R6 662 177) is in respect of disputed expenditure on a project which is in the process of being resolved. Other receivables are non-interest bearing with no fixed term of payment and comprise amounts due from the National Research Foundation.

These amounts are not discounted and their carrying amounts approximate their fair value, due to the short term nature of the receivables.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

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Impairment: Accounts Receivable	ZAR 2019	ZAR 2018
Movement in the impairment provision of accounts receivable were as follows:		
At 1 January	(20 009 997)	(15 892 742)
Charge for the year	(5 887 804)	(4 117 255)
Closing balance at 31 December	(25 897 801)	(20 009 997)

Impairment: Sundry receivables	ZAR 2019	ZAR 2018
Movement in the impairment provision of sundry receivables were as follows:		
At 1 January	(6 662 177)	(6 662 177)
Closing balance at 31 December	(6 662 177)	(6 662 177)

8 CASH AND CASH EQUIVALENTS

	ZAR 2019	ZAR 2018
Cash at bank and on hand	533 631 873	353 617 364
Fixed Deposits	513 196 890	533 929 742
Short term bank deposits	20 103 153	20 986 058
	1 066 931 916	908 533 164

Short term bank deposits and fixed deposits are short term and highly liquid. These deposits are at market related fixed rates of between 7.65% and 8.51% (2018: 7.65% and 9.68%) and their carrying amounts approximate fair value. They are classified as cash equivalents as management consider them to be accessible prior to prescribed maturity.

At year end the University had an unutilised overdraft facility of R15 000 000 (2018: R15 000 000)

At 31 December 2019 the University had available R102 900 000 (2018: R96 650 000) of undrawn committed facilities in respect of which all conditions precedent had been met. Furthermore, at 31 December 2019 the University had available R153 000 000 (2018: R174 000 000) of unutilised loan facilities that can be taken out if required.

9 INTEREST BEARING BORROWINGS

	ZAR 2019	ZAR 2018
Non-current		
Non-current portion of Development Bank of South Africa loan	-	4 500 000
Non-current portion of Absa loan	98 710 406	120 703 666
Total non-current borrowings	98 710 406	125 203 666
Current		
Current portion of Development Bank of South Africa loan	4 500 000	9 000 000
Current portion of Absa loan	21 745 428	21 655 428
Total current borrowings	26 245 428	30 655 428
TOTAL INTEREST BEARING BORROWINGS	124 955 834	155 859 094

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The University entered into a ten year term loan of R90 000 000 with the Development Bank Of South Africa, repayable by 30 June 2020 in half yearly instalments, with a floating rate of 6 months Jibar rate plus 305 basis points. R9,000,000 capital was repaid during the year. During 2016, the University entered into a loan agreement with Absa Bank, for an amount of R219 000 000, repayable by 2025 in half yearly instalments, with a floating rate of 3 months Jibar rate plus 220 basis points. R21 745 428 capital was repaid during the year.

Effective interest rates on long term loans

2019	2018
8,81%	9,00%

The carrying amounts of fixed interest-bearing long term loans are as follows:

DBSA loan

ABSA loan

ZAR 2019	ZAR 2018
4 500 000	13 500 000
120 455 834	142 359 094
124 955 834	155 859 094

Maturity of interest bearing borrowings

Less than one year

Between year 1 and 2

Between year 2 and 5

Over 5 years

ZAR 2019	ZAR 2018
36 288 996	44 778 541
29 684 139	37 212 282
77 844 823	86 106 566
11 324 464	35 971 210
155 142 422	204 068 599

10 POST EMPLOYMENT BENEFIT INFORMATION

The University contributes to the University of the Western Cape Retirement Fund, a defined contribution fund, and to the University of the Western Cape Pension Fund, a defined benefit fund. These funds are registered under and governed by the Pensions' Fund Act, 1956 as amended. The assets of both these funds are held independently of the University's assets in separate trustee administered funds. The Council approved the conversion of the University of the Western Cape Pension Fund from a defined benefit fund to the Sanlam Defined Contribution Fund in 2017. The Defined Contribution Fund converted to a Sanlam Umbrella Fund as at 01 February 2018. Active members were given the option to take up the University's conversion offer by 31 March 2017. During the 2018 year, active members elected to take the conversion offer which resulted in a settlement cost to the fund amounting to R30 million. R528 million worth of fund assets were transferred to the Sanlam Umbrella Fund. Sixteen active members did not take up the conversion offer and were transferred to the Sanlam Umbrella Fund. Pensioners converted to a pension umbrella fund with Old Mutual and their pension obligation was taken over on 1 February 2018. An application to the Financial Sector Conduct Authority to approve the transfer of pensioners' assets is still pending. On receiving approval the pensioners' assets will be transferred from the Defined Benefit Fund to the pensioners' individual funds at Old Mutual.

During the current financial year the transfer from the Defined Benefit Fund members to the Sanlam Umbrella Pension Fund was submitted and approved.

The effective date of transfer was 1 January 2019. There are no active members or pensioners as at 31 December 2019. The Defined Benefit fund is closed to new members and R14 586 888 are remaining assets pending transfer.

Total employer contributions for the year were R84 404 585 (2018: R77 678 571)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

10.1 UNIVERSITY OF THE WESTERN CAPE PENSION FUND

The following summarises the components of the net benefit expense recognised in the statement of comprehensive income, the fund status and amounts recognised in the statement of financial position for the plan.

	ZAR 2019	ZAR 2018
Net benefit expense		
Current service cost	1 658 696	10 461 294
Interest cost on benefit obligation	30 359 281	68 082 002
Interest on plan assets	(32 923 894)	(71 331 713)
Interest cost on asset ceiling	2 576 045	3 664 960
Net benefit expense	1 670 128	10 876 543

	2019			
	Fund Assets ZAR	Fund Liabilities ZAR	Asset Ceiling ZAR	Net Asset/ (Liability) ZAR
Balance at the beginning of the year	316 145 936	(290 967 176)	(24 674 760)	504 000
Pension cost included in surplus for the year:				
Current service costs	-	(1 658 696)	-	(1 658 696)
Interest income/expense	32 923 894	(30 359 281)	(2 576 045)	(11 432)
	32 923 894	(32 017 977)	(2 576 045)	(1 670 128)
Transferred to umbrella fund	(296 694 920)	296 694 920	-	-
Gains/(losses) in net surplus:				
Gain on settlement of defined benefit obligation	-	26 290 233	-	26 290 233
Remeasurement gains/(losses) in other comprehensive income:				
Returns from plan assets in excess of interest	(37 788 023)	-	-	(37 788 023)
Actuarial gains and losses asset ceiling	-	-	13 208 143	13 208 143
	(37 788 023)	26 290 233	13 208 143	1 710 353
Contributions	-	-	-	-
Balance at the end of the year	14 586 887	-	(14 042 662)	544 225

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2018			
	Fund Assets ZAR	Fund Liabilities ZAR	Asset Ceiling ZAR	Net Asset/ (Liability) ZAR
Balance at the beginning of the year	854 308 140	(847 233 930)	(7 074 210)	-
Transfers to the Umbrella Fund not accounted for in 2017	(66 666 956)	99 646 956	(32 980 000)	-
Restated balance at the beginning of the year	787 641 184	(747 586 974)	(40 054 210)	-
Pension cost included in surplus for the year:				
Current service costs	-	(10 461 294)	-	(10 461 294)
Interest income/expense	71 331 713	(68 082 002)	(3 664 960)	(415 249)
	71 331 713	(78 543 296)	(3 664 960)	(10 876 543)
Transferred to umbrella fund	(558 476 386)	558 476 386	-	-
Remeasurement gains/(losses) in other comprehensive income:				
Returns from plan assets in excess of interest	12 220 274	-	-	12 220 274
Actuarial gains and losses asset ceiling	-	(23 313 292)	19 044 410	(4 268 882)
	12 220 274	(23 313 292)	19 044 410	7 951 392
Contributions	3 429 151	-	-	3 429 151
Balance at the end of the year	316 145 936	(290 967 176)	(24 674 760)	504 000

Major categories of plan assets	ZAR 2019	ZAR 2019
Prescient Yield Quantplus	4 774 160	-
Sanlam Lifestage Accumulation Portfolio	24 328 603	15 576 173
Sanlam Capital Protection preservation	-	31 013 611
SIM Cash Fund	34 900 349	32 357 517
Old Mutual Annuities - Pensioner assets	-	237 073 058
Current Assets	17 096 129	-
Current Liabilities	-66 512 353	-
	14 586 888	316 020 359
Pensioners	-	237 073 058
Actives	-	-
Defined members accrued liability	-	40 553 576
Defined contributions	-	13 340 541
	-	290 967 175

"Actives" refer to the defined benefit members who are current contributors of the fund and "Pensioners" refer to past contributors of the fund currently receiving retirement benefits.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

The principal assumptions used in determining plan obligations are:	2019	2019
Discount rate	-	7,04%
Future salary increases	-	6,83%
Future pension increases	-	3,17%
Life expectancy of pensioners	-	22 years 1 months

10.2 UNIVERSITY OF THE WESTERN CAPE RETIREMENT FUND

The University of the Western Cape Retirement Fund is a defined contribution fund, of which the majority of permanent and long-term contract employees are members. The current year contribution to the Fund for the benefit of employees was R73 881 327 (2018: R66 101 221). The fund commenced with effect 1 March 1995. The fund is currently being administered by Sanlam. An independent Board of Trustees is responsible for the governance of the fund. The Board of Trustees consists of 4 member elected trustees and 4 Council nominated trustees. An amount of R2 622 000 was allocated to the employer at the surplus apportionment date (1 March 2004).

The accumulated value of the employer surplus amounts to R2 066 050 on 31 December 2019 (2018: R1 831 992) after adding investment return.

11 LEAVE PAY PROVISION

	ZAR 2019	ZAR 2018
Opening balance	122 811 889	122 809 136
Provision released during current year	(11 467 239)	(5 447 813)
Additional provision raised	16 446 622	5 450 566
	127 791 272	122 811 889
Total leave pay liability	127 791 272	122 811 889
Current portion shown under current liabilities	16 907 517	17 766 950
Long-term portion	110 883 755	105 044 939

Employee benefits in the form of annual leave entitlements are recognised and provided for when they accrue to employees with reference to services rendered up to the statement of financial position date as at 31 December 2019. Annual leave, being non-accumulative in nature, is considered to be a short-term employee benefit due to the leave being a short compensated absence where the compensation is due to be settled within twelve months after the period the employee renders their services to the University. These benefits vest with the employee in the year in which they accrue. Long term leave consists of study leave and sabbatical leave. The University has made the same assumptions regarding the pattern of future staff retirements as has been used for the calculation of retirement benefit information. These assumptions have been used to determine whether and when leave will be taken or encashed. These assumptions are based on historical information and are similar to those used for defined benefit plans. The leave liability is determined by applying probabilities determined from the retirement benefit assumptions to the value of leave days outstanding at year end.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	ZAR 2019	ZAR 2018
Trade payables	112 190 674	97 551 872
Salary deductions	1 180 067	703 587
Students with credit balances	44 615 858	127 880 409
Bursaries control	93 022 979	41 426 844
NRF Deposit	36 100 000	31 600 000
Other payables	26 850 112	50 318 154
	313 959 690	349 480 866

Accounts payable and accrued liabilities comprise a variety of items, which are non-interest bearing. Trade payables have settlement terms ranging from 7 to 30 days, and other items of accounts payable and accrued liabilities have no specific terms of repayment. The carrying amounts approximate their fair values due to the short term nature of the payables.

13 SERVICE CONCESSION: LIABILITY

A notarial lease arrangement with Kovacs (Pty) Ltd for the lease of land (Student Housing Project) was entered into in 2010. The payment in terms of the lease commences on 1 January 2014 and the lease period is 25 years. This liability represents the obligation to provide Kovacs with a right to use the residences from availability for use to the end of the lease term. This liability will be released over the period that the residences are available for use. This lease is classified as a operating lease. Refer to note 2.2 for further detail regarding Kovacs.

	ZAR 2019	ZAR 2018
Year ended 31 December		
Opening balance		
Liability released during the current year	136 955 967	143 181 238
	(6 225 271)	(6 225 271)
	130 730 696	136 955 967
Current portion	6 225 271	6 225 271
Non-current portion	124 505 425	130 730 696
	130 730 696	136 955 967

14 STUDENT DEPOSITS

	ZAR 2019	ZAR 2018
Hostel deposits	-	316 045
	-	316 045

Hostel deposits are held to cover damages that may arise during use of hostel facilities by students. Their carrying amounts approximate fair value.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

15 STATE SUBSIDIES AND GRANTS

	ZAR 2019	ZAR 2018
State subsidy for general purposes	1 085 699 180	941 732 906
Subsidy released on Capital and Clinical grants from Department of Higher Education and Training (Restricted use)	17 490 053	38 318 025
State subsidy fee increase	-	48 359 232
State grants and contracts for research (Restricted use)	201 841 758	136 070 847
Historically disadvantaged institutions subsidy, clinical and foundation training subsidy (Restricted use)	78 882 667	101 115 182
	1 383 913 658	1 265 596 192

16 LEASE LIABILITIES

	ZAR 2019
IFRS 16 day 1 adjustment	14 773 230
Leases entered into during the year	25 039 809
Interest incurred	2 941 305
Lease repayments	(9 720 909)
	33 033 435
Short term	7 126 432
Long term	25 907 003
	33 033 435

The incremental borrowing rates applied for lease liabilities range from 7.75% to 8.78%. For a maturity analysis of the above lease liabilities, refer to note 21.3.

The following are the amounts recognised in profit or loss:

	ZAR 2019
Depreciation expense of right-of-use assets	8 709 795
Interest expense on lease liabilities	2 941 305
Expense relating to short-term leases	353 327
Expense relating to leases of low-value assets	4 319 501
Expense relating to variable lease payments	2 372 309
Total amount recognised in profit or loss	18 696 237

The University had total cash outflows for leases of R16 766 046 in 2019. The University also had non-cash additions to right-of-use assets and lease liabilities of R25 039 806 in 2019. The future cash outflows relating to leases that have not yet commenced are disclosed in note 22.4.

The University has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the University's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised (see note 1.17).

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	WITHIN 5 YEARS	MORE THAN 5 YEARS	TOTAL
Extension options expected not to be exercised	13 520 245	15 330 175	28 850 420
Termination options expected to be exercised	-	-	-
	13 520 245	15 330 175	28 850 420

17 INCOME FROM INVESTMENTS

	ZAR 2019	ZAR 2019	ZAR 2019
	Council controlled	Restricted use	TOTAL
Interest received			
Interest on investments at fair value through profit or loss	-	40 740 167	40 740 167
Interest revenue calculated using the effective interest method	62 235 618	25 207 913	87 443 531
Total interest received	62 235 618	65 948 080	128 183 698
Dividends received	-	25 238 241	25 238 241
Total interest and dividends received	62 235 618	91 186 321	153 421 939
Fair value market adjustment gains	-	93 935 967	93 935 967

	ZAR 2018	ZAR 2018	ZAR 2018
	Council controlled	Restricted use	TOTAL
Interest received			
Interest on investments at fair value through profit or loss	-	44 541 368	44 541 368
- Available for Sale	-	44 541 368	44 541 368
Interest revenue calculated using the effective interest method	51 532 289	13 961 057	65 493 346
Total interest received	51 532 289	58 502 425	110 034 714
Dividends received	-	19 898 841	19 898 841
Total interest and dividends received	51 532 289	78 401 266	129 933 555
Fair value market adjustment loss	-	(24 103 751)	(24 103 751)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

18 PERSONNEL COSTS

	Council controlled ZAR	Restricted use ZAR	Student Accommodation ZAR	2019 Total ZAR
Academic professionals				
Salaries	524 744 343	103 097 118	-	627 841 461
Post employment benefit contributions	44 194 279	4 130 462	-	48 324 741
Total - academic professionals	568 938 622	107 227 580	-	676 166 202
Other personnel				
Salaries	460 594 864	96 244 001	17 291 990	574 130 855
Post employment benefit contributions	33 098 142	1 561 716	1 419 987	36 079 845
Total - other personnel	493 693 006	97 805 717	18 711 977	610 210 700
TOTAL PERSONNEL COSTS	1 062 631 628	205 033 297	18 711 977	1 286 376 902

Average monthly personnel employed by the University during the 2019 year:

Full time	1 569
Part time	3 022
	4 591

Remuneration of key management personnel:

The following disclosures relate to compensation paid to the key management of the University.

Remuneration is based on the cost of employment to the institution comprising flexible remuneration packages.

Name	Office held	Months in Office	Shor term employee benefits (1) R '000s	Post- employ- ment benefits R '000s	Actual Amount R '000s
Pretorius TB	Rector	12	3 553	229	3 781
Lawton-Misra N	Registrar	12	1 915	208	2 123
Regal A	Executive Director: Finance and Services	12	2 071	223	2 294
Magida ME	Executive Director: Human Resources	12	1 864	197	2 062
Lawack VA	Vice Rector: Academic Affairs	12	2 427	266	2 693
Frantz JM	Vice Rector: Research	12	2 537	153	2 691
Dube PZ	Vice Rector: Student Development and Support	12	2 429	263	2 692
Deans	Faculties				
Esau MV	Economic and Management Sciences	12	1 712	111	1 823
Nomlomo VS	Education	12	1 632	198	1 831
Brown D	Arts	6	906	-	906
Clowes	Acting Dean: Arts	6	639	49	688
Osman YI	Dentistry	12	118	-	118
De Ville JR	Law	12	1 715	113	1 828
Rhoda AJ	Community and Health	12	1 632	195	1 827
Davies-Coleman MT	Natural Sciences	12	1 648	180	1 828

Exceptional payment amounts - each exceeding in annual aggregate R249 999

No exceptional payments were made during the year.

Payments for attendance at meetings of the council and its subcommittees

It is not University policy to remunerate council members for attendance at meetings.

(1) This amount includes accumulated leave paid out upon retirement or when employee leaves the university

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Council controlled ZAR	Restricted use ZAR	Student Accommodation ZAR	2018 Total ZAR
Academic professionals				
Salaries	478 890 204	86 831 675	1 293	565 723 172
Post employment benefit contributions	43 424 949	2 816 461	-	46 241 410
Total - academic professionals	522 315 153	89 648 136	1 293	611 964 582
Other personnel				
Salaries	409 611 870	91 270 571	16 141 812	517 024 253
Post employment benefit contributions	25 660 635	1 443 762	1 382 007	28 486 404
Total - other personnel	435 272 505	92 714 333	17 523 819	545 510 657
TOTAL PERSONNEL COSTS	957 587 658	182 362 469	17 525 112	1 157 475 239

Average monthly personnel employed by the University during the 2018 year:

Full time	1 469
Part time	2 322
	3 791

Remuneration of key management personnel:

The following disclosures relate to compensation paid to the key management of the University.

Remuneration is based on the cost of employment to the institution comprising flexible remuneration packages.

Name	Office held	Months in Office	Shor term employee benefits (1) R '000s	Post- employ- ment benefits R '000s	Actual Amount R '000s
Pretorius TB	Rector	12	3 306	232	3 538
Lawton-Misra N	Registrar	12	1 796	192	1 988
Regal A	Executive Director: Finance and Services	12	1 940	206	2 146
Magida ME	Executive Director: Human Resources	4	568	60	628
Lawack VA	Vice Rector: Academic Affairs	12	2 273	245	2 518
Frantz JM	Vice Rector: Research	12	2 387	131	2 518
Dube PZ	Vice Rector: Student Development and Support	12	2 276	242	2 518
Deans	Faculties				
Esau MV	Economic and Management Sciences	12	1 562	100	1 662
Nomlomo VS	Education	12	1 530	180	1 710
Brown D	Arts	12	1 707	-	1 707
Osman YI	Dentistry	12	126	-	126
De Ville JR	Law	12	1 502	107	1 609
Rhoda AJ	Community and Health Science	12	1 533	178	1 711
Davies-Coleman MT	Natural Sciences	12	1 544	165	1 709

Exceptional payment amounts - each exceeding in annual aggregate R249 999

No exceptional payments were made during the year.

Payments for attendance at meetings of the council and its subcommittees

It is not University policy to remunerate council members for attendance at meetings.

(1) This amount includes accumulated leave paid out upon retirement or when employee leaves the university

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

19 OTHER OPERATING REVENUES AND EXPENSES

19.1 OTHER RECURRENT INCOME

Other Recurrent Income	Council controlled ZAR	Restricted use ZAR	Student Accommodation ZAR	2019 Total ZAR
	62 014 188	25 425 585	4 382 287	91 822 060

Other recurrent income arises from activities associated with the University's core teaching and research activities, but not directly derived there from such as hiring of facilities, conferences and preparatory courses.

19.2 OTHER OPERATING EXPENSES

Other Operating Expenses	Council controlled ZAR	Restricted use ZAR	Student Accommodation ZAR	2019 Total ZAR
Academic consumable material	14 018 202	85 037 631	20 497	99 076 330
Advertising	7 457 882	4 527 805	367 214	12 352 901
Expected credit losses (Bad Debt)	39 591 927	-	-	39 591 927
Bursaries and prizes	-	48 038 395	-	48 038 395
Cleaning	55 121 660	83 751	15 777 260	70 982 671
Computer maintenance and licensing	28 712 114	3 678 649	28 490	32 419 253
Utilities	65 930 179	88 128	18 154 954	84 173 261
Entertainment	17 112 673	8 158 049	1 747 676	27 018 398
Food provisions	286 937	108 178	17 159	412 274
Insurance	3 845 600	5 514	-	3 851 114
Journals and subscriptions	19 429 593	12 615 029	-	32 044 622
Library and art acquisitions	1 942 174	1 506 087	-	3 448 261
Postage and telephone	7 592 721	1 835 875	729 434	10 158 030
Printing and stationery	13 360 711	4 065 432	524 355	17 950 498
Professional services	31 838 554	38 318 431	300 726	70 457 711
Protective clothing	7 509 071	611 965	93 980	8 215 016
Rent of buildings	3 007 466	235 544	82 304	3 325 314
Repairs and maintenance	26 424 973	782 834	214 381	27 422 188
Security contracts	53 058 633	30 726	17 723 767	70 813 126
Sundries	416 724	951 812	277 248	1 645 784
Travel and subsistence	25 740 222	72 433 010	654 072	98 827 304
Vehicle expenses	26 123 768	669 223	1 584 611	28 377 602
	448 521 784	283 782 068	58 298 128	790 601 980

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

19 OTHER OPERATING REVENUES AND EXPENSES

19.1 OTHER RECURRENT INCOME

Other Recurrent Income	Council controlled ZAR	Restricted use ZAR	Student Accommodation ZAR	2018 Restated Total ZAR
	39 308 675	29 358 618	1 354 266	70 021 559

Other recurrent income arises from activities associated with the University's core teaching and research activities, but not directly derived there from such as hiring of facilities, conferences and preparatory courses.

19.2 OTHER OPERATING EXPENSES 2018 RESTATED

Other Operating Expenses	Council controlled ZAR	Restricted use ZAR	Student Accommodation ZAR	2018 Total ZAR
Academic consumable material	14 588 112	40 044 299	537 149	55 169 560
Advertising	6 477 004	2 896 369	178 183	9 551 556
Expected credit losses (Bad Debt)	23 210 431	-	-	23 210 431
Bursaries and prizes	-	64 827 517	-	64 827 517
Cleaning	43 743 609	74 819	14 768 978	58 587 406
Computer maintenance and licensing	21 559 999	5 692 038	25 435	27 277 472
Utilities	61 458 952	55 587	13 312 361	74 826 900
Entertainment	13 383 966	6 843 469	1 364 722	21 592 157
Food provisions	468 462	148 050	354 087	970 599
Hire of equipment	196 296	73 403	-	269 699
Insurance	3 260 438	17 251	-	3 277 689
Journals and subscriptions	18 135 239	5 004 110	-	23 139 349
Library and art acquisitions	4 152 902	1 735 885	-	5 888 787
Postage and telephone	11 493 933	1 573 779	568 536	13 636 248
Printing and stationery	22 936 323	4 045 490	533 034	27 514 847
Professional services	30 507 669	43 340 325	344 244	74 192 238
Protective clothing	6 562 463	471 401	9 900	7 043 764
Rent of buildings	3 307 593	886 899	4 460 683	8 655 175
Repairs and maintenance	29 957 012	3 020 416	319 337	33 296 765
Security contracts	48 071 320	139 337	13 406 772	61 617 429
Staff meals: food services	1 668 546	318 502	14 213	2 001 261
Sundries	38 753 483	20 025 940	1 648 197	60 427 620
Travel and subsistence	32 474 539	57 443 685	1 079 530	90 997 754
Vehicle expenses	16 002 582	701 561	455 006	17 159 149
	452 370 873	259 380 132	53 380 367	765 131 372

The restatement relates to a reclassification of sundries R40 941 401 to academic consumable material R833 440, bursaries and prizes R31 297 091, professional services R7 076 870 and travel and subsistence R1 734 000.

The restatement had no effect on the total Other Operating Expenses as previously reported.

Rebates on fees R31 415 880 (2018) R24 361 722 represent the cost to the University of certain policies, and are disclosed under other operating expenses instead of being set-off against tuition fees in order to better present the impact of these policies. Sundry expenses consists of transport, administrative, overhead and other expenditure.

The disclosure of bursaries as required by IFRS 15: Revenue from Contracts with Customers was incorrect in the 2018 annual financial statements. The split between bursaries that need to offset tuition income and bursaries that needed to be disclosed as expenses was missated. The error only relates to the disclosure of bursaries in 2018, and had no effect on the surplus for the year. In the 2018 annual financial statements bursaries were disclosed as R110 968 416.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

20 FINANCE AND RELATED COSTS

Finance costs	ZAR 2019	ZAR 2018
Long term loans	13 737 441	16 603 510
Lease liabilities	2 941 305	-
	16 678 746	16 603 510
Other related costs		
Portfolio administration costs	10 591 911	9 848 570
	10 591 911	9 848 570

Portfolio administration costs are included under professional services of other operating expenses.

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The University's principal financial instruments comprise accounts receivables (student and other receivables), investments, non-current fixed deposits, student deposits, cash and cash equivalents, interest bearing borrowings and accounts payable and accrued liabilities. The University manages a substantial portfolio of financial assets with a long-term view to growing the portfolio in order to provide financial stability and support for new initiatives and strategic choices. The main risks arising from the University's financial instruments are market, credit and liquidity risks. The Council, through its Finance and Investment Committees, reviews and agrees policies for managing each of these risks which are summarised below.

21.1 CREDIT RISK MANAGEMENT

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. The University is subject to credit risk with student fee receivables, other receivables and cash and cash equivalents.

Student fees receivable

The University has implemented various policies to recover long outstanding debt including using debt collectors and agreeing monthly payment schemes with students. The outstanding fees balance at year end is widely spread amongst numerous students indicating no particular concentration of credit risk. The maximum credit risk exposure for student fee receivables is equal to the carrying amount of the student fee receivable at year end. At year end the maximum exposure to student fees is R101 555 072 (2018: R106 970 236), after the current year impairment provision. The provision rates are based on days past due for groupings of student debt with a similar age. Refer note 6 for further details.

	More than 2 years	Between 1 and 2 years	Less than 1 year	Total Debtors
Expected credit loss rate	86%	86%	43%	
Estimated total gross carrying amount at default	239 271 870	43 996 491	109 524 319	392 792 680
Expected credit loss	206 602 347	37 989 331	46 645 930	291 237 608

Cash and cash equivalents

The University deposits with major banks of high quality credit standing. At year end the management of the University did not consider there to be any significant concentration of credit risk which has not been adequately provided for.

21.2 MARKET RISK

Market rate risk comprises interest risk, price risk and currency risk.

21.2.1 INTEREST RATE RISK MANAGEMENT

Interest rate risk on investments, long term loans and cash is managed by utilising a mix of fixed and variable rate instruments that avoid a concentration of risk. The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all variables held constant, of the University surplus. There is no material impact on the University equity.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Interest rate risk table

The effect on financial assets and liabilities due to reasonable possible change in interest rates with all other variable rates held constant is as follows:

Financial Assets

Interest rate changes	ZAR 2019	ZAR 2018
The effect of a 1% increase in interest rate	10 669 319	9 085 332
The effect of a 1% decrease in interest rate	(10 669 319)	(9 085 332)

Financial Liabilities

Interest rate changes	ZAR 2019	ZAR 2018
The effect of a 1% increase in interest rate	(1 249 558)	(1 558 591)
The effect of a 1% decrease in interest rate	1 249 558	1 558 591

21.2.2 PRICE RISK

There is an exposure to price risk on investments due to the fair value or future cash flows of financial instruments which will fluctuate because of changes in market prices. The risk is managed by our portfolio manager.

Price risk table:

The effect on equity due reasonable possible changes in equity indices, with all other variables held constant is as follows:

Price risk changes	ZAR 2019	ZAR 2018
The effect of a 5% increase in price risk on funds	67 589 563	59 825 502
The effect of a 5% decrease in price risk on funds	(67 589 563)	(59 825 502)

21.2.3 FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The University's exposure to the risk of changes in foreign exchange rates relates primarily to the investments in foreign denominated investment funds.

Foreign currency sensitivity

The table below illustrates the effect of 10% increases in US Dollar rates on surplus for the year with reference to the University's investment portfolio. The sensitivity analysis is prepared with all other variables held constant, and is based on the balances at year end taking into account the reasonable possible changes in the next 12 months. The actual results may differ from the sensitivity analysis and the difference could be material. The effect shown in the sensitivity analysis is on the net surplus of the University based on the changes to the exchange rates.

	Increase/ Decrease in US Dollar rate	Exposure
2019	10% -10%	R 22 356 308 (22 356 308)
2018	10% -10%	R 17 638 992 (17 638 992)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

21.3 LIQUIDITY RISK

The University manages its liquidity risk by maintaining a sufficient cash buffer and an overdraft facility at all times. Deposits are held at central banks that can be easily accessible for liquidity management purposes. At the year end, the University had an unutilised overdraft facility of R15 000 000 available. The table below summarises the maturity profile of the University's financial liabilities as at 31 December based on contractual undiscounted payments.

The University's financial liabilities include long term loans, accounts payable, student deposits and lease liabilities. The financial assets such as investments, student fee debtors, accounts receivable and cash and short term deposits arise directly from its operations. The main risks arising from the University's financial instruments are interest rate risk, liquidity risk, credit risk and price risk. Management policies for managing each risk are summarised below.

	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
At 31 December 2019					
Trade payables	112 190 674				112 190 674
Other payables		201 769 016			201 769 016
Lease liabilities	1 704 578	4 995 846	21 120 649	5 311 196	33 132 269
Interest bearing borrowings		26 245 428	98 710 406	-	124 955 834
Total	113 895 252	233 010 290	119 831 055	5 311 196	472 047 793
At 31 December 2018					
Trade payables	97 551 872				97 551 872
Other payables		251 928 994			251 928 994
Interest bearing borrowings		30 655 428	125 203 666		155 859 094
	97 551 872	282 584 422	125 203 666	-	505 339 960

Interest bearing borrowings above are the discounted amounts. Refer to note 9 for the undiscounted contractual amounts.

21.4 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	ZAR 2019	ZAR 2018
Interest bearing loans and borrowings		
Balance as at 1 January	(155 859 094)	(185 590 706)
Repayment of long term loan: Absa	21 745 428	21 745 428
Repayment of long term loan: Development Bank of Southern Africa	9 000 000	9 000 000
Interest charged	(12 701 370)	(17 983 074)
Interest paid	12 859 202	16 969 258
Balance as at 31 December	(124 955 834)	(155 859 094)

For changes in lease liabilities, please refer to note 16.

21.5 FAIR VALUE

Management has assessed that the carrying amount of all financial instruments approximates its fair value. The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

21.6 CAPITAL MANAGEMENT

The capital of the University comprises both restricted funds designated for specific purposes and unrestricted funds, being funds that can be controlled by Council at its discretion. The University has a healthy relationship of reserves to assets, however it must be remembered that much of the asset base is held in designated investments and in property which has restricted alienability. The University's policy is to apply conservative financing.

Internal loans are used for managerial purposes at a rate appropriate to the inherent risk. Debt is avoided but, where utilised, the policy is to settle in as short a period as possible, not exceeding 10 years, except in exceptional circumstances.

22 COMMITMENTS AND CONTINGENT LIABILITY

22.1 CAPITAL COMMITMENTS

	ZAR 2019	ZAR 2018
Amounts allocated for capital expenditure at reporting date, but not contracted	662 424 000	532 115 000
Capital expenditure contracted for at year end, but not yet incurred	6 000 000	59 543 000
Total planned capital expenditure	668 424 000	591 658 000

The above approved capital expenditure relates to amounts formally designated for the acquisition, construction, improvement or major maintenance of items of property, plant and equipment. The total planned capital expenditure reflects the planned expenditure to be incurred during the next 12 months.

22.2 OPERATING LEASE COMMITMENTS - UNIVERSITY AS LESSEE

The future minimum lease payments under non-cancellable operating leases are as follows:

	ZAR 2019	ZAR 2018
Not later than 1 year	-	10 233 452
Later than 1 year and not later than 5 years	-	29 956 613
Later than 5 years	-	6 586 573
	-	46 776 638

Operating lease commitments relate to rental of buildings. The amounts disclosed above are the minimum lease payments

22.3 OPERATING LEASE COMMITMENTS - UNIVERSITY AS LESSOR

The future minimum lease receipts under the operating leases are as follows:

	ZAR 2019	ZAR 2018
Not later than 1 year	126 277	114 797
Later than 1 year and not later than 5 years	644 656	586 051
Later than 5 years	5 689 277	6 363 672
	6 460 210	7 064 520

The University has entered into a "Build Operate Transfer" (BOT) model whereby UWC leases land to KOVACS with a right to develop student residences exclusive to UWC students with a right to collect rentals at full risk. The terms of the lease is 25 years plus 3 years development.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

22.4 COMMITMENTS

The University has provided collateral security of R0 (2018: R42 230) advanced by the University to financial institutions to enable staff to obtain housing loans. Management is of the opinion that there is no transfer of significant risk to the University, based on the historical behaviour of the beneficiaries and the fact that the University has security in the form of the staff members' retirement fund.

The University has various lease contracts that have not yet commenced as at 31 December 2019. The future lease payments for these non-cancellable lease contracts are R16 214 000 within one year and R35 406 574 within five years.

23 TRANSFERS TO CLEAR DORMANT ENTITIES

Entities that comprise restricted funds have been reviewed to identify entities that have been inactive for a substantial period. The accumulated surpluses or deficits in such entities are represented by credits and debits, respectively, in the accumulated funds of these entities.

Where management is of the opinion that no claim or restriction will apply to the credit balances in such a fund, the amount in the fund is transferred to the Council Controlled funds of the University.

Where management is of the opinion that no recovery or settlement is likely of any debit balances in such a fund, an appropriate amount is transferred from Council Controlled funds to eliminate such debit balance.

	ZAR Restricted use	ZAR 2019	ZAR 2018
Transfers to clear entities with credit balances	(234 123)	(234 123)	-
Transfers to clear entities with debit balances	43 650	43 650	-
	(190 473)	(190 473)	-

Entities with debit balances mainly comprise entities previously cleared as dormant which were reinstated.

24 RELATED PARTIES

Due to the nature of the University's operations and the composition of its Council (being drawn from public and private sector organisations) it is possible that transactions will take place with organisations in which a member of Council may have an interest. All transactions involving organisations in which a member of Council may have an interest are conducted at arms length and in accordance with the University's regulations and normal procurement procedures. The Department of Higher Education and Training is a related party and transactions with them comprise various subsidies and grants received amounting to R1 360 401 170 (2018: R1 290 519 357). The University of the Western Cape Foundation is a related party to the University and transactions comprise of operational services provided and distributions received. The outstanding debtors' balance with the University of the Western Cape Foundation at 31 December 2019 is R9 468 540 (2018: R8 794 577) and distributions received during the year amounted to R7 635 120 (2018: R5 672 768). None of the University's Council Members declared having business interest with the University.

Please refer to note 18 for additional disclosure relating to key management.

25. DEFERRED GOVERNMENT GRANTS

According to IAS 20: Accounting for Government Grants and Disclosure of Government Assistance, government grants related to assets shall be recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. The deferred revenue will be recognised as income on a systematic and rational basis over the useful life of the assets.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	ZAR 2019	ZAR 2018
At 1 January		
Received during the year	1 249 522 896	1 085 620 158
Deferred during the year	141 283 777	215 894 904
Recognised during the year	135 741 401	75 757 494
At 31 December	(92 538 721)	(127 749 660)
	1 434 009 353	1 249 522 896
Total government grants relating to assets	1 434 009 353	1 249 522 896
Current portion	53 693 823	39 327 921
Long term portion	1 380 315 530	1 210 194 975

26. NOTES TO THE CASH FLOW STATEMENT

	NOTES	ZAR 2019	ZAR 2018
Net surplus before interest and dividends			
Net surplus/(deficit) from			
Council controlled funds		133 862 136	65 907 860
Restricted use funds		162 289 057	111 484 567
Student accommodation funds		(8 245 879)	(9 337 008)
Consolidated net surplus for the year		287 905 314	168 055 419
Separately disclosed items		(136 743 193)	(113 438 110)
Interest received	17	(128 183 698)	(110 034 714)
Interest earned and reinvested	17	-	(108 065)
Dividends received	17	(25 238 241)	(19 898 841)
Finance costs	20	16 678 746	16 603 510
Net surplus before interest and dividends		151 162 121	54 617 309

During 2019 no interest was reinvested

27. EVENTS AFTER THE REPORTING PERIOD

On 5 March 2020, South Africa recorded its first confirmed COVID-19 positive case and the President of South Africa declared the country a "state of disaster", announcing a national lockdown that commenced on 26 March 2020 in order to slow down the number of infections. This resulted in the closure of most of the economy except for defined essential services.

The University operations were curtailed for the period of the lockdown and it activated its business continuity plans for staff to work from home. On 23 May, the Minister of Higher Education, Science and Innovation issued a statement that university operations may commence at a third of its capacity for ease of exercising social distancing and implementation of health and safety measures when the lockdown level is declared at Level 3. In March 2020 Moody rating agency has cut the South African sovereign credit rating to sub investment grade. The investment portfolio at the end of May 2020 has retained 99% of the portfolio value..

In mitigation of the COVID-19 threat, the University has reprioritised its resources to address the new risk exposure of COVID-19 implemented a flexible learning and teaching approach that will allow the academic project to continue during the lockdown period

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

and has adopted a “NoStudentWillBeLeftBehind” campaign to fund the implementation of the flexible learning and teaching approach. The reprioritised resources included the immediate upgrade of information technology infrastructure to accommodate online learning, transforming the curriculum to digital format, remote learning, purchase of data for connectivity and devices for needy students to access the online learning management system and various other interventions that will allow the completion of the 2020 academic year.

As a result of the national lockdown mentioned above, certain residences have been vacant for a period of time. The University is currently in discussions with the students and landlords, in regards to lease modifications over these periods. No indication of an impairment of the University’s right-of-use assets currently exists. In addition the University has the intention to utilise the right-of-use assets in the future.

Management have assessed the recoverability of the student fee debtors as at 31 December 2019 and are satisfied that the provision raised is adequate and appropriate.

The COVID-19 pandemic has brought significant uncertainty to the South African economy with hundreds of job losses that could have a negative impact on future student debt collection and state subsidy thus posing a threat to the University’s financial position. The University has prepared a financial sustainability plan with various scenarios to mitigate the going concern risk. Despite the significant impact of COVID-19 on the University’s operations, management has taken into account the financial sustainability plan, in conjunction with the University’s significant asset base to justify the going concern basis of preparation for the annual financial statements.

The University remains a going concern during the COVID-19 lockdown and has projected sufficient liquidity post-lockdown, based on the various assumptions and scenarios applied within the financial sustainability plan.

The periods during and post COVID-19 lockdown will require strong leadership, close engagement with stakeholders and unity for the University to remain a going concern.

28. REVENUE FROM CONTRACTS

Contract Liabilities	ZAR 2019	ZAR Restated 2018
Short term	43 672 939	24 309 145
Long term	51 049 687	43 774 213
	94 722 626	68 083 358
Revenue from contracts with customers	542 280 729	522 893 450
Tuition and other fees	137 166 777	184 881 920
Income from research contracts	76 745 446	53 036 300
Income from general contracts	91 822 060	70 021 559
Rendering of services	848 015 012	830 833 229

During the year revenue of R24 309 145 was recognised that formed part of the contract liability balance at 31 December 2018 year end. The restatement relates to a reclassification of bursaries from Bursaries and prizes included in other operating expenditure to Tuition Fee Revenue under student fee revenue. The restatement had no effect on the surplus as previously reported. Refer to note 19.2

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

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29. INTERFUND TRANSFERS

In certain instances the University has to contribute to restricted use funds from the University's council controlled funds

	ZAR 2019	ZAR 2018
Interfund transfers from Council controlled funds	(1 576 908)	(3 156 770)
Interfund transfers to Restricted use funds	1 576 908	3 156 770
	-	-

Entities with debit balances mainly comprise entities previously cleared as dormant which were reinstated.

30. LITIGATION

The University faces various litigation claims, the outcome of which is uncertain.

The most significant litigation claim is related to a claim against the university by KOVACS. A provision of R30m is included in accounts payable in relation to the Kovacs claim. Please refer to Note 12.

ANNEXURES

ANNEXURE 1: COMPOSITION, MEMBERSHIP AND ATTENDANCE OF KEY COMMITTEES (31 DECEMBER 2019)

COMPOSITION AND MEMBERSHIP OF THE COUNCIL OF THE UNIVERSITY OF THE WESTERN CAPE

In accordance with the Institutional Statute, membership comprises the following categories:

The Rector and Vice-Rectors

Prof Tyrone Pretorius
Prof Vivienne Lawack
Prof Pamela Dube
Prof Jose Frantz

Five persons appointed by the Minister of Education

Ms Xoliswa Daku (term started 25 June 2018)
Ms Cindy Hess (term started 25 June 2018)
Ms Nocamagu Mbulawa (term started 25 June 2018)
Ms Colleen Subhanni (term started 25 June 2018)
Dr Anshumali Padayachee (term started 11 December 2018)

Two members of Senate

Prof Bhekithemba Mngomezulu
Prof Alan Christoffels

One academic employee

Prof Lorna Holtman (term ended 24 June 2019)
Dr Ronel Maart (replaced Prof Holtman)
(term started 12 August 2019)

One non-academic employee

Ms Esme Jacobs

Two registered students

From October: 2018 to 2019

Ms Simthandile Tyhali (SRC President from October 2018)
Mr Bongani Mbelekana (SRC Secretary General from October 2018)

From October: 2019 to 2020

Ms Sasha-Lee Douglas (SRC President from October 2019)
Mr Njonga Kali (SRC Secretary General from October 2019)

Two donors

Dr Biren Valodia

One member of the City of Cape Town

Cll Antonio van der Rheede

Two persons elected by Convocation

Dr Llewellyn MacMaster
Judge Nathan Erasmus

One member of organised business in the Western Cape

Mr Michael Gelderbloem
(term ended 31 December 2019)

One member of organised business in South Africa

Mr Richard Menell

One member of organised labour in South Africa

Mr Andre Kriel (term ended 4 August 2019)
Mr Zolisa Menze (term started 5 August 2019)

One member of organised labour in the Western Cape

Dr Jakobus Bezuidenhout (term ended 5 April 2019)
Mr Matthew Parks (term started 5 June 2019)

One person designated by the Premier of the Western Cape

Adv. Nazreen Bawa

Not more than five additional members having special knowledge or experience

Ms Yasmin Forbes
Mr Thobile Lamati
Mr Blum Khan



COMPOSITION AND MEMBERSHIP OF THE AUDIT AND RISK COMMITTEE OF THE UNIVERSITY OF THE WESTERN CAPE, WITH MEMBERS' HIGHEST QUALIFICATIONS

In accordance with the Institutional Statute, membership comprises the following categories:

Three (3) members of Council

Mr Blum Khan	Chartered Accountant (University of Cape Town)
Ms Cindy Hess	Chartered Accountant (University of Cape Town)
Ms Nocamagu Mbulawa	Chartered Accountant (University of South Africa)

Three independent members – not in the employ of UWC

Mr Nick Buick	Chartered Accountant (SA); CTA; BCOM (University of Cape Town)
Mr John Matthews	BCOM (University of Cape Town)

COMPOSITION AND MEMBERSHIP OF THE FINANCE COMMITTEE OF THE UNIVERSITY OF THE WESTERN CAPE

In accordance with the Institutional Statute, membership comprises the following categories:

The Rector

Prof Tyrone Pretorius

The Vice-Rectors

Prof Vivienne Lawack
Prof Pamela Dube
Prof Jose Frantz

The Executive Director: Finance and Services

Mr Abduraghman (Manie) Regal

An additional member of the Management Committee

Dr Nita Lawton-Misra (term ended 31 December 2019)

One dean designated annually by the Executive Committee of Senate

Prof Vuyakazi Nomlomo (term ended 31 December 2019)

Two members of Senate

Prof Jade Jansen
Prof Michelle Esau

A minimum of two and a maximum of four members of Council

Ms Xoliswa Daku
Mr Richard Menell
Mr Thobile Lamati

COMPOSITION AND MEMBERSHIP OF THE INSTITUTIONAL FORUM OF THE UNIVERSITY OF THE WESTERN CAPE, 2019

In accordance with the Institutional Statute, membership comprises the following categories:

Three representatives of the Management

Prof Vivienne Lawack
Mr Meko Magida (Executive Director: HR)
Prof Pamela Dube
Prof Jose Frantz

Three representatives of the Senate

Prof Bhekumusa Khuzwayo
Prof Brian Van Wyk
Prof Nicolette Roman

Three representatives of Council

Dr Jakobus Bezuidenhout (term ended 5 April 2019)
Ms Xoliswa Daku
Dr Llewellyn MacMaster

Three representatives of the academic employees elected by an organisation representing such employees

Prof Riekie Wandrag
Dr Leon Pretorius
Dr Muneer Abduroaf

Three representatives of the non-academic employees elected by an organisation representing such employees

Dr Clifford Jacobs (term ended 31 December 2019)
Mr Siseko Mtenganya (term ended 31 December 2019)
Mr Oscar Linnert (term ended 31 December 2019)

Three representatives of the students elected by the Student Representative Council

Ms Symthandile Tyhali (SRC President – term ended October 2019)
Mr Bongani Mbeleka (term ended October 2019)
Mr Xhanti Gama (term ended October 2019)
Ms Xola Nkuklu (term started 1 October 2019)
Ms Mandelwa Mpambo (term started 1 October 2019)

A maximum of four persons not being in the employ of the University

Not appointed

ANNEXURES

ANNEXURE 2: ATTENDANCE BY COUNCILLORS OF COUNCIL, FINANCE, AND AUDIT & RISK COMMITTEE MEETINGS

COUNCILLOR	COUNCIL: 4 MEETINGS	FINANCE: 5 MEETINGS	AUDIT AND RISK: 4 MEETINGS
1. Prof Tyrone Pretorius	4 out of 4	4 out of 5	
2. Prof Vivienne Lawack	4 out of 4	1 out of 5	
3. Prof Pamela Dube	4 out of 4	2 out of 5	
4. Prof Jose Frantz	4 out of 4	2 out of 5	
5. Ms Xoliswa Daku	2 out of 4	4 out of 5	
6. Ms Cindy Hess	2 out of 4		4 out of 4
7. Ms Nocamagu Mbulawa	3 out of 4		3 out of 4
8. Ms Colleen Subhanni	3 out of 4		
9. Prof Bhekithemba Mngomezulu	3 out of 4		
10. Prof Alan Christoffels	1 out of 4		
11. Ms Simthandile Tyhali (SRC President) (term started end of October 2018)	3 out of 3	1 out of 4	
12. Mr Bongani Mbelekana (term started end of October 2018)	3 out of 3		
13. Ms Sasha-Lee Douglas (SRC President) (term started end of October 2019)	1 out of 1		
14. Mr Njongo Kali (term started end of October 2019)	1 out of 1		
15. Prof Lorna Holtman (term ended 24 June 2019)	0 out of 2		
16. Dr Ronel Maart (term started 12 August 2019)	2 out of 2		
17. Ms Esme Jacobs	4 out of 4		
18. Dr Biren Valodia	3 out of 4		
19. CLL Antonio van der Rheede	2 out of 4		
20. Mr Richard Menell	3 out of 4	5 out of 5	
21. Mr Andre Kriel (term ended 4 August 2019)	1 out of 2		
22. Mr Zolisa Menze (term started 5 August 2019)	2 out of 2		
23. Mr Michael Gelderbloem	4 out of 4		
24. Dr Jacobus Bezuidenhout (term ended 5 April 2019)	0 out of 1		
25. Mr Matthew Parks (term started 5 June 2019)	3 out of 3		
26. Adv Nazreen Bawa	2 out of 4		
27. Dr Llewellyn MacMaster	3 out of 4		
28. Judge Nathan Erasmus	2 out of 4		
29. Ms Yasmin Forbes	4 out of 4		
30. Mr Thobile Lamati	2 out of 4	1 out of 5	
31. Mr Blum Khan	3 out of 4		1 out of 4

ANNEXURES

ANNEXURE 3: LIST OF COUNCIL SUBCOMMITTEES AND JOINT COUNCIL AND SENATE COMMITTEES

Council committees:

- Audit and Risk Committee
- Executive Committee of Council
- Finance Committee
- Membership Committee
- Remuneration and Conditions of Employment Committee
- Senior Appointments Committee
- Senior Professor Status Committee
- Tender Committee
- Human Resources Committee
- Safety, Health and Environmental Risk Committee

Joint Council and Senate committees:

- Honorary Degrees Committee
- ICT Governance Committee
- Joint Appointments and Promotions Committee of Senate and Council
- Student Development and Support Services Committee



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