

ANNUAL REPORT

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ABBREVIATIONS AND ACRONYMS

ACSAWG	Academic and Student Affairs Working Group
AFS	Annual Financial Statements
AI	Artificial Intelligence
ALLU	Academic Literacy and Language Unit
APC	Academic Planning Committee
APP	Annual Performance Plan
ARCWG	Audit, Risk and Compliance Working Group
BBBEE	Broad-Based Black Economic Empowerment
Capex	Capital expenditure
CE	Community Engagement
CEAD	Community Engagement and Development Directorate
CFO	Chief Financial Officer
CHE	Council on Higher Education
CISA	Compliance Institute of South Africa
COEC	Community Engagement Committee
Covid-19	Coronavirus disease of 2019
CRM	Customer Relationship Management
CRMP	Compliance Risk Management Plan
DHET	Department of Higher Education & Training
DVC	Deputy Vice-Chancellor
EAO	Economic Activation Office
EAP	Economically Active Population
ECSA	Engineering Council of South Africa
EDHE	Entrepreneurship Development in Higher Education
EE	Employment Equity
EEP	Employment Equity Plan
EMC	Executive Management Committee
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
Exco	Executive Committee of Council
FCEDC	Faculty Community Engagement and Development Committee
FIWG	Finance and Investment Working Group
FMS	Faculty of Management Sciences
FNS	Faculty of Natural Sciences
FQAC	Faculty Quality Assurance Committee
FTE	Full Time Equivalent
GBV	Gender-based violence
GSCEWG	Governance, Social Cohesion and Ethics Working Group
HEMIS	Higher Education Management Information System
HEQC	Higher Education Quality Committee
HEQSF	Higher Education Qualifications Sub Framework

HR&D	Human Resource and Development
HRWG	Human Resources Working Group
HSC	Health and Safety Committee
IA	Internal Audit
IAC	Institutional Audits Committee
ICT	Information and Communications Technology
IF	Institutional Forum
IFAWUE	Irregular, Fraudulent and Wasteful Unauthorised Expenditure
IFRS	International Financial Reporting Standards
ITNGWG	Information Technology Network and Governance Working Group
IP	Intellectual Property
IQA	Institutional Quality Audit
IT	Information Technology
IT&N	Information Technology and Networks
ITP	Institutional Transformation Plan
ITS	Integrated Tertiary Software
KPI	Key Performance Indicator
KZN	KwaZulu-Natal
LMS	Learning Management System
MSEU	Mathematics and Science Education Unit
MUT	Mangosuthu University of Technology
NEHAWU	National Education, Health and Allied Workers' Union
NGAP	New Generation of Academics Programme
NGO	Non-Governmental Organisation
NPO	Non-Profit Organisation
NQF	National Qualifications Framework
NRF	National Research Foundation
NSFAS	National Student Financial Aid Scheme
NUTA	National University Teacher Awards
OHS	Occupational Health and Safety
Opex	Operating expenditure
PCT	Patent Cooperation Treaty
PDRF	Postdoctoral Research Fellow
PPC	Parliamentary Portfolio Committee
POPIA	Protection of Personal Information Act
PQM	Programme and Qualifications Mix
PRIWG	Planning, Resources and Infrastructure Working Group
QA	Quality Assurance
QAF	Quality Assurance Framework
QMD	Quality Management Directorate
RIE	Research, Innovation and Engagement
RMC	Risk Management Committee
SA	South Africa
SAC	Student Affairs Committee

SAHECEF	South African Higher Education Community Engagement Forum
SAMP	Student Affairs Management Panel
SAMRC	South African Medical Research Council
SAPS	South African Police Service
SARS	South African Revenue Service
SBDP	Sibusiso Bengu Development Programme
SCM	Supply Chain Management
SDG	Sustainable Development Goals
SER	Self-Evaluation Report
SET	Science, Engineering and Technology
SIU	Special Investigative Unit
SL	Service Learning
SLF	Service Learning Forum
SMS	Short Message Service
SO	Strategic Objective
SOE	Scholarship of Engagement
SOTU	State of the University
SPSS	Statistical Package for the Social Sciences
SRC	Student Representative Council
STEM	Science, Technology, Engineering and Mathematics
SWEEP	Student Woman Economic Empowerment Programme
TENUSA	Tertiary Education National Union of South Africa
TIA	Technology Innovation Agency
TLDC	Teaching and Learning Development Centre
TSC	Technology Station in Chemicals
TVET	Technical Vocational Education and Training
UCDG	University Capacity Development Grant
UKZN	University of KwaZulu-Natal
UNIVEN	University of Venda
UWC	University of the Western Cape
USAf	Universities South Africa
VC	Vice-Chancellor
WIL	Work Integrated Learning

Chairperson's Foreword



I Dr Mosidi Makgae, MUT Chair of Council

During the year under review, Mangosuthu University of Technology (MUT) remained under administration, following its placement in September 2022 due to serious governance and financial challenges, including allegations of maladministration and irregular expenditure estimated at approximately R1,2 billion over the preceding three years.

Under the leadership of the Administrator, Professor Lourens van Staden, essential operations were sustained and outdated policies revised. A significant milestone during this period was the appointment of Professor Nokuthula Sibiya as MUT's first female Vice-Chancellor and Principal, effective 1 August 2024. Preparations for the reconstitution of Council were also concluded, with the new Council assuming office in January 2025.

Council notes with concern the systemic weaknesses that culminated in the external auditors issuing a Disclaimer of Opinion on

the 2024 Annual Financial Statements—the most severe audit outcome, reflecting unacceptable lapses in accountability, financial management, and oversight. These financial statements, and the conditions that gave rise to the Disclaimer, remain the responsibility of the Ministerial-appointed Administrator and the management of the time. The new Council, however, has inherited these challenges and accepts without hesitation its fiduciary duty to restore stability, integrity, and credibility.

Council is resolute in driving decisive corrective action. We are strengthening governance and oversight structures, enforcing strict internal controls, addressing corruption, and holding management accountable. Forensic investigations have been initiated to uncover the root causes of past irregularities, and corrective measures are already underway to rebuild trust, restore compliance, and entrench transparency.

Our commitment is unwavering: to reposition MUT on a firm path of accountability, financial sustainability, and academic excellence. Working together with management, staff, students, and stakeholders, Council will ensure that this institution emerges stronger, more resilient, and better prepared to serve its community and the nation.

A handwritten signature in black ink, appearing to read 'Makgae', written over a horizontal line.

Dr Mosidi Makgae
Chairperson of Council

12/09/2025

Date



| *Professor Nokuthula Sibiya, MUT Vice-Chancellor and Principal*

This Annual Report provides information on the core business of Mangosuthu University of Technology (MUT) in 2024. In line with King IV Principle 4, which advocates for the integration of strategy, performance, and sustainability, the approach reflects integrated thinking and responsible financial stewardship, reinforcing MUT's commitment to sound governance and long-term institutional sustainability. It is unfortunate that we ended up with a disclaimer opinion from the auditors.

The first part of the Annual Report reflects MUT's performance in 2024 against its predetermined objectives and targets. The second part reports on governance and operations, and the third part presents the University's annual financial review with intent to outline MUT's budgetary processes, emphasising strategic resource allocation that supports institutional goals and long-term sustainability.

Part A: MUT Performance Assessment Report

This part of the report comprises two sections: Performance against the University's Student Enrolment Plan 2020-2025, as approved by the Department of Higher Education and Training (DHET) and progress toward achieving the pre-determined objectives and targets set out in the Annual Performance Plan (APP) for 2024.

Part B: Reports on Governance and Operations

This part of the Annual Report includes several subsidiary reports from the key governance and leadership stakeholders as outlined in the DHET reporting regulations (Gazette 37726 of 9 June 2014). These are the Administrator, the Vice-Chancellor and Principal, Senate, and the Institutional Forum (IF). The section also includes a report on transformation at the University.

Part C: Annual Financial Review

The third and final part presents an overview of MUT's finances in 2024. It addresses the salient features presented in the annual financial statements (AFS) for the period 1 January to 31 December 2024, and provides commentary on the financial highlights. This part comprises a report from the CFO and the Finance and Investment Committee, a report on risk assessment, and a report from ARCC. It is noted that the external auditors issued a disclaimer of opinion on the 2024 Annual Financial Statements; commentary in this section should therefore be read subject to that outcome. The 2024 Annual Report was approved by the University's Council on 11 September 2025.



Local schools took part in the Energy-Water-Food-Climate Nexus Summit that MUT hosted in Durban

PART A: PERFORMANCE ASSESSMENT REPORT

2. PERFORMANCE AGAINST THE DHET APPROVED ENROLMENT TARGETS

Table 1: Performance against Ministerial Approved Targets in 2024

INDICATORS	2023 Actuals (Audited 3 rd HEMIS submission)	2024 Approved Targets (Enrolment plan)	2024 Actuals (Audited 3 rd HEMIS submission)	2024 Percentage Achievement
HEADCOUNT TOTALS (Excludes Occasional)				
First-time entering undergraduates	3 456	3 852	3 911	101,5 %
Foundation provisioning (1 st Time Entry)	461	432	524	121,3 %
Total headcount enrolment	14 312	14 814	14 638	98,8 %
Total undergraduate headcount enrolment	14 239	14 444	14 564	100,8 %
Total postgraduate headcount enrolment	73	370	74	20%
ENROLMENTS BY MAJOR FIELD OF STUDY				
Science, Engineering, Technology	59%	59%	58%	98,3%
Business/management	32%	33%	32%	97,0%
Other Humanities	9%	8%	10%	125,0%
GRADUATES IN CURRENT YEAR				
Graduates - undergraduate	3 006	3 094	2 957	96%
Graduates – postgraduate	47	218	51	23%
Graduation rate	21%	23%	21%	91,3%
Success rate	79%	81%	83%	102,5%
UNDERGRADUATE OUTPUT BY SCARCE SKILLS				
Engineering	1 010	825	895	108,5%
Life and physical sciences	93	72	97	134,7%
Human health	59	155	74	47,7%
Animal Science	10	76	13	17,1%
STAFF PROFILE				
Instructional/research professional staff	238	242	239	98,7%
% staff with doctoral degrees	26%	19%	26%	136,8%
Number of NGAP staff	19	19	14	73,7%
Ratio of FTE students to FTE instructional/ research staff	38,8:1	33,7:1	42,7:1	126,7%
RESEARCH OUTPUT				
Total Research Output units	104,62	83	77,5	93,4%

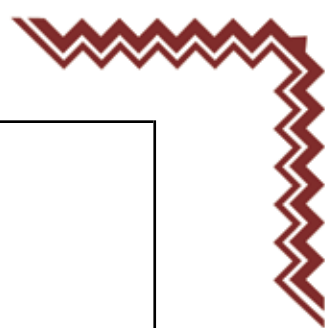
3. PROGRESS TOWARDS ACHIEVEMENT OF THE STRATEGIC GOALS AND OBJECTIVES (2020-2025).

Performance rating key:		1	2	3	4
Not achieved in 2024		Not achieved in 2024	Started but below target by more than 3%	Within 3% range of target	Exceeded expectations. More than 3% above target

Table 2: Achievement against Strategic Goals and Objectives

Goal 1: Excellence in teaching and learning						
Strategic Objectives	Key Performance Indicator (KPI)	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	
SO 1.1 To increase student success	1. Student success rate	78,61%	81%	83%	3	
	2. Student graduation rate	21,33%	23%	21%	3	
	3. Throughput rate (in min+2) for the 3-year diploma programmes (NQF6) (2020 cohort reported in 2024) ¹	55.88%	56%	59%	3	
SO 1.2 To improve graduate satisfaction with the quality of teaching and learning	4. Graduate satisfaction with the quality of teaching and learning	85%	85%	72,3%	2	The target was not met due to mixed graduate perceptions on support services, online learning readiness, and outdated learning resources in some programmes. While overall satisfaction was moderate, concerns about limited WIL opportunities, and infrastructure gaps impacted perceptions of teaching and learning quality. The university is already addressing strengthening focus of these areas in the new university strategy being developed.

¹ The throughput rate indicator presented in this report reflects the 2020 student cohort, as correctly reported in the 2024 Annual Performance Report (APR). This adjustment addresses an administrative error in the approved 2024 Annual Performance Plan (APP), which had incorrectly referenced the 2019 cohort. This disclaimer has been included in the 2024 APR to formally declare this correction and ensure accurate representation of performance data.



Goal 1: Excellence in teaching and learning						
Strategic Objectives	Key Performance Indicator (KPI)	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	
SO 1.3 To increase the quality of graduates	5. Implementation of Approved E-learning Strategy	Strategy implemented	Review and evaluate the success of the E-learning strategy	Strategy implemented	3	
	6. Percentage of undergraduate students graduating with work-integrated learning (WIL) experience	59%	51%	61%	4	
	7.1 Employment of graduates (reported at graduation)	24,7%	34%	25,8%	2	The target was not met due to limited availability of accurate employment data at the point of graduation, as many graduates had not yet secured employment at the time or were not responsive during data collection. This implied a timing challenge in capturing employment status immediately upon graduation rather than a decline in employability. In attempting to mitigate this gap, recommendations from the 2024 Planning Workshop advised that this KPI be bifurcated into KPIs 7.1 (on employment at graduation) and 7.2 (on employability).
	7.2 Employability of graduates (tracer study)	N/A	Conduct a graduate tracer study of graduates, for employability	Tracer study conducted	3	
SO 1.4 To maintain the number of programme offerings endorsed by professional bodies or associations	8. Percentage of approved academic programmes endorsed/ accredited by professional bodies/ associations	100%	100%	100%	3	

Goal 1: Excellence in teaching and learning

Strategic Objectives	Key Performance Indicator (KPI)	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024
SO 1.5 To increase the ratio of Postgraduate programme offerings	9. The ratio of HEQSF aligned qualifications at NQF levels 8-10 to NQF levels 5-7, listed on MUT's PQM.	16.84	4:39	7:35	4

Goal 2: Excellence in research, innovation and engagement

Objectives	Key Performance Indicator	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	Reason for Underperformance (Provided for rating 2 and below)
SO 2.1 To increase research productivity	10. Number of accredited research output units	104,62	65 ²	77,5	4	
SO 2.2 To increase the commercialisation of Intellectual Property (IP), both protectable and unprotected	11. Number of protected IP (including trademarks)	7	8	11	4	

² This target was extracted from the reviewed targets of the approved 2024 Annual Performance Plan (APP) as a standard practice conducted during the Planning Workshop. As a result, a notable discrepancy exists between the target of 65 units here and the target of 83 in the Enrolment Plan (see Table 1, p. 12 above). The Enrolment Plan target includes 28 units for Research Masters graduates; however, the number of Masters graduates has not met the original expectations, and the overall reviewed target of 65 units for 2024 was considered realistic by the Planning Workshop.



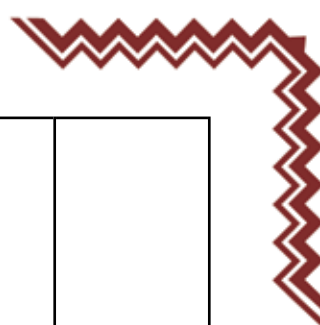
Goal 3: Excellence in community engagement						
Objectives	Key Performance Indicator	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	Reason for Underperformance (Provided for rating 2 and below)
SO 3.1 To increase MUT's contribution to the socio-cultural and economic development of the local community	12. Number of university projects registered with the Directorate of Community Engagement and Development (CEAD)	19	10	17	4	
	13. Number of public lectures offered annually	6	9	9	3	
	14. Number of student entrepreneurship projects	4	5	8	4	
	15. Number of capacity-building initiatives for internal and external stakeholders	12	13	17	4	
SO 3.2 To increase the number of partnerships with local government and communities	16. Number of partnerships with local government and communities	5	8	10	4	

Goal 3: Excellence in community engagement

Objectives	Key Performance Indicator	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	Reason for Underperformance (Provided for rating 2 and below)
SO 3.3 To increase MUT's contribution to the development of academic and professional communities	17. Number of community-engagement presentations by academic staff at relevant symposia and conferences	5	6	4	2	A larger number of presentations was reported (19 in total), but the number with a community engagement focus was slightly down on 2023. Fewer relevant symposia or conferences were held during the 2024 reporting period, especially those focused on community engagement.
	18. Number of MUT staff who represent the University in professional communities, bodies or associations	12	24	21	2	The number of staff representing MUT in professional bodies or associations grew by 9 from 2023 but fell 3 short of the target. Competing priorities or staff workloads was a factor limiting the ability to engage externally.

Goal 4: Targeted national engagement and internationalisation

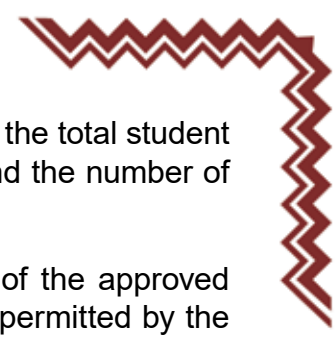
Objectives	Key Performance Indicator	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	Reason for Underperformance (Provided for rating 2 and below)
SO 4.1 To increase national visibility	19. Number of nation-building projects	6	7	24	4	
SO 4.2 To increase international visibility	20. Number of international staff and student engagements or exchange programmes	8	21	28	4	
	21. International student enrolments as a proportion of total student enrolment	0,18%	0,5%	0,18%	2	The international student enrolment showed no increase over 2023. This variance is primarily attributed to a lack of technical capability within the ITS system to record and classify international students from student exchange programmes.



Goal 5: To create an enabling support environment						
Objectives	Key Performance Indicator	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	Reason for Underperformance (Provided for rating 2 and below)
SO 5.1 To increase the popularity of the MUT brand	22. Proportion of stakeholders surveyed (staff, students and alumni) who recommend MUT as a place to work or study	98%	70%	95%	4	
SO 5.2 To improve student life and wellness	23. Student satisfaction with the quality of supporting infrastructure	Survey response poor.	45%	72,3%	4	
SO 5.3 To improve the well-being and engagement of staff	24. Staff engagement index (Participation rate)	Staff survey not conducted.	55%	A staff culture survey was conducted.	3	
SO 5.4 To improve operational efficiency and effectiveness	25.1 Reduction in the number of external audit findings	16	Not more than 6	50	1	Poor financials controls and weak systems.
	25.2 Degree of implementation of the Strategic Risk and Internal Audit Plans	N/A	100%	100%	3	
SO 5.5 To sustain and improve financial sustainability	26. Third stream income as a percentage of total income	3,8%	2%	3.85%	4	
	27. Efficiency ratio: Total expenditure as a percentage of total revenue	99%	95%	96.35%	3	
	28. Quick ratio: {Cash & Cash equivalents less Restricted Grants funds + Student debtors} to {Current Liabilities less Current portion of Restricted Grant funds}	2.7	2.1	3.82	4	
	29. Debt ratio: Total Liabilities less Deferred Income (to be amortised) as a % of Total Assets (Debt ratio)	41,6%	50%	39.58%	4	

Goal 5: To create an enabling support environment

Objectives	Key Performance Indicator	2023 (Actual)	2024 (APP Target)	2024 (Actual)	Performance Rating in 2024	Reason for Underperformance (Provided for rating 2 and below)
SO 5.6 To maintain and improve infrastructure.	30. % of Capex projects awarded within approved procurement plan	56,25%	60%	60%	3	
	31. % expenditure of Capex projects awarded within the approved plan	24,6% (R54.478m/ R221.283m)	75%	65%	1	Delays, partly due procurement process not finalised on time.
	32. Maintain a ratio of Capex infrastructure maintenance allocation to the overall infrastructure budget (Ratio of maintenance to the immovable asset value)	75% of the annual budget was spent (R12.627m spent out of R16.936m).	6%	6%	3	
SO 5.5 To sustain and improve financial sustainability	33. Review and evaluate the implementation of the MUT Turnaround Strategy	N/A	Review conducted.	Review not conducted	1	The review was not conducted due to the suspension and ongoing vacancy of the responsible Senior Director in the VC's Office, which affected implementation capacity during the reporting period.



Among the key performance indicators reflected in Table 1 above are the total student enrolment, the student pass rate (or degree credit success rate), and the number of research publications produced.

The total student enrolment in 2024 was 14,638, which is 98.8% of the approved enrolment target of 14,814. This falls within the 2% tolerance band permitted by the DHET for under-enrolments before financial penalties are applied.

The overall student success rate in 2024 was 83%, two percentage points above the target of 81%, and an improvement of almost four percentage points on the 2023 rate of 79%.

The number of research publication units submitted to the DHET in 2024 was 77.5, compared to the target of 83 units in the Enrolment Plan. As noted in the footnote to KPI 2.1 (p.16), there is a discrepancy between the Enrolment Plan target and the Reviewed Annual Target reflected in the 2024 APP (65 units). The variance arises primarily from the inclusion in the Enrolment Plan of 28 units for Research Master's graduates, which were excluded from the 2024 APP KPI target.

As we Shape and Own the Future, MUT demonstrated strong institutional performance in 2024, achieving 24 out of 33 KPIs, which translates to a 73% success rate against set targets. Of these, 9 KPIs were achieved within the $\pm 3\%$ tolerance margin, while 15 KPIs were over-achieved by more than 3%, reflecting strategic alignment and operational delivery.

Key achievements included the student throughput rate for diploma programmes (59% vs 56% target), the student success rate (83% vs 81% target), undergraduate WIL participation (61% vs 51%), protected intellectual property registrations (11 vs 8), third-stream income generation (3.85% vs 2%), and extensive community engagement (22 projects implemented, 10 partnerships formed).

At the same time, challenges remain. Graduate satisfaction (72.3% vs 85% target), graduate employability (25.8% vs 34%), international enrolments (0.18% vs 0.5%), postgraduate enrolments and graduations, and the reduction of audit findings all fell below target. Capital expenditure performance (65% vs 75% target) and the review of the Turnaround Strategy also remained outstanding.

Overall, these results demonstrate MUT's commitment to academic excellence, innovation, and inclusive development, achieved despite operating under transitional governance. They also highlight the areas requiring urgent attention to strengthen the University's academic and financial sustainability in the years ahead.

Prof Nokuthula Sibiya
Vice-Chancellor & Principal

12/09/2025

Date

Dr Mosidi Makgae
Chairperson of Council

12/09/2025

Date



MUT

MANGOSUTHU
UNIVERSITY OF TECHNOLOGY



4. REPORT OF THE CHAIRPERSON OF COUNCIL

4.1. Memorable Events

The new Vice-Chancellor and Principal of MUT, Professor Nokuthula Sibiya, was appointed with effect from 1 August 2024. Professor Sibiya is the first female Vice-Chancellor and Principal.

2024 marked the 45th anniversary of Mangosuthu University of Technology.

In 2024, Mangosuthu University of Technology (MUT) marked a year of meaningful progress, underscoring its continued dedication to academic excellence, community development, and sustainability. The University achieved 77.5 accredited research output units, which exceeded the revised Annual Performance Plan target of 65 units, though it fell short of the 83-unit target set in the Enrolment Plan. Nonetheless, MUT secured over R8.9 million in external research funding, nearly double the previous year's total, and expanded its intellectual property portfolio with patents granted across South Africa, the United States, Canada, China, Europe, and the United Kingdom. These achievements reflect MUT's growing influence in research and innovation.

Community engagement remained a cornerstone of MUT's mission, with 22 impactful projects addressing food security, environmental resilience, STEM education, and social cohesion. Initiatives such as the Assisted Reproductive Technology Project in uMzimkhulu and the MUT Schools and Community Cup showcased the University's role in empowering underserved communities. Sustainability efforts, including digital publishing and the Food Pantry partnership with Gift of the Givers, further reflected MUT's dedication to inclusive development and environmental stewardship.

4.2. Oversight of the Academic Enterprise and the Operational Environment

The reporting year, 2024, was the second full year of the appointment of Professor Lourens van Staden as Administrator of MUT.

Professor van Staden was appointed by the then Minister of Higher Education, Science and Innovation, Dr BE Nzimande, to replace the University's Council with effect from 28 September 2022, in terms of Government Notice 2608 of 10 October 2022, published in Government Gazette 47280. The appointment, for a period of 24 months, was extended to 10 January 2025.

In line with Section 7(b) of the DHET Reporting Regulations (Gazette 37726 of 9 June 2014), this report provides a high-level reflection on the governance of the institution, major decisions undertaken, and the strategic direction pursued to ensure institutional stability, ethical leadership, and future sustainability. The decisions outlined in Table 3 below were made with due regard to DHET compliance, King IV principles, institutional integrity, and the long-term academic and operational viability of the university.

Table 3: Administrator Resolutions and Considerations

1. Governance and Oversight
A number of key resolutions were made to strengthen institutional governance and reposition the university for growth. In alignment with King IV Principles 6, 7, 10, 11, and 12, the Administrator strengthened institutional governance through the approval of revised risk registers, governance frameworks, internal audit structures, and policies that promote ethical leadership and gender equity. These included: • The approval of a revised Strategic Risk Register and Fraud Risk Register to enhance enterprise risk management. • To strengthen institutional governance, several key frameworks, that is, the Strategic Planning Governance Framework, MUT IT Data Governance Framework, and Student Counselling Policy, were approved. • Revisions to the SRC Constitution, Electoral Policy, and Student Development Policy, ensuring alignment with governance principles. • Ratification of the internal audit framework, including the Internal Audit Charter and Plan, Enterprise Risk Management Plan, and External Auditors, to improve internal controls. The appointment of a new Vice-Chancellor, Professor MN Sibiya, the first female leader of the institution, marked a historic milestone and reflected our commitment to transformation and gender equity.
2. Risk Management and Compliance
Consistent with King IV Principles 1, 12, and 13, the Administrator enhanced risk governance and ethical oversight by implementing policies on fraud, whistleblowing, and Senate decision workflows, and mandated quarterly reporting on gender-based violence. The Administrator approved and implemented several policies aimed at reducing operational risk, including the Fraud Management Policy, Whistleblower Policy, and the revised Senate Decisions Workflow. A key intervention was the Administrator's directive that management submit quarterly reports on gender-based violence cases, reflecting our commitment to ethical oversight and stakeholder well-being.
3. Sustainability and Strategic Planning
In accordance with King IV Principles 4, 5, 14, and 17, long-term sustainability was advanced through infrastructure planning, budget approvals, and strategic academic initiatives such as the proposed Entrepreneurship Centre. Long-term financial and infrastructural sustainability received attention through: • Approval of the 2025 New Infrastructure and Refurbishment Plan (valued at R794.58 million over three years). • Interim approval of the 2024 revised budget, with a R27 million deficit to be financed through university reserves. • Deliberation on the 2025 budget and Annual Procurement Plan, with further refinement delegated to management. Strategic academic development was also supported through the resolution to investigate the feasibility of establishing an Entrepreneurship Centre, positioning the institution for relevance and revenue diversification.



4. Stakeholder Engagement and Transformation

Reflecting King IV Principles 1, 2, 3, and 16, stakeholder confidence and transformation were promoted through donor engagement, student funding support, executive accountability restructuring, and retention of research fellows.

Stakeholder confidence was actively rebuilt through engagements focused on donor alignment with university priorities. Transformation remained central, with resolutions addressing:

- Institutional funding support for students with one or two outstanding modules. The University would provide a special dispensation to such students, utilising NSFAS funding.
- Revised reporting structures to empower executive accountability (i.e., CFO's reporting line change approved to be directly to the Vice-Chancellor instead of Deputy Vice-Chancellor Resources and Planning).
- Recommendations to retain 18 MUT-funded Postdoctoral Research Fellows and to be managed via the Postgraduate Office.

5. Institutional Governance and Council Transition

Aligned with King IV Principles 6, 7, 8, and 10, the Administrator initiated the reconstitution of Council and approved the composition and functioning of its committees to ensure effective governance and decision-making.

A significant milestone in 2024 was the initiation of the reconstitution process for the MUT Council, with new structures to be in place from 11 January 2025, as the Administrator's term of office was extended until 10 January 2025.

The number, nature and composition of Council committees was approved. Management was tasked with researching best practices regarding the Executive Committee (Exco) of Council at other institutions. It was proposed that the Exco convene on a quarterly basis, prior to Council meetings, to improve overall efficiency in decision-making processes.

Source: Minutes of Administrator meetings

The 2024 period under administration was one of institutional recalibration. Each resolution passed served not only as a corrective or developmental measure but as a foundational step toward long-term governance restoration. Due process was followed in all strategic decisions, and mechanisms were instituted to enable effective Council governance upon the conclusion of the administration.



4.3. Performance against the Principles of Good Governance

4.3.1. Ethical Leadership and Corporate Citizenship

MUT for the current year has developed and approved a 3-year compliance and ethics programme. The 3-year programme is supported by an annual plan that has targets for all matters relating to compliance and ethical leadership. The following is noteworthy:

- The plan followed guidance from specific legislative requirements and best practice recommendations, such as those of the Compliance Institute of Southern Africa (CISA) focusing on the mentioned pillars.
- The approach focuses on both legal requirements and the non-regulated principles and practices of governance so that organisations are positioned to achieve both performance and stakeholder confidence on a sustainable basis.

In the year under review, MUT has done a diagnostics exercise on its compliance with various pieces of legislation which include, among others, the POPI Act, Labour Relations Act and Higher Education Act. This exercise yielded the development of Compliance Plans that detailed specific actions to address non-compliance and to position MUT as a responsive agent in good corporate governance.

4.3.2. Governance of Risk

The University recognises that the successful pursuit of its objectives is dependent on the diligent management of risk, and it manages risks within the approved Enterprise Risk Management (ERM) framework 2020-2025.

MUT has embarked on a process to create highly practical guides for implementing a robust enterprise risk management framework that will help the institution to manage its risks holistically and improve its maturity.

Effective risk management reduces uncertainty, provides confidence in combating threats to opportunities, and enables management to be more decisive in pursuing its Vision, Mission, and Objectives, while considering the risk appetite of the institution.

The Strategic Risk Register has been updated to effectively manage strategic risks related to the ethical governance, leadership and management of the University.

The Vice-Chancellor and executive management are responsible for identifying, assessing and mitigating institutional risks. The University's Risk Management Committee (RMC) monitors the progress of risks and risk mitigation action items. Quarterly reports are submitted to the Audit Risk & Compliance Committee (ARCC) of Council for oversight.

4.3.3. Governance of Stakeholder Relationships

The initial 100 days of Professor Nokuthula Sibiyi's tenure as Vice-Chancellor and Principal of Mangosuthu University of Technology (MUT) were characterised by substantial engagement with a diverse array of stakeholders. Under Professor Sibiyi's stewardship, the institution's approach has established a solid groundwork for the governance of stakeholder relationships at MUT. Through strategic engagement, collaborative planning, and transparent communication, MUT is strategically positioned to realise a positive social impact.

Key stakeholder engagements: Government and strategic partners

- **Recognition and Support:** The appointment of Professor Sibiyi has garnered considerable recognition from governmental bodies and strategic partners, including the Moses Kotane Institute and the family of Prince Mangosuthu Buthelezi. This support highlights the significance of her leadership in promoting gender equality and academic excellence.
- **Collaborations with Government officials:** Interactions with the Member of the Executive Council (MEC) for Cooperative Governance and Traditional Affairs and the MEC for Education in KwaZulu-Natal have emphasised MUT's pivotal role in education and skills transfer, thereby reinforcing partnerships with key governmental entities.



Like the rest of the country, MUT celebrated Africa Day in 2024

Internal stakeholders

uDengezi for Annual Report 2024

- **Staff and students:** Professor Sibiyi has prioritised accessibility and approachability, engaging directly with staff and students through scheduled meet-and-greet sessions across multiple departments to address their concerns and communicate her vision. The introduction of uDengezi, the Vice-Chancellor's communication platform, has facilitated transparent and regular updates to internal stakeholders, fostering a supportive and inclusive environment. The end-of-year function for staff provided a platform to celebrate achievements and reinforce internal relationships, promoting a sense of community and shared purpose.
- **Student Leadership:** The successful conduct of the Student Representative Council (SRC) elections, along with the subsequent orientation and engagement of newly elected SRC members, underscores the importance of student leadership within MUT's governance framework.

Community and Alumni

- **Community support:** Initiatives such as distributing food parcels to local schools and providing motivational messages to Grade 12 learners exemplify MUT's commitment to community support and development. These initiatives align with the University's Anchor Strategy, which is designed to cultivate strong relationships with the surrounding community. Additionally, nine stakeholder organisations were recognised for their unwavering dedication to collaborating with MUT to fulfil its community engagement mandate.



┆ MUT and partners hosted the second edition of the Umlazi Schools Community Cup

Media and public relations

- **Media Engagements:** Extensive media coverage of Professor Sibiyi's appointment and her strategic priorities has significantly elevated MUT's profile. Her proficient management of media relations has ensured the effective communication of MUT's vision and objectives to a broader audience.

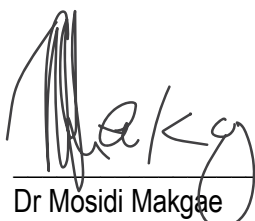
4.3.4. Financial Reporting and Sustainability

The external auditors issued a disclaimer of opinion on the 2024 Annual Financial Statements, indicating that they were unable to obtain sufficient and appropriate evidence to provide assurance on the financial position of the University. Council acknowledges this outcome and has prioritised corrective action to strengthen financial controls, reporting systems, and oversight so that future audits can provide the required level of assurance.

4.3.5. Compliance with Laws, Codes, Rules, and Standards

MUT strives to adhere to all legislative prescripts. This general duty of compliance has been fortified by a compliance management plan that had the development of a compliance register as one of the key targets in the year under review.

Generally, MUT is in step with its own Statute and the recently approved MUT Institutional Rules that offer detailed guidance on Council, Council Committees, election of persons to Council Committees, Management protocols, and acting arrangements at the level of executive management. As MUT looks to the future, it will undoubtedly encounter new challenges. Yet, with visionary leadership, dedicated stakeholders, and a unified purpose, the University will be well-equipped to pursue its goal of becoming a leading institution in technology education and innovation. The coming five years will be transformative, guided by the Administrator's Five-Year Development Plan, not just as a moment of opportunity, but as a strategic necessity to secure MUT's long-term growth and sustainability.



Dr Mosidi Makgae
Chairperson of Council

12/09/2025

Date

5. STATEMENT ON GOVERNANCE



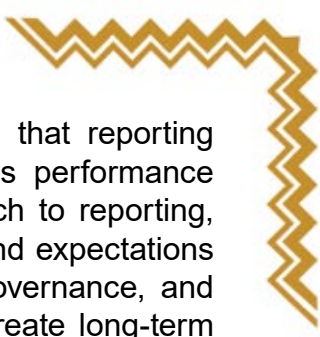
Dr Mosidi Makgae, Chair of MUT Council

The Administrator continued to assume the functions and powers of Council during 2024 and initiated processes to restore proper governance and management at the University. All established Administrator Working Groups met and exercised oversight over their various areas of responsibility and, where necessary, recommended policies and procedures for approval by the Administrator.

One of the highlights in the year under review was the appointment of the Vice-Chancellor and Principal, Professor Nokuthula Sibiyi. Part of the duties of the Administrator was the stabilization of the University at the Executive Management level and this appointment goes to the heart of that duty. The appointment of the Vice-Chancellor coincided with the 45th anniversary of MUT.

The Administrator and his team made progress in the processes that would culminate in the appointment of a new Council in January 2025. The Administrator was fully aware of the need to have MUT headed by a Council of reputable men and women of stature who will weave the stitches of good governance and accountability. Some of the stakeholders nominating members of the new Council had held their election of members by year end.

A culture of accountability, openness and transparency needs to permeate all facets of the University. Good governance is not the exclusive terrain of management alone. It must be the culture of MUT, and it must be seen from all corners of the various departments, academic and non-academic spheres.



In accordance with King IV (Principle 5), the Council of MUT ensures that reporting enables stakeholders to make informed assessments of the University's performance and prospects. The Council has adopted a stakeholder-inclusive approach to reporting, ensuring that the Annual Report reflects the legitimate needs, interests, and expectations of all stakeholders. This integrated report covers financial, academic, governance, and sustainability performance, providing a holistic view of MUT's ability to create long-term value. The Council affirms that the report is balanced, accurate, and complete, reflecting both achievements and challenges encountered during the reporting period.

6. ADMINISTRATOR AND WORKING GROUPS

6.1. Introduction

Under normal circumstances, the University Council is the highest decision-making body of the institution, exercising its functions in accordance with, Section 27 of the Higher Education Act, Act 101 of 1997 (as amended), supplemented by the provisions of the MUT Statute (as gazetted on 10 December 2021, No. 45616).

With the appointment of the Administrator in September 2022, the functions of the University Council were assumed by the Administrator, Professor Lourens van Staden. The Administrator was assisted by a Technical Team, consisting of Dr Dhaya Naidoo, Ms Moretlo Mokuele, and Mr Paul Slack. The Technical Team was responsible for convening and chairing various Working Groups that fulfilled the functions of Council sub-committees. The Working Groups were:

ACSAWG:	Academic and Student Affairs Working Group
ARCWG:	Audit, Risk and Compliance Working Group
FIWG:	Finance and Investment Working Group
GSCEWG:	Governance, Social Cohesion and Ethics Working Group
HRWG:	Human Resources Working Group
ITNGWG:	Information Technology & Network Governance Working Group
PRIWG:	Planning, Resources and Infrastructure Working Group

The Vice-Chancellor and Principal is responsible for the day-to-day management and administration of the University. The VC is the chief executive and accounting officer of the University and its legal, administrative, and academic head. In 2024, in the absence of Council, the Acting Vice-Chancellor (until the end of July 2024), and then Vice-Chancellor from 1st of August 2024, reported to and was accountable to the Administrator.

During 2024, the Administrator held six meetings, including four ordinary quarterly meetings and two special meetings. Table 4 below provides details regarding the composition of Administrator's meetings, the names of the members, and their attendance.

Table 4: Composition of Administrator Meetings and Attendance

Administrator's Meetings and Attendance in 2024							
Name	04-Apr	20-Jun	26 July (Special)	26-Sep	19-Nov (Special)	28-Nov	%
Administrator & Technical Team							
Professor L. van Staden (Administrator)	P	P	P	P	P	P	100%
Ms M. Mokuele	P	P	P	P	AP (conflicted)	P	83%
Dr D. Naidoo	P	P	P	P	P	P	100%
Mr P. Slack	P	P	P	P	P	P	100%
Professor M.N. Sibiya		P	AP (conflicted)	P	P	P	80%
Professor M.M. Ramogale	P						100%

P = Present | A = Absent | AP = Apology | = Not a member

Brief reports on the main deliberations of the Administrator's Working Groups are provided below, including a report on each committee's composition and the attendance of meetings.

6.2. Academic and Student Affairs Working Group (ACSAWG)

The functions of the Academic and Student Affairs Working Group are to provide oversight of the development and implementation of the University's teaching and learning, research, innovation, and engagement strategies; and oversight of its student services strategy with a view to creating a conducive learning and living environment for students.

The Working Group held four quarterly meetings in 2024. Table 5 below shows an analysis of the ACSAWG attendance per meeting.

Table 5: ACSAWG Composition and Attendance

Academic and Student Affairs Working Group Attendance in 2024					
Name	19-Mar	27-May	02-Sep	05-Nov	%
Ms M. Mokuele	P	P	P	P	100%
Dr D. Naidoo	P	P	AP	P	75%
Mr P. Slack	P	P	P	P	100%
Professor M.N. Sibiya		P	P	P	100%
Professor M.M. Ramogale	P				100%

In 2024, the Academic and Student Affairs Working Group (ACSAWG) provided oversight on MUT's teaching and learning, research, innovation, engagement, and student services strategies to enhance the academic environment and student well-being.

Key highlights from ACSAWG include:

- **Strategic Oversight:** Received consolidated reports on teaching, learning, research, and innovation. Oversight extended to quality improvement plans for the institutional audit and the Programme and Qualification Mix (PQM).
- **Student Support:** The Motsepe Foundation donated R9.1 million, enabling registration for 148 students. A student life experience report led to a recommendation for a 2025 improvement plan.

- **Health and Safety:** The tragic loss of 11 students due to unnatural causes prompted the development of gender-based violence and mental health interventions. Reports on student safety in off-campus housing, water supply concerns, and loadshedding were noted.
- **Governance and Accountability:** The SRC Constitution and Electoral Policy were submitted for approval. A forensic investigation into allegations of academic misconduct involving inappropriate exchanges for academic favours led to disciplinary action.
- **Operational Reviews:** Reports on enrolment target challenges, lecturer workload, and evening class expenditure were discussed, with follow-ups referred to management and committees for further action.
- **Technology Station:** Chemicals (TSC): A viability and sustainability assessment revealed projected costs of R10 million for 2024. TIA-funded salaries were noted, and a strategic review of the TSC's role within MUT was recommended.
- **Structural Improvements:** Benchmarking was conducted on the Student Affairs Management Panel, with potential structural updates delegated to the Dean of Students.

This comprehensive engagement reflects ACSA-WG's critical role in supporting academic excellence, institutional accountability, and student-centred development.

6.3. Audit, Risk and Compliance Working Group (ARCWG)

The main functions of the Audit, Risk and Compliance Working Group are to oversee MUT's external audit process, its financial reporting, the annual financial statements, the internal audit function, risk management, internal controls, fraud risks, information technology risks, the compliance function, and the combined assurance model.

The Working Group held one special meeting and four ordinary quarterly meetings in 2024. Table 6 below shows the ARCWG attendance per meeting.

Table 6: ARCWG Composition and Attendance

Audit, Risk and Compliance Working Group Attendance in 2024						
Name	22 February (Special meeting)	19-Mar	28-May	03-Sep	06-Nov	
Ms M. Mokuele	P	P	P	P	P	100%
Dr D. Naidoo	P	P	P	AP	P	80%
Mr P. Slack	P	P	P	P	P	100%
Professor M.N. Sibiya			P	P	p	100%
Professor M.M. Ramogale	P	P				100%

In 2024, the Audit and Risk Committee Working Group (ARCWG) provided oversight and strategic guidance across several key governance areas. The Committee:

- **Risk Management and Compliance:** Received quarterly updates on enterprise risk management, fraud investigations, ethics hotline activity, and compliance efforts. The 2024 and 2025 Strategic Risk Registers and Enterprise Risk Management Plans were recommended for approval.

- **Internal Audit Oversight:** Recommended the Internal Audit Charter, the rolling three-year Internal Audit Plan, and the annual plans for 2024 and 2025. By year-end, 80% of the approved audits were completed, with the remainder in progress or pending.
- **Fraud and Ethics Governance:** Endorsed the development of a Fraud Risk Register, a Fraud and Corruption Framework, and related policies, including whistle-blower procedures. Ethics hotline reports were reviewed quarterly.
- **Compliance Monitoring:** Commended the Registrar's office for progress in compliance monitoring, particularly in relation to the Higher Education Act, National Qualifications Framework, and Labour Relations Act. The 2025 Compliance and Ethics Operational Plan was noted as aligned with legislative and best practice standards.
- **Information Governance:** Reaffirmed the Vice-Chancellor's role as Information Officer under the POPI Act, with delegation to the Registrar and oversight by the newly appointed Chief Governance Officer.

Audit and Records Management: Initiated benchmarking on in-committee record-keeping practices and noted that a revised Audit Charter would be tabled in the following year to align with the establishment of a new Council.

- **External Audit Continuity:** Recommended continuation of services by the current external auditors for 2024, in line with contractual obligations.

The Committee acknowledged the strong performance of University Management and the Audit & Risk Directorate in advancing governance, risk, and compliance objectives.

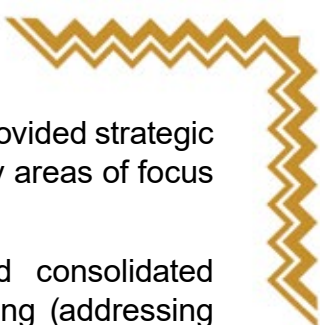
6.4. Finance and Investment Working Group (FIWG)

The main function of the Finance and Investment Working Group is to provide oversight of MUT's financial and investment strategy in support of its vision and mission, with a view to promoting the long-term financial sustainability of the institution. It monitors the compliance with relevant laws and regulations of all facets of the financial value chain; monitors the allocation of financial resources; and assesses the measures in place to safeguard the University's assets and manage the risks associated with revenue and costs.

The FIWG held four ordinary meetings and one special meeting in 2024. Table 7 below reflects the meetings held and the attendance of members.

Table 7: FIWG Composition and Attendance

Finance and Investment Working Group Attendance in 2024						
Name	19-Mar	28-May	10 June (special)	03-Sep	06-Nov	%
Ms M. Mokuele	P	P	P	P	P	100%
Dr D. Naidoo	P	P	P	AP	P	80%
Mr P. Slack	P	P	P	P	P	100%
Professor M. N. Sibiya		P	P	P	P	100%
Professor M.M. Ramogale	P					100%



In 2024, the Finance and Investment Committee Working Group (FICWG) provided strategic oversight on financial sustainability, budgeting, and investment matters. Key areas of focus included:

- **Financial Oversight and Reporting:** The Committee received consolidated reports on investments, contract management, procurement planning (addressing procurement inefficiencies), management accounts, NSFAS funding, student debt, and cost-saving initiatives.
- **Budget and Fee Adjustments:** The University's budget incorporated a projected 5% fee increase; however, the DHET compact permitted only a 4.5% increase, resulting in a R13 million budget shortfall. The deficit budget was submitted to the Administrator, with a fee benchmarking exercise planned. Introducing fee benchmarking and a proposal for a special dispensation to increase tuition fees, aims to align revenue with operational costs. As at end of December 2024, no DHET communicate has been received in this regard.
- **NSFAS Investigation:** A report from the Special Investigative Unit (SIU) revealed that 406 students had been incorrectly funded under NSFAS, highlighting the need for improved verification processes. The close-out reconciliation revealed a net underpayment by NSFAS to MUT. The Administrator acknowledged and noted the SIU investigation report concerning overstated claims by universities.
- **Governance and Expenditure Controls:** The Committee reviewed a framework addressing Irregular, Fraudulent, Wasteful, and Unauthorised Expenditure (IFAWUE), reinforcing financial accountability, which is a material intervention to reduce SCM challenges.
- **Tuition Fee Dispensation:** A proposal was considered for a special dispensation to the Minister to increase tuition fees at MUT.
- **Student Debt Management:** As of 31 December 2024, student debt before impairment stood at R734 million. While privately funded debt was handed over to collectors, recovery progress remained slow.
- **2025 Budget Planning:** The annual budget for 2025 was referred to the Administrator for round-robin approval in December.

The Committee continued to play a critical role in guiding financial strategy and ensuring fiscal discipline, while supporting the University's long-term sustainability.

6.5. Governance, Social Cohesion and Ethics Working Group (GSCEWG)

The main functions of the Governance, Social Cohesion and Ethics Working Group are to provide oversight of all governance matters and Executive Management's execution of strategies to ensure good corporate citizenship, sustainable development, and stakeholder relations; and to assess Executive Management's accountability for ethical and effective leadership and its advocacy of ethics. The GSCEWG is responsible for ensuring that all the Working Groups and statutory committees (such as the Senate, Institutional Forum, EMC, and SRC) are properly constituted and function optimally. The GSCEWG functions as a Nominations Committee of the Administrator.

The Working Group held four ordinary meetings during 2024. Table 8 below shows the attendance of meetings.

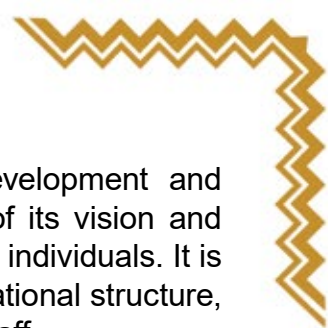
Table 8: GSCEWG Composition and Attendance

Governance, Social Cohesion & Ethics Working Group Attendance in 2024					
Name	18-Mar	27-May	02-Sep	05-Nov	%
Ms M. Mokuele	P	P	P	P	100%
Dr D. Naidoo	P	P	AP	P	75%
Mr P. Slack	P	P	P	P	100%
Professor M.N. Sibiya		P	P	P	100%
Professor M.M. Ramogale	P				100%

In 2024, the GSCEWG provided oversight and strategic input on governance, ethics, institutional culture, and policy development. Key matters addressed included:

- **Governance and Oversight:** Quarterly consolidated reports were received on governance, ethics, social cohesion, and litigation. The Working Group recommended the reconstitution of Council and the composition of its committees, including the Executive Committee, to the Administrator.
- **Policy Development and Access:** The Group reviewed the status of institutional policies and recommended the creation of a policy dashboard on the intranet for improved accessibility. It also called for the development of policies on conflict of interest and staff business dealings with the University.
- **Institutional Culture and Ethics:** Management engaged a service provider to conduct a climate and culture survey, though response rates were low. A benchmarking report on Convocation operations and a report on the abandoned AGM were noted, with recommendations to outsource future election processes.
- **Contract and Records Management:** A centralised contract management system and repository were recommended. The Group also approved the workflow for quality assurance of statutory committee minutes.
- **Academic Integrity and Technology:** The Working Group raised concerns about the University's anti-plagiarism policy and the use of generative AI by staff and students, highlighting the need for clear guidelines.
- **Teaching and Learning Challenges:** Online course delivery during load shedding was found to be ineffective, with only 50% user engagement. Oversight gaps in programme approval and internal quality assurance were also noted.
- **Strategic Initiatives:** A progress report on the feasibility study for a proposed MUT Business School was submitted to the Administrator for noting.

The GSCEWG played a pivotal role in strengthening governance structures, promoting ethical standards, and enhancing institutional cohesion.



6.6. Human Resources Working Group (HRWG)

The Human Resources Working Group provides oversight of the development and implementation of the University's human resource strategy in support of its vision and mission, with a view to attracting, developing and retaining high performing individuals. It is responsible for recommending to the Administrator an appropriate organisational structure, as well as conditions of service, remuneration, benefits and privileges of staff.

The Working Group held four ordinary meetings and two special meetings in 2024. The attendance is shown in Table 9 below.

Table 9: HRWG Composition and Attendance

Human Resources Working Group Attendance in 2024							
Name	18-Mar	25 April (Special meeting)	27 May and 12 June	17 July (Special meeting)	03-Sep	05-Nov	%
Ms M. Mokuele	P	P	P	P	P	P	100%
Dr D. Naidoo	P	P	P	P	AP	P	80%
Mr P. Slack	P	P	P	P	P	P	100%
Professor M.N. Sibiya			P	P	P	P	100%
Professor M.M. Ramogale	P	P					100%

In 2024, the Human Resources Working Group (HRWG) provided strategic oversight of HR policies and practices to support the University's mission of attracting and retaining high-performing staff. Key focus areas included:

- **Organisational and Structural Development:** An external consultant was appointed to review the University's structure, with a revised proposal presented to the Executive Management Committee. The HRWG also recommended changes to senior management reporting lines and supported the appointment of the Vice-Chancellor.
- **Policy, Governance and Labour Relations:** The Group reviewed and recommended several policies, including staff study benefits and honorary appointments. It addressed union recognition issues, proposed revisions to collective agreements, and advocated for clearer procedures and thresholds for union representation.
- **Performance, Equity and Inclusion:** The HRWG advised on implementing the Performance Management System and called for strategies to meet employment equity targets. The launch of a Gender Forum was welcomed as a step toward fostering an inclusive institutional culture.
- **Financial Oversight and Sustainability:** Recommendations were made to improve the personnel cost-to-income ratio, including a 2% salary increase for senior management and structural adjustments to align executive salaries with DHET norms.
- **Audit and HR Functionality:** An external audit of HR practices began in August, while management was tasked with addressing internal departmental dysfunction independently of the audit.
- **Training and Development:** Management was requested to report on the use of Individual Development Plans and assess the impact of training initiatives.

The HRWG remains committed to strengthening human capital through sound governance, inclusive policies, and strategic workforce planning.

6.7. Information Technology and Network Governance Working Group (ITNGWG)

The main functions of the Information Technology and Network Governance Working Group are to exercise oversight of technology and information management; to recommend policies that give effect to MUT's set direction on the employment of information and technology; and to oversee the integration of associated risks into organisation-wide risk management.

The Working Group held four ordinary meetings in 2024. The attendance is shown in Table 10 below.



Table 10: ITNGWG Composition and Attendance

Information Technology, Networks & Governance Working Group Attendance in 2024					
	18-Mar	27-May	02-Sep	05-Nov	%
Name					
Ms M. Mokuele	P	P	P	P	100%
Dr D. Naidoo	P	P	AP	P	75%
Mr P. Slack	P	P	P	P	100%
Professor M.N. Sibiya		P	P	P	100%
Professor M.M. Ramogale	P				100%

In 2024, the ITNGWG provided oversight of MUT’s technology and information management, ensuring alignment with institutional strategy and risk governance. Key developments included:

- **Governance and Strategic Oversight:** The Group reviewed quarterly reports covering IT strategy, governance, cybersecurity, business continuity, and audit findings. It commended Management for positioning MUT as a leader in the IT space.
- **Policy and Framework Development:** The proposed Information and Technology Governance Framework was recommended for approval, with enhancements to address artificial intelligence, generative AI, and intellectual property considerations.
- **Systems and Infrastructure:** The Group assessed the effectiveness of the ITS enterprise resource planning (ERP) system and recommended clearer role definitions and integration with HR functions. It also noted MUT’s successful mitigation of internet outages via its fallback plan.
- **Audit and Risk Management:** The Group praised the thorough handling of internal and external audit findings and emphasized the importance of resolving recurring issues.
- **ERP Licensing and Future Planning:** Concerns were raised about the rising cost of ITS licence renewal. Management was tasked with benchmarking ITS against alternatives like SAP, Sage, and Oracle, while cautioning against hasty transitions and encouraging collaborative procurement with other universities.

The ITNGWG remains committed to strengthening MUT’s digital infrastructure through strategic governance, risk integration, and forward-looking technology planning.

6.8. Planning, Resources, and Infrastructure Working Group (PRIWG)

The Planning, Resources and Infrastructure Working Group oversees the alignment of all aspects of MUT’s strategy and planning in relation to academic, financial, physical, and human resource planning. It advises the Administrator on all matters of long-term, medium-term, and short-term planning, reviewing and recommending the Annual Performance Plan and the Mid-Year Performance report. The PRIWG oversees the development and implementation of master plans for infrastructure, energy, and security.

The Working Group held four ordinary meetings in 2024. The attendance is shown in Table 11 below.

Table 11: PRIWG Composition and Attendance

Planning, Resources & Infrastructure Working Group Attendance in 2024					
Name	19-Mar	26-May	03-Sep	06-Nov	%
Ms M. Mokuele	P	P	P	P	100%
Dr D. Naidoo	P	P	AP	P	75%
Mr P. Slack	P	P	P	P	100%
Professor M.N. Sibiya		P	P	P	100%
Professor M.M. Ramogale	P				100%



In 2024, the PRIWG provided strategic oversight of MUT's planning and resource alignment across academic, financial, physical, and human resource domains. Key highlights included:

- **Strategic and Performance Planning:** The Group reviewed and recommended the 2024 Institutional Operational Plan and the 2025 Annual Performance Plan, along with quarterly progress reports and the Mid-Year Performance Report. It also received the draft Enrolment Plan for 2026–2030, projecting a 2% annual growth.
- **Infrastructure and Facilities Oversight:** Regular reports were received on infrastructure, maintenance, energy, and security. Following concerns raised by the Parliamentary Portfolio Committee, the Group recommended improvements to student residences and dining facilities. It also addressed academic infrastructure concerns and referred the New Infrastructure and Refurbishment Plan for further review.
- **Governance and Risk Management:** The Strategic Planning Governance Framework and its SOPs were recommended for approval. The Group also noted incidents of infrastructure sabotage and theft, all reported to SAPS.
- **Procurement and Financial Planning:** The 2024 Annual Procurement Plan was reviewed, with remedial actions proposed to improve implementation. The Mid-Year Report was forwarded for approval, pending financial review.
- **Postgraduate Enrolment and Funding:** The Group raised concerns about under-enrolment in postgraduate programmes and supported measures to reduce undergraduate debt and secure external funding for postgraduate studies.

The PRIWG remains committed to ensuring integrated planning and resource management that supports MUT's strategic goals and operational effectiveness.

7. DECLARATION OF INTEREST

In terms of the Comprehensive Code of Conduct for Council members, all members who exercise powers and functions of Council should, by law declare any and all areas of conflict where their interests collide with that of the University. In 2024 this was applicable to all members of the Administrator's Technical Team who were required to declare any conflict of interest ahead of discussion on agenda items and to recuse themselves where the conflict arose. All declarations are filed and kept at the office of the Registrar.

8. STATEMENT ON CONFLICT MANAGEMENT

By virtue of the appointment of the Administrator, section 10 of the Comprehensive Code of Conduct which deals with conflict management does not arise. Because MUT did not have a Council in 2024, the conflict management mechanism did not apply.

9. STATEMENT ON COUNCIL CODE OF CONDUCT

The Administrator was the sole person imbued with the powers and functions of the Council during 2024. The technical team appointed by the Administrator assisted with specialized knowledge on areas of governance and financial management. This team, and the Working Groups that were established, worked with MUT management to facilitate the governance responsibilities of the Administrator.

The relationship of the MUT management, the Administrator's technical team and the Administrator was centred on an acknowledged duty of care towards MUT, which demands

that all act in the best interests of MUT. It was centred on ethical and transparent leadership that promotes accountability and robust engagements. This code of conduct means that at the very least, all scheduled meetings must sit and members must be conversant with the matters of the day. It means all reports are prepared and compiled in a professional manner. It also means, all deliberations in meetings remain confidential and the information of the University is kept safe within the bounds of integrity.

The code of conduct also requires a strict appreciation of the roles of management vis-à-vis that of the Administrator and his Technical Team. This fine line is the hallmark of the division of labour that, if not adhered to, can lead to chaos and infighting in institutions of higher learning. For the year under review, the above principles have been observed and implemented.

10. COUNCIL'S STATEMENT ON FINANCIAL SUSTAINABILITY

The Council notes the Annual Financial Statements of the Mangosuthu University of Technology (MUT) for the year ended 31 December 2024, in terms of its current responsibilities as a new Council and advises that the AFS for 2024 is the responsibility of the former administrator. The current Council is committed to ensuring integrity, transparency, and accountability in financial reporting.

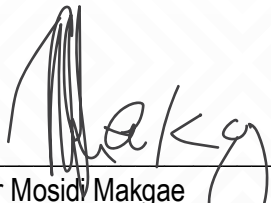
The external auditors issued a disclaimer of opinion, reflecting serious weaknesses in financial management before and during the period under administration. Council recognises the gravity of this outcome but also sees it as a catalyst for decisive renewal.

Since its appointment in January 2025 in response to the handover report by the Administrator, the new Council has initiated a recovery programme to rebuild robust internal controls, strengthen oversight, enforce prudent resource management, and embed a culture of compliance and integrity. These measures aim to restore confidence and place the University on a sustainable path.

Council reaffirms its commitment to accountability, good governance, and the highest standards of financial stewardship, ensuring that future reporting regains the trust of all stakeholders.

11. APPROVAL OF GOVERNANCE STATEMENT

The Council approved the Statement on Governance on 11 September 2025 to the best of its knowledge and subject to the auditors' disclaimer on the AFS, which Council has noted and is addressing through corrective measures.



Dr Mosidi Makgae
Chairperson of Council

12/09/2025

Date

12. SENATE REPORT

12.1. Senate's Function and Composition

According to Section 42 of the Higher Education Act (No 101 of 1997), Senate's main role is to exercise sound academic governance and to oversee the maintenance of quality in respect of MUT's teaching, research, and community engagement activities. As a body that is accountable to Council, the Senate also executes all other functions assigned to it by the Council (or the Administrator).

In terms of the Statute of the University, which is aligned to the Act, the majority of Senate members must be academic employees. The composition of the University Senate is as follows:

- Vice-Chancellor and Principal
- Deputy Vice-Chancellors
- Registrar
- All Deans of Faculties
- All Heads of Academic Departments
- Professors (excluding honorary, associate, visiting, emeritus, and adjunct professors)
- Head of the Library
- Head of Research
- Head of Quality Management
- Head of Student Affairs
- Head of Operations
- Head of Human Resources and Development
- Head of Finance
- Head of Legal Services
- Head of Institutional Planning and Research
- Two students who are elected by members of the SRC
- An administrative and support employee from among the three Faculties, elected by the administrative and support employees
- An academic employee from among the three Faculties, elected by the academic employees
- Two external members of Council designated by Council
- Additional members proposed by Senate and approved by Council



12.2. Senate Meetings in 2024

In 2024, the Senate of Mangosuthu University of Technology (MUT) convened eleven meetings, as shown in Table 12 below, comprising ordinary and special sittings, to provide academic oversight and strategic leadership. Senate resolutions reflected a commitment to academic excellence, institutional transformation, and governance accountability.

Table 12: Senate Meetings in 2024

Meeting Type	Date	Meeting Type	Date
Special	09 February 2024	Ordinary	07 March 2024
Special	27 March 2024	Ordinary	23 May 2024
Special	10 June 2024	Ordinary	22 August 2024
Special	25 July 2024	Ordinary	14 November 2024
Special	12 August 2024		
Special	29 August 2024		
Special	25 November 2024		

In its ordinary and special meetings, Senate considered reports from:

- The DVC: Teaching and Learning
- The Registrar
- Deans of the three Faculties
- Faculty Boards
- Senate sub-committees (Community Engagement Committee, Library and IT Committee, Health and Safety Committee, Employment Equity and Skills Development Committee)
- Higher Degrees Committee
- Research and Innovation Committee
- Quality Management Directorate
- Teaching and Learning Development Centre
- Community Engagement and Development
- Marketing and Communications
- Directorate of Institutional Planning and Research
- Student Representative Council

Senate deliberated on the following matters, among others, during its meetings.

12.2.1. Governance and Academic Leadership

Senate enhanced institutional governance through the appointments of observers to executive recruitment processes and representation on Council. It recommended Professor M.N. Sibiyi for appointment as Vice-Chancellor and approved key academic leadership appointments, including Deans and the Senior Director: Operations. The 2024 Academic Staff Promotions Project Plan was approved, alongside ad-hominem promotions (some retrospectively from 1 January 2023).

12.2.2. Teaching and Learning Oversight

Senate responded proactively to operational challenges such as load-shedding by adopting an Intervention and Monitoring Plan to protect academic continuity. It approved a revised University calendar and endorsed Blended Learning Guidelines to support multimodal delivery. Security measures for exams were deemed adequate, and revised policies, including the Academic Programme Development Policy and general handbooks, were submitted for administrative approval.

12.2.3. Research, Policy and Innovation

Significant progress was made in strengthening MUT's research environment. Senate approved research awards for the 2022–2023 evaluation cycle, endorsed the Research and Innovation Committee Charter, and recommended research-focused policies and SOPs for approval. New governance frameworks on fraud, whistleblowing, and honorary appointments were introduced to uphold research ethics and institutional integrity.

12.2.4. Strategic Planning and Risk Mitigation

Senate played an active role in finalising the Institutional Audit Improvement Plan in response to HEQC requirements. In alignment with the King IV Code on governance, resolutions focused on meeting fixed deadlines, coordinating cross-functional inputs, and ensuring progress tracking via project plans and Gantt charts. These actions addressed reputational and academic risks associated with institutional performance reporting.

12.2.5. Entrepreneurship and Strategic Projects

Senate endorsed the establishment of a Centre for Entrepreneurship to support graduate employability and economic participation. It approved the associated Concept Document and requested implementation timelines, aligning with MUT's broader transformation and development agenda.

12.2.6. Policy Revisions and Inclusion

Senate revised the Staff Study Dependent Policy to enhance clarity around eligibility for externally funded staff and advanced academic SOPs for greater procedural alignment. These improvements contributed to operational transparency and institutional equity.

12.2.7. Community Engagement

Reflecting MUT's social commitment, the Senate approved the transformation of the Community Extension programme into a Diploma in Agricultural Extension and Sustainable Food Systems, to be effective January 2025. The inclusion of a Work-Integrated Learning (WIL) component strengthens real-world learning and MUT's contribution to sustainable community development.

Senate decisions in 2024 were characterised by responsiveness to institutional challenges, strengthening academic leadership, and driving forward academic and policy development. The Senate's governance contributions were closely aligned with MUT's strategic goals, DHET reporting expectations, and King IV principles, particularly in relation to academic risk management and sustainability.



12.3. Changes to the Academic Structure

12.3.1. New Qualifications

In the 2024 academic year, the only new qualification that added to the MUT academic structure was the Advanced Diploma in Public Management in Human Settlements Management.

12.4. Teaching and Learning

12.4.1. The MUT Institutional Audit

After the Institutional Audit by the CHE and the subsequent submission of the Audit report to the CHE, the University was required to develop an Improvement Plan (IP). This improvement Plan was developed and submitted to the CHE in August 2024. The feedback from the CHE was returned to the University in November 2024.

The Institutional Audits Committee (IAC), a sub-committee of the Higher Education Quality Committee (HEQC), reviewed the submission of the Improvement Plan (IP) from MUT. Overall, the IAC appreciated the attempt from the University to address the HEQC recommendations outlined in the audit report.

However, some concerns were raised that the University was requested to address to improve the Improvement Plan submission before the IAC could recommend the IP to the HEQC for final approval. At the time of writing, the University was in the process of revising the Improvement Plan with a view to addressing the concerns raised by the Institutional Audits Committee of the HEQC.

12.4.2. Student Academic Support

Academic support was provided to at-risk students in 2024 through interventions such as tutorials, one-on-one support, mentorship, and academic literacy and language workshops. Lecturers in the Faculties identified students for support, and lecturers in the Mathematics and Science Education Unit (MSEU) and the Academic Literacy and Language Unit (ALLU), as well as Student Academic Advisors, provided assistance. Additionally, the Library conducted information literacy workshops covering topics such as online database searching, the use of academic support tools such as Turnitin and Mendeley, and exam preparation.

Mathematics Science Education (MSE) support interventions

The Mathematics Science Education Unit's efforts were primarily focused on providing academic support in core science subjects namely, Physics, Chemistry, and Mathematics. It supported 1,326 students, as follows:

- Mathematics Support: 422
- Physics Support: 787
- Chemistry Support: 117

Academic Literacy and Language Support

The focus of the Academic Literacy and Language Unit (ALLU) is on first year students, but other levels are also provided with academic support. The unit is mandated to provide generic and embedded literacies to the various disciplines. The teaching and learning modality used is a blended learning model, utilising MS Teams and the Blackboard LMS.

The physical classes and tutorials take place in the ALLU Labs or in lecture venues of specific departments. Service is provided to all three faculties: Applied and Health Sciences, Engineering, and Management Sciences.

In 2024, a total of 2,450 students were served in the following departments:

- Department of Environmental Health - 1st years, 2nd years
- Human Resources Management - 1st years, 2nd years, 3rd years and 5th years
- Public Administration - 1st years
- Office Management and Technology - 1st years
- Electrical Engineering - 1st years
- Marketing - 1st years



Writing Centre Services

The Writing Centre demonstrated substantial progress in 2024 by employing evidence-informed pedagogical approaches, including the student-centred approach and the academic literacies approach which are tailored for the needs of the MUT community, thereby enhancing academic performance and writing proficiency among staff and students.

During the reporting period, the Centre engaged 1,912 individuals through consultations and workshops. It had a total of 646 new client registrations and 587 one-hour appointments for 341 clients, comprising group and individual face-to-face sessions, e-tutoring, and online interactions. Furthermore, 21 workshops were conducted in 2024, which is double the number of workshops in 2023.

The Centre had 339 group consultations. A total of 998 students were consulted through both group sessions (750) and individual sessions (248). Additionally, 12 walk-in clients accessed services without prior booking. This brings the overall number of consultations, including staff and students across group, individual, and walk-in formats to 1,010.

12.4.3. Programme Development

There were no new programmes that were processed in 2024. The DHET has placed a moratorium on further processing of MUT's programmes owing to concerns about leadership and governance issues. The CHE on the other hand raised concerns about the University's expired policies. At the time of writing, the University was updating the expired policies before the CHE could be approached to resume the processing of new applications from the University.

12.4.4. Work Integrated Learning (WIL)

The total number of students who completed a Work-Integrated Learning component of their qualification in the 2024 academic year was 2,087. This WIL component consists of different modalities (including Work Based Learning, 1,448; Service Learning, 564; and Professional Practicum WIL, 75) across the three Faculties.

There were 1,743 graduates in 2024 who completed WIL as a credit bearing module. This accounted for 62% of students that graduated in undergraduate programmes, compared with 59% in 2023. Engineering students that completed WIL remained steady at 1,205 compared to 1,202 in 2023.

To improve graduate employability, a structured internship programme was implemented on campus. A total of 75 graduates, funded through BankSeta, Services Seta, and the Mining Qualification Authority (MQA), as well a total of 39 (15 WIL; 12 internships; 4 apprenticeship and 8 TVET) students, funded through DHET Infrastructure grant, were placed on campus and monitored by Co-operative Education through monthly report submissions.

A Graduate Tracer study was conducted in October and November 2024, as part of an employability assessment of MUT undertaken by the Co-operative Education Directorate (CED) and the Directorate of Institutional Planning and Research (DIPR). Although the response was poor, with 176 respondents across the graduation cohorts of 2018 to 2024, there were some positives impressions held by graduates, particularly regarding recommending MUT to others. A large proportion of respondents felt that the institution met or exceeded their expectations and that the assistance by CED increased their likelihood of being employed and increased the likelihood of finding a job within a year of completion of their studies.

12.4.5. Implementation of the E-Learning Strategy

The implementation of the eLearning strategy is a Key Performance Indicator for MUT's Strategic Objective 1.3, focusing on enhancing the quality of graduates. A series of activities were specified in the 2024 Institutional Operational Plan, including annual targets.

Blackboard Usage Statistics

The year saw unprecedented growth in Blackboard usage among students. By the third quarter, student engagement reached an impressive 97.5%, up from 75% in the second quarter and 53.4% in the first quarter. This steady improvement reflects the success of targeted initiatives, including workshops, enhanced user support, and continuous system improvements.

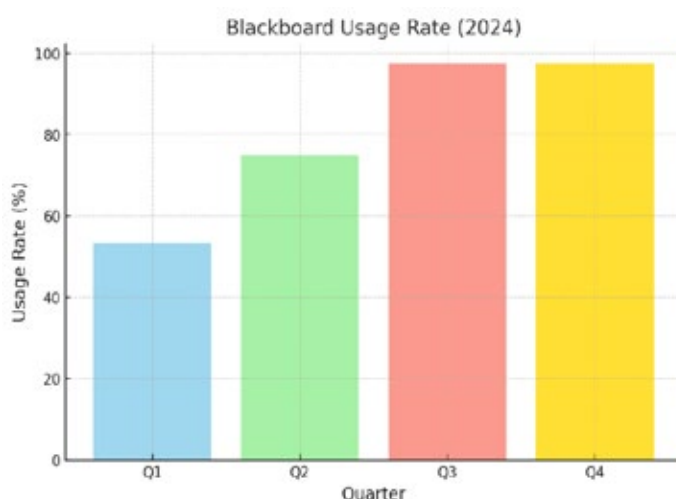


Figure 1: Blackboard Usage

Upgrade of Blackboard: Migration to Ultra Navigation

The transition to Blackboard Ultra was a cornerstone achievement of 2024. This migration introduced advanced features such as AI-driven course design, a more intuitive user interface, and improved functionality for both students and staff. The transition was supported by three on-boarding workshops attended by 78 academics, along with ongoing one-on-one consultations. These efforts ensured a seamless migration and empowered staff to utilize the platform effectively.

Academic Staff Training

Throughout 2024, a total of 129 academic staff members underwent comprehensive training to enhance their expertise in technology-enhanced teaching and learning. This training encompassed not only the usage of technology but also aimed to equip them with the skills for effective learning design and understanding of ePedagogies. The training sessions included:

- Instructional Design course offered through the GetSmarter platform by UCT, involving 13 participants.
- Blackboard's Artificial Intelligence Design Assistant (AIDA) Workshop, attended by 43 participants.
- Blackboard Ultra on-boarding session, which had 73 participants.

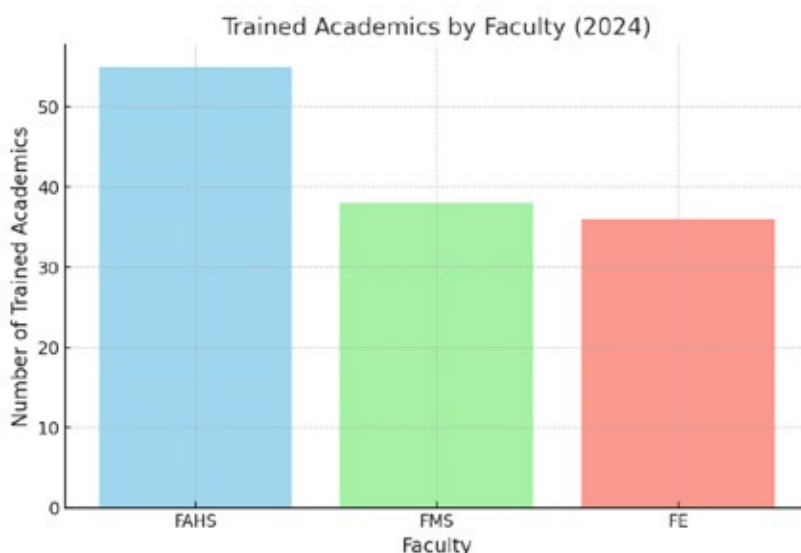


Figure 2: Trained Academics

The graph illustrates the number of academics trained across three faculties at MUT in 2024. A total of 129 academics were trained, distributed as follows:

- Faculty of Applied and Health Sciences (FAHS): 55 academics
- Faculty of Management Sciences (FMS): 38 academics
- Faculty of Engineering (FE): 36 academics

While FAHS leads in numbers, there are opportunities to strengthen programs for FMS and FE, ensuring that all faculties are equally equipped to meet the challenges of modern digital education.

Implementation of Lecture Venue minimum standards

A panel of accredited service providers was contracted to ensure the uniform and efficient installation of audio-visual tools in the remaining venues. This project, which aims to transform 66 lecture venues into interactive, multimedia-enabled teaching and learning spaces, is set to significantly enhance the academic experience for both staff and students.

12.4.6. Professional Development and Support of Academic staff

An academic Induction workshop for new academics was held at the Elangeni Hotel on 27 – 29 February 2024. A follow-up session was held on 11 April 2024.

Thirteen MUT academics enrolled at the University of Cape Town (PGDip in Educational Technology) and Wits University for the Postgraduate Diploma in Digital Education and Online Teaching.

The Curriculum and Assessment workshop for Academic Leaders was held at Coastlands, Umhlanga, on 3 - 5 December 2024, wherein most of the Heads of Departments participated.

12.4.7. Teaching Awards

The Vice Chancellor's Excellence Awards were deferred in 2024 in order to update the Institutional Teaching and Learning Excellence Awards Guidelines.

12.5. Research

12.5.1. Research Productivity

It is MUT's objective to increase research productivity as measured by research output. The target for 2024 was 65 research output units. The 77.5 research output units received for 2024 exceeds the target (Table1).

Articles published in predatory journals, although DHET accredited, are not included in the cumulative output for 2024. Further, the DHET units for book chapters and peer reviewed conference proceedings are difficult to estimate and are not included in this report.

The DHET target for research output per academic staff member is 0.5 for Universities of Technology. MUT achieved 0.43 during 2023 and it is estimated that we will achieve 0.33 during 2024, once the DHET approvals for 2024 are known. Submissions for 2024 research output units were made in May 2025, with DHET approvals typically finalized by year-end.

The lower estimate of 0.33 for 2024 reflects a more realistic projection based on submitted data and aligns with historical patterns, where DHET-approved outputs tend to be lower than initial submissions due to their rigorous screening process.

Table 13 below shows the breakdown of the research journal articles published in 2024, according to Faculty.



! The Research team, Director Anette Mienie, seated, left

Table 13: Estimated Research Output Units from Journal Articles

Period	Admin	Engineering	Management Sciences	Applied and Health Sciences	Total
Q1 2024: Jan - Mar	1.3333	0.6667	1.5000	1.3750	4.8750
Q2 2024: Apr - Jun	2.3500	2.6584	3.3333	1.7139	10.0556
Q3 2024: Jul - Sep	5.7831	6.9550	6.5000	6.4693	25.7074
Q4 2024: Oct - Dec	0.5667	5.1262	11.8496	19.3183	36.8608
TOTAL: 2024	10.0331	15.4063	23.1829	28.8765	77.4988

12.5.2. Research Capacity Development

Research capacity development remains a priority at MUT, contributing to enhanced research productivity and the professional growth of academic and support staff. The University Capacity Development Grant (UCDG) continues to play a pivotal role in funding these initiatives, ensuring that MUT fosters a research-driven environment as envisaged in the objectives and goals of the University. The capacity building workshops hosted by the Research Directorate during 2024 are outlined in Table 14 below.

Table 14: Research Capacity-building Workshops

Name of Workshop	Number of Participants	Date
Artificial Intelligence in research and academic Integrity Workshop	58 participants	26 August 2024
Postgraduate Supervision Workshop	33 participants	6-7 September 2024
Statistical Analysis (SPSS & NVivo) Workshop	43 participants	12-13 September 2024
Wiley Author Engagement Workshop	22 participants	9 October 2024
POPIA in Research Workshop	33 participants	20 November 2024
Academic Writing Retreat	24 participants	9-12 December 2024
Grant Proposal Writing Workshop	31 participants	10 December 2024

Further, a significant portion of the UCDG was allocated to financial support initiatives aimed at increasing the number of academic and support staff holding higher degrees, fostering career development, and promoting research dissemination through conferences.

a. Emerging Researcher grants for Masters and Doctoral studies

Number of recipients: 20

Grant amount per recipient: R30,000

Purpose: The funding supported academic and support staff members pursuing Master's and Doctoral degrees by covering research-related expenses such as tuition fees, data collection, software licenses, and dissertation writing support.

b. Emerging Researcher grants for Female Doctoral Researchers

Number of recipients: 8

Grant amount per recipient: R35,000

Purpose: These grants were exclusively awarded to female researchers as part of MUT's commitment to promoting gender equity in academia. The funding assisted recipients in advancing their doctoral research, publishing in DHET accredited journals.

c. Career Development Grants

Number of recipients: 4

Grant amount per recipient: R75,000

Purpose: This funding was allocated to early-career researchers and staff members aiming to build their research profiles. It covered mentorship programmes, short courses, specialized technical training, and research projects that contributed to professional growth.

d. Emerging Researcher Conference Grants

Number of recipients: 4

Grant amount per recipient: R120,000

Purpose: Conference grants enabled early researchers who recently completed their postgraduate degrees to present their findings at national and international conferences, fostering academic networking and knowledge exchange. The funding covered conference registration fees, travel, accommodation, and publication costs for conference proceedings.

12.5.3. NRF Rated Researchers

The National Research Foundation (NRF) rating system allows for the benchmarking of the quality of our researchers against the best in the world. The ratings are based on a researcher's recent research outputs and impact as perceived by international peer reviewers. The rating system not only identifies researchers who count among the leaders in their fields of expertise but also gives recognition to those who constantly produce high quality research outputs. The number of rated researchers increased from 6 during 2022 to 8 in 2024.

Table 15 below reflects the MUT researchers with NRF ratings in 2024.

Table 15: NRF Rated Researchers at MUT

Name	NRF-rating Categories	Faculty	Period of Rating
Prof MN Sibiya	C2	DVC: RIE	2023 - 2028
Prof AT Kaniki	C2	Engineering	2021 - 2026
Prof TC Davies	C2	Applied Sciences	2023 - 2028
Prof. BF Bakare	C2	Engineering	2024 - 2029
Prof R Cooposamy	C3	Applied Sciences	2024 - 2029
Dr M Lasich	Y2	Engineering	2019 - 2024
Dr BP Numbi	Y2	Engineering	2019 - 2024
Dr D Naidoo	Y2	Applied Sciences	2023 - 2028

12.5.4. External Research Income

Research Funding lies at the heart of ground-breaking research and serves as the catalyst that fuels innovation. Further, most university-based research is funded through grants and contracts. Research grants and contracts not only play an important role in capacity development, national and international collaboration, and increased research productivity and output, but also serve as an incentive to generate new ideas which ultimately result in scientific progress. The Research Directorate assists with raising awareness of opportunities, proposal writing, and the evaluation and submission of proposals.

The cumulative income from research grants and contracts (excluding VAT) is summarised in Table 16 below. The R8,918,178 received is significantly higher than the R4,907,140 received during the same period in 2023.

Table 16: External Research Income received in 2024

Funder	Programme	Grant Holder	Amount (R)
National Research Foundation	Thuthuka Grant: Post PhD Track	Dr T.P. Makhathini	111 094, 00
National Research Foundation	Thuthuka Grant: Post PhD Track	Dr N Nkosi	260 000,00
National Research Foundation	NRF-Postdoctoral Grants	Dr N.B. Patrick	305 000,00
National Research Foundation	NRF-Postdoctoral Grants	Dr N.A.N Ngxongo	250 000,00
National Research Foundation	Evaluation and Rating	Prof. M.N Sibiya	30 000,00
National Research Foundation	Evaluation and Rating	Prof. T.C Davies	30 000,00
National Research Foundation	Evaluation and Rating	Dr D Naidoo	50 000,00
National Research Foundation	Incentive Funding for Rated Researchers	Prof. A.T. Kaniki	50 000,00
National Research Foundation	Support For Y- Rated Researchers	Prof. BF Bakare	60 000,00
NIPMO	Establishment of a Technology Transfer Office	Dr A. Mienie	1 204 600,00
NIPMO/Department of Science & Innovation	NIPMO/DSI	Dr M.V. Hlongwane	500 000,00
SAMRC	SAMRC RCDI Staff Development	Ms P.Y. Sikosana	230 000,00
SAMRC	SAMRC RCDI Staff Development	Ms R Pillay	230 000,00
SAMRC	SAMRC RCDI Staff Development	Ms N Mkhize	184 000,00
SAMRC	SAMRC RCDI Staff Development	Ms N.P Ndlovu	184 000,00
KZN Dept. of Transport/ UKZN	Human Capacity Building in the Transportation Sector in KZN	Prof. BF Bakare	200 000,00
DHET/Stellenbosch University	UCDP Future Professors Programme	Dr BP Numbi	383 629,00
WITS/South African Quantum Technology Initiative	SA Quantum Technology (PhD) Bursary Award	Mr MB George	50 000,00
DHET	University Capacity Development Grant	Dr A Mienie & Mr M Mothoa	3 297 145,00
National Research Foundation	Multilateral Call 2024	Prof. B Nkonki-Mandleni	400 000,00
Companies and Intellectual Property Commission	Funding for Co-hosting WIPO-SA Summer School on Intellectual Property	Dr M.V. Hlongwane	700 000,00
Spoor & Fischer	WIPO-SA Summer School Sponsorship	Dr M.V. Hlongwane	5 000,00
Hahn and Hahn Inc	WIPO-SA Summer School Sponsorship	Dr M.V. Hlongwane	5 000,00
International Centre for Genetic Engineering and Biotechnology (ICGEB)	ICGEB Special Programme for South African HDI's	Dr K Singh	198 710,00
TOTAL	R 8 918 178,00		



Professor Babatunde Bakare, left, receiving his prize from Dr Anette Mienie, Director: Research



Professor Kuben Naidoo, left, receiving his prize from Dr Anette Mienie



Professor Evan Mantzaris, left, receiving his prize from Dr Anette Mienie



Ziningi Jaya, left, receiving her prize from Dr Anette Mienie

12.5.5. Research Awards

The 22nd Research Awards Evening was hosted on 13 September 2024 at the Capitol Hotel, Zimbali. The following prizes were awarded:

Faculty of Engineering

Bronze Prize	Dr. N. Nkosi
Silver Prize	Prof. T. Kaniki
Gold Prize	Prof. P. Numbi

Faculty of Management Sciences

Gold Prize	Prof. E. Mantzaris
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Faculty of Natural Sciences

Bronze Prize	Ms. Z. Jaya
Silver Prize	Prof. K. Naidoo
Gold Prize	Ms. N. Thembane

Administrative Departments

Bronze Prize	Dr P. Masala
Senate Prize (Researcher who published most papers)	Prof. A. Beesham
	published 18 papers during 2023

Most Productive Senior Researcher

Prof. B. Bakare

Most Productive Female Researcher

Ms. N. Thembane

DVC Prize for External Income Secured

Prof. B. Bakare

VC Prize for most Productive Researcher

Prof. P. Numbi



12.6. Innovation

12.6.1. Technology Transfer Office

MUT's Innovation and Technology Transfer, within the Research and Innovation Directorate, oversees the identification, protection, utilisation, and commercialization of intellectual property resulting from research development and innovation (RDI) at MUT. The Technology Transfer Office (TTO) is focused on bridging the gap between academic research and the marketplace, fostering innovation, and encouraging the commercialization of technology developed within the institution.

The TTO offers the following functionality to our academics, researchers, and students:

- Identification and management of IP disclosures
- Protection of the IP
- Technology Transfer, Intellectual Property and Commercialisation workshops (awareness)
- Promoting of MUT's IP policy and urging employees and students to abide by it
- Promoting compliance and encouraging adherence to IPR Act 51 of 2008

12.6.2. Intellectual Property Portfolio

The intellectual property portfolio of MUT includes a diverse array of patents, reflecting the institution's focus on innovation and its commitment to addressing real-world challenges. These patents in MUT's intellectual property portfolio showcase the university's commitment to technological advancements in diverse fields, including agriculture, healthcare, renewable energy, and construction. By protecting and commercializing these innovations, MUT is contributing to the advancement of knowledge and creating potential for societal, economic and environmental impact.

The 2024 target for intellectual property was 8, which was achieved.

Table 17 below shows the current status of MUT patents.

Table 17: Summary of MUT Patents Granted and their Status

Grant Number	Name	Country	Application Type	Renewal Due	Status
2024/03879	Broad-spectrum organic herbicide	South Africa	ZA Provisional	ZA complete patent application filed on the 20 th of May 2024	Complete
2012/09619	Manufacturing a ceiling	South Africa	ZA Complete	19 Dec 2023	Granted
ZL 201680071241.2	³ Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	China	National Phase	22 Oct 2023	Granted

³ The duplication in the patent name is valid, as uniqueness is determined by the country of registration and the specific grant number assigned to the innovation. Even where the country of registration is the same, the grant number will differ due to variations in the characteristics of each patent or innovation.

Grant Number	Name	Country	Application Type	Renewal Due	Status
11,548,860	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	United States	National Phase	10 Jul 2026	Granted
3365330	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	Europe (Unitary patent protected in 17 countries)	National Phase	22 Oct 2023	Granted
3002567	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	Canada	National Phase	22 Oct 2023	Granted
ZL 201680071222.X	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	China	National Phase	22 Oct 2023	Granted
3365819	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	Europe	National Phase	22 Oct 2023	Granted
3365330	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	United Kingdom	National Phase	22 Oct 2023	Granted
3365819	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	United Kingdom	National Phase	22 Oct 2023	Granted
2015/02913	System for harnessing wave energy	South Africa	ZA Complete	29 Apr 2024	Granted
2018/03198	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	South Africa	ZA National Phase	26 Jul 2023	Granted
2018/03199	Pharmacophores, compounds and methods having application in the treatment of cancer through inhibition of CYP17A1 AND CYP19A1	South Africa	ZA National Phase	26 Jul 2023	Granted

12.6.3. Funding Applications

Technology Innovation Agency Seed Fund (TIASF)

Two projects have been successful in attracting funding from the Technology Innovation Agency (TIA) Seed Fund for the 2024 period. These projects are a testament to the innovative research being conducted at MUT and the growing support for commercialization and technology development within the institution. The TIA Seed Fund is designed to provide financial support to early-stage projects with high potential for commercialization.

Projects funded through the TIA Seed Fund Programme

The Campus Communication (Camp Comm) project has received an amount of R500,000 in TIA Seed funding. This project, led by Mr Rogerant Tshibangu and Mr Sbhongiseni Masondo, focuses on developing a mobile application that will serve as a centralized platform where students and staff can access essential University information, including timetables for registered modules. Its functionality extends to allowing students to select practical sessions based on their availability, enhancing the convenience and flexibility of their academic scheduling. The app further provides a direct communication channel to students, enabling lecturers to disseminate important updates, class postponements, and other relevant information swiftly. Similarly, the academic heads can leverage this platform to send direct messages to all staff and students, ensuring coherent and timely communication across the University.

As for its commercialization path, the technology, which is in the process of development and refinement, has the potential to be adopted by other educational institutions, thereby expanding its market reach. This adoption could be facilitated through tailored modifications to meet the specific needs of different universities and TVET colleges, creating a scalable and versatile educational communication solution. Further functionalities are possible such as tracking time loss due to load shedding, lecturer attendance monitoring, etc. The funding will be used to further develop and refine the technology, with an emphasis on piloting the application to real environment readiness.

The *Banana peels waste and sugar cane bagasse as Gas Chromatography (GC) column packing materials for gamma infinity measurements and chemical analysis* has been awarded an amount of R250,000 through the TIA Seed fund program. The principal investigators for this project are Professor Armel Tumba Kaniki and Dr Nkululeko Nkosi. This project is centred around investigating agricultural wastes material as a viable and cost-effective alternative to traditional GC packaging materials, with the aim of to create packing materials for gas chromatographs that are not only cost-effective but also safe and environmentally friendly.

Gas chromatography is a widely used analytical technique for separating and analysing compounds in gases or liquids, and the packing material is a critical component that influences the efficiency and accuracy of the analysis. Current GC packing materials often involve the use of chemicals or processes that are either costly, hazardous, or harmful to the environment. This project seeks to address these issues by developing alternatives that are both economically viable and safer for users and the planet. The funding will support early-stage development, prototyping, and testing, providing a strong foundation for future commercial opportunities.

12.6.4. Intellectual Property Awareness and Capacity Development

During the 2024 reporting period, the (TTO) successfully conducted a total of six Intellectual Property (IP) and Commercialisation workshops and initiatives. These workshops were designed to equip MUT researchers, faculty, students, and entrepreneurs with the essential knowledge and skills required to navigate the complex landscape of intellectual property protection and commercialization. These efforts align with the TTO's broader mission to foster a culture of innovation and entrepreneurship at MUT, ensuring that both students and staff have the tools and resources necessary to contribute to the commercialization of their research and ideas.

Hosting of the World Intellectual Property Day

On 26 April 2024, the TTO at MUT hosted a workshop to celebrate the World Intellectual Property Day with about 46 attendees. The event was aimed at highlighting the significance of Intellectual Property and the SDGs: Building our common future with innovation and creativity. The celebration featured a series of topics designed to educate and inspire attendees. The following topics were covered during the world intellectual property day:

- Role of NIPMO, IPR Act and policies – This topic was presented by Ms Lindiwe Mashimbye from the National Intellectual Property Management Office.
- MUT - Technology Transfer Process – Topic covered by Dr Mandla Hlongwane from the University's Technology Transfer Office.
- Introduction to Intellectual Property and Protection – the topic was presented by Mr Pieter Venter from Hahn and Hahn.
- Commercialisation Strategies and pitfalls: Bringing engineering technologies to the market – topic presented by Mr Vishen Pillay from Adams and Adams.
- Funding mechanisms "TIA Seed Funds" – the topic was presented by Ms Nonkululeko Shongwe and Ms Nelisa Kante from the Technology Innovation Agency.

IP and Commercialisation Workshop: Advanced Students

The TTO, in collaboration with the Department of Community Extension, hosted an intensive workshop on Intellectual Property, entrepreneurship and the art of pitching which took place on 16 September 2024. The workshop was intentionally designed to prepare students for the innovation challenge by equipping participants with the skills necessary to protect their ideas, developing entrepreneurial mindsets, and effectively presenting their innovative ideas to a panel of judges.

With the topics presented by various experts in the field, students gained insights into the fundamentals of Intellectual Property which are essential for building a brand. Further to this, students received training on strategies required for building a successful business, and techniques for pitching their ideas. The following topics were covered during the workshop:

- Introduction to Intellectual Property and Commercialisation: Dr Mandla Hlongwane
- Entrepreneurship and Communicating with Customers: Mr Ntuthuko Ndebele (UKZN Student Entrepreneurship Coordinator)
- Design Thinking and Innovation Canvas: Dr Mandla Hlongwane
- The Art of Pitching: Dr Lungani Makhathini (Acting HOD, Accounting and Law)

Agro-Processing Innovation Challenge: Creating Space for Student Entrepreneurship, 21 September 2024

Advanced Diploma students formulated various agricultural products to fit the demands in the Agro-processing sector and this initiative is in line with the national Agriculture and Agro-Processing Masterplan which aims to contribute to food insecurity alleviation. The projects below were pitched by Advanced Diploma students during the competition (Table 18 below). Through the OTT support funds, all participating projects will be awarded an amount of R2,000 and given the opportunity to exhibit at the WIPO Summer School.



Table 18: Summary of Student Projects

STUDENT PITCH		
Project Title	Student Name	Department
Sisal Silk	Nokuthula Nonkululeko Malunga	Community Extension
Fresh Smile Toothpaste	Winile Happiness Danisa	Community Extension
Homemade Pot Plants	Khethani Zondi	Community Extension
Green Crunch Pot Plants	Sanelisiwe Thembaletu	Community Extension
Morning Magic	Silindile Myeni	Community Extension
Zemvelo Bags	Andy Buyela	Community Extension
Sorgho Smile	Nomfundo Ntombela	Community Extension

MUT Hosting – The 16th and 17th World Intellectual Property Organisation (Wipo) – South Africa Advanced Summer School On Intellectual Property (IP) and Technology Transfer (TT) – 25 November To 6 December 2024

In partnership with key national and international stakeholders, including the Department of Science, Technology and Innovation (DSTI) through the National Intellectual Property Management Office (NIPMO), the Companies and Intellectual Property Commission (CIPC), the Japan Patent Office (JPO) and the World Intellectual Property Organization (WIPO), the Research Directorate hosted the WIPO-SA Summer School on Intellectual Property (IP) and Transfer of Technology (TT) at the Gateway Hotel. The WIPO-SA Summer School was aimed at equipping participants with practical knowledge and tools to navigate the complexities of intellectual property, technology transfer, and innovation in a global context. By leveraging the expertise of both local and international IP experts, the programme further provides a platform for building capacity in the protection and commercialisation of IP in alignment with global standards.

The programme was structured over 10 days and comprised of a series of lectures, interactive discussions, and case studies led by experts in the field of intellectual property and technology transfer. The topics covered during the two-week Summer School are shown in Table 19 below.

Table 19: Summer School Topics

Topics	Description
Topic 1	Technological Advancements – Setting the Scene
Topic 2	What does the Fourth Industrial Revolution hold?
Topic 3	Round Table Discussion: Role of Policies – SA Innovation and IP Policies Imperatives.
Topic 4	Overview of Intellectual Property and Technology Transfer – Setting the Scene.
Topic 5	Critical Partnerships: Industry – academia collaboration.
Topic 6	Round table discussion: Government Funding models
Topic 7	Overview of Inventions and Patents
Topic 8	National and International Protection of Patents – A step by step practical approach
Topic 9	Importance of Substantive Search and Examination – A comparative Analysis of SSE Country and a Formalities Examination country.
Topic 10	Copyright and Music: How to protect Artists, Composers and Producers.
Topic 11	Importance of Designs protection and their Industrial Application.
Topic 12	Trademarks: Introduction and legal practice perspective.
Topic 13	Trademarks: How does the IP office review and approve trademarks
Topic 14	Trademarks: Role of Trademarks in technology transfer.
Topic 15	Exercise: Divide into groups - Develop a problem, devise a solution, identify all forms of IP possible and devise a technology transfer strategy.
Topic 16	The international negotiations at WIPO: Is a conclusion finally in sight?"
Topic 17	Exercise: Participants feedback session.
Topic 18	Traditional Knowledge, Genetic Resources (including geographical indications) and Traditional Cultural Expressions – Towards a Suitable Protection System for South Africa and other developing countries.
Topic 19	Food innovations using IKS to diversify local food environments.
Topic 20	Overview of copyright.
Topic 21	What does it mean to be e-savvy?
Topic 22	The role of Patents and Know How/Trade Secrets in Technology Transfer– A step by step approach.
Topic 23	Collective Management Organisations (CMOs) in SA.
Topic 24	Unlocking Creativity: The Economics of Copyright in the Arts, Social Sciences and Humanities.
Topic 25	IPRs and Open Data, Open Innovation and Open Access
Topic 26	Exercise: Divide into groups: Searching for IP using free online resources and preparation of a report by each group.

Topic 27	Digital Innovation platforms – Building a vibrant innovation ecosystem.
Topic 28	IP and Antitrust Policy: Protecting IPRs and promoting fair competition.
Topic 29	Licensing Contracts: Best practices, Pitfalls to Avoid and Essential Elements
Topic 30	IP Audit: What is it and why do you need it? Why, How and When?
Topic 31	Exercises: Divide into groups: IP Licensing and Negotiations.
Topic 32	IP Valuation: A Practical Approach.
Topic 33	Exercise: Divide into groups: Intellectual Property Valuation.
Topic 34	Full Investment Life Cycle for Technologies.
Topic 35	Factors for success and failure of SMMEs in commercialisation as well as formal/ informal relationships to be established with SMMEs in contracting them to commercialise a technology.
Topic 36	Show me the money – Role of private sector funding (Venture Capital, Business angels, etc.)
Topic 37	IP and the SDGs – how do we advance technologically in a sustainable manner.
Topic 38	IP and Public Health – prickly issues.
Topic 39	The Practical Impact of IP Waivers on Access to Medicines.
Topic 40	Data, Artificial Intelligence, and IP ownership.



I In 2024, MUT hosted the WIPO SA Summer School on Intellectual Property and Technology Transfer

High School visits in preparation for the WIPO SA Summer School on Intellectual Property and Technology Transfer

In preparation for the WIPO South Africa Summer School on Intellectual Property and Technology Transfer, the TTO together with colleagues from the National Intellectual Property Management Office (NIPMO) and Companies and Intellectual Property Commission (CIPC) embarked on a mission to engage with five high school from three education districts. The objective was to educate learners about IP and its relevance to their future careers and preparing them for the high school competition taking place during the months of November and December 2024. The TTO team visited five high schools in August, conducting a series of interactive sessions and presentations on the basics of IP, emphasizing its role in innovation and entrepreneurship. These presentations were designed to be accessible and relevant to high school learners and their educators.

The following Schools were visited:

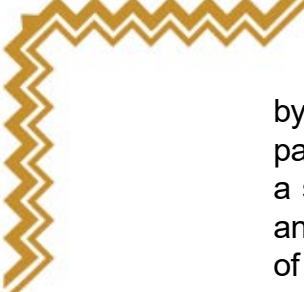
- Inanda Comprehensive School
- Ndukwenhle High School
- Nombika High School
- Umthwalume High School
- Velabahleke High School

WIPO-SA Summer School: High School Innovation Challenge Competition (HSICC) Program – 2 December 2024

The WIPO-SA Summer School was conducted in a hybrid format, providing participants with the flexibility to attend either in person or virtually. While most participants attended the physical sessions, others joined the event remotely through the Airmeet platform. A total of 301 individuals registered for the WIPO-SA Summer School. Out of those registered for the course, 115 successfully passed the DL450 exam, while other participants already had done the DL450 prior to attending the Summer School. For those who did not pass the exam on their first attempt, WIPO provided a second opportunity to re-take the exam. Despite the initial outcomes, these participants were still permitted to fully engage and attend the Summer School, ensuring that they could benefit from the learning experience whilst waiting for their results.

A total of five (5) local high schools from various educational districts were invited to participate in the WIPO-SA Summer School Innovation Challenge Competition. These schools were selected to participate in the innovation competition, which aimed at enhancing learners' understanding of intellectual property, commercialisation, and innovation.

Each of the schools above was allowed to nominate 10 learners to participate in the WIPO-SA Summer School High School Innovation Challenge Competition. Additionally, each school was required to send at least one or two educators to accompany the students during the programme and provide mentorship and direction during the preparation. Initially, training on the fundamentals of intellectual property was provided to the whole class, to give an overview of the concept to the class. Thereafter, the learners were reduced to the required number and the selected learners, together with the educators, participated in a comprehensive session led



by the Summer School Task Team. The Summer School programme saw active participation from high school learners, who were well-prepared for the event through a series of three visits to all five schools. During these visits, learners were trained and equipped with essential skills on intellectual property, idea generation, and proof of concept development.

The preparatory training aimed at equipping both learners and educators with the necessary knowledge and skills to participate effectively in the pitch competition. The training covered the following areas:

Introduction to Intellectual Property:

This session covered the fundamentals of intellectual property, including all the domains of intellectual property (Patent, Copyrights, Trademarks, Trade Secret, Design and Plant Breeder's Rights) and how they relate to innovation.

Commercialisation: Learners were equipped with basic insights into the processes involved in taking innovative ideas and turning them into commercially viable products or services.

Innovation Canvas: High School learners were provided with training on the use of the innovation canvas as a tool for mapping out the core aspects of their innovation from concept to implementation.

The learners showed great enthusiasm and eagerly anticipated the pitch day. On the day of the event, all the participating schools showcased groundbreaking, innovative ideas, which were presented to a panel of invited judges.

The following schools were recognized for their exceptional presentations:

First Prize:	Inanda Comprehensive High School
Second Prize:	Mthwalume High School
Third Prize:	Nombika High School
Fourth Prize:	Ndukwenhle High School
Fifth Prize:	Velabahleke High School

To honour their achievements, cheques and certificates of participation were awarded to all five schools, with the top three schools receiving trophies. Additionally, all learners and educators involved were presented with certificates in recognition of their hard work and participation. The event successfully highlighted the creativity and potential of the students, fostering a spirit of innovation and learning.

12.7. Community Engagement

There was significant progress during 2024 in delivering on the University's strategic objectives for Community Engagement (CE), which are:

SO 3.1: To enhance MUT's contribution to the socio-cultural, environmental and economic development of the community

SO 3.2: To enhance relationships with local communities

12.7.1. Impact across Key Focus Areas

MUT efforts in community engagement and development in 2024 focused on five key areas: STEM (Science, Technology, Engineering, and Mathematics), Environmental Sustainability and Resilience, Food Security, Health, and Safety, Nation Building and

Social Cohesion, and Skills Development. In the STEM domain, projects such as the STEM Robotics Education and 4IR Development Project and the Motor Vehicle Mechanic Repair Project have empowered learners and youth community members with technical skills, promoting innovation, economic opportunities, self-reliance, and career prospects, while providing valuable skills for the future in poor areas, particularly in Umlazi.



The Department of Nature Conservation gave a lecture on snake handling to Ndukwenhle High School learners

Environmental sustainability efforts, such as the Ecosystems Rehabilitation and Restoration (ERR) Project and the Environmental Education and Sustainability (EES) Project, have promoted biodiversity conservation and climate change awareness. Engaging community members in coastal clean-ups, wetland rehabilitation, and tree planting activities, MUT has raised awareness about the negative impacts of climate change, pollution, and the importance of preserving local ecosystems. MUT Biogas, though still in its infancy, is designed to provide renewable energy solutions to rural communities of Bergville. These environmental projects also support the broader goal of promoting sustainable practices that can contribute to long-term resilience in the face of climate challenges.

In the area of Food Security, Health, and Safety, MUT has implemented impactful projects such as the Food Security for Better Health (FSBH) Project, which has equipped Umlazi primary schools with agricultural skills to combat food insecurity, and hygiene which has improved hygiene standards among street vendors of Umlazi and Isipingo. Additionally, the Mariannridge Community Development Project has made significant contributions to food security in the Mariannridge community, near Pinetown. The Assisted Reproductive Technology (ART) Project has revolutionised livestock farming in rural areas like uMzimkhulu, empowering farmers with advanced reproductive technologies to boost productivity and livelihoods. These projects have addressed critical health and safety concerns while promoting sustainable agricultural practices and economic growth in underserved communities.

MUT has also prioritised Nation Building and Social Cohesion through initiatives such as the Funda Nathi Reading Project and the MUT Reading Project Competition, which have improved literacy and fostered unity among learners from Umlazi and Mariannridge. The MUT Schools and Community Cup stands out as a flagship social cohesion project, bringing together schools and communities through sports; while the Prince Mangosuthu Buthelezi Museum and Documentation Centre (PMBMDC) Project is currently in progress to preserve cultural heritage. Skills development programmes such as the Sithola Ulwazi Entrepreneurial Skills Development (SUESD) Project, Impilo Community Project (ICP), and the Isisekelo Campaign (ISCP) have empowered unemployed youth in Umlazi and Dassenhoek with entrepreneurial and life skills. These efforts have not only strengthened social cohesion but also created pathways for economic empowerment and personal growth.

MUT's community engagement projects have made a profound impact across urban and rural areas, reflecting the University's commitment to promoting a more equitable, resilient, and interconnected society.

Table 20: Focus Areas of Community Engagement

Areas	Frequency	Percentage (%)
Food Security, Health, and Safety	7	29.17
Skills Development	6	25.00
Environmental Sustainability and Resilience	4	16.67
Nation Building and Social Cohesion	3	12.50
STEM	2	8.33
Total	22	100



12.7.2. Student Volunteerism

In 2024 there was a significant intake of students in volunteerism initiatives, with a total of 114 students registering their interest in taking part in volunteerism. Furthermore, 500 students volunteered and took part in the Mandela month activities. Their contribution could be felt in a number of events that the University's CEAD Directorate coordinated such as Mandela month, Inguyazana Community Engagement Day, 16 Days of Activism, and Community Engagement Excellence (CEE) awards.

Student volunteerism helps students to step up to take an active role in addressing societal challenges. It enhances student skills in teamwork, communication, leadership and problem solving, and it helps students to gain experience which will help them to be competitive in the job market. The University benefits because it produces skilled, compassionate rounded and capable graduates. The community benefits because it gets free services. Hosting communities and or organisations saves money that could be paid to an employee. Furthermore, students get to interact with University lecturers in the quest to solve its community problems.

12.7.3. Marketing of Community Engagement

In a bid to enhance the visibility and impact of community engagement at MUT, the CEAD Directorate launched the quarterly Ubuntu Nexus newsletter in 2024. Reflecting the spirit of interconnectedness and collective humanity, this quarterly publication serves as a key platform to communicate MUT's transformative community engagement efforts.

MUT radio is another platform that MUT uses to communicate the impact that MUT is having in communities through projects. These engaging 'Radio Shows' feature MUT project leaders alongside community beneficiaries, who share their experiences, challenges, and the positive changes brought about by their involvement.

In 2024, a total of four projects - Ecosystem Rehabilitation and Restoration (ERR) Project, Food Security for Better Health (FSBH) Project, Reading Project, and Sivusisizwe Boyz to Men Project - were broadcast. Additionally, during Mandela Month in July, various community engagement activities were featured across five broadcast sessions. The inclusion of community voices has added authenticity and depth, resonating with listeners. Through these sessions, listeners have gained first hand awarenesses of the innovative approaches and tangible outcomes of MUT's initiatives.

12.7.4. Partnerships

Community engagement calls for partnerships to enhance scholarship of engagement and to sustain the development initiatives by the University community. MUT, through the CEAD Directorate, finalised six partnerships with civil organisations and an international University. The civil society organisations are Dexter Matu Zama Agricultural Academy, Small Enterprises Development Agency, Sivusisizwe Boyz to Men Africa initiative, Azibuye Digital Solutions Pty Ltd, Seed of Hope South Africa, and the University of Missouri, USA. These partnerships increased the footprint of MUT in its effort to empower communities.

12.7.5. Capacity-building Initiatives

Community engagement is fairly new in the Higher Education space and warrants the capacitation of staff and students. For this reason the CEAD hosted twelve capacity building initiatives to benefit academic and support staff in community engagement, including quarterly community engagement forum sessions and workshops on incorporating research in community engagement to realise outputs such as presentations at conferences and publications in accredited journals.

Capacitation was also generic for the entire University community to prepare them to take part in the Mandela month activities that took place from 1 July to 31 July. Training during the Mandela month included skills that tend to be ignored, such as sign language as way of promoting inclusivity when engaging with communities.

Training also benefited farmers in far-flung rural areas of uMzimkhulu to fetch a better price in the market through assisted reproductive technology. Project leaders from MUT Faculties and University partners such as SEDFA, Moses Kotane Research Institute and Azibuye Digital solutions increased the footprint of MUT by capacitating various communities inside and outside Umlazi on Business skills, Coding and Robotics, and Computer Skills. The CEAD Directorate also capacitated civil society organisations as far as Ndwedwe and Mariannridge in a number of community development skills.

12.7.6. Events

MUT hosts a number of community engagement events with the purpose of showcasing its commitment to community engagement as mandated by DHET, awarding for excellence, and keeping stakeholders involved in the University's engagement initiatives. The following events were hosted in 2024.

12.7.6.1. MUT Schools and Community Cup

An annual soccer and netball tournament that involved eight high schools in Umlazi aimed to encourage sports and academic excellence was held on 22 August 2024 at Zwelithini Stadium in Umlazi. It was a joint effort of MUT and the KZN Department of Sports, Arts, and Culture (DSAC). The tournament derived from an MUT Schools and Community Cup project whose rationale was to revive sports in the schools of Umlazi. and encourage learners to take part in sporting activities.

With this flagship project, MUT was committing to enhance the MUT anchor strategy and its nation building strategic objective. The tournament is not only about sports, but it is also about introducing learners to other careers linked to sports. The positive spinoff of the tournament is that three players from Skhwama High School were identified by scouts and are in the process of being recruited to professional teams. This project enhances the image of the University and draws local recognition while it deepens MUT's relationship with Umlazi community.

12.7.6.2. International Mandela Month

From 1 to 31 July MUT hosted the annual nation building initiative that allowed MUT community, learners from schools, and community-based organisations to be in the forefront of lending a hand to needy communities. The Mandela month activities provided academic staff members with opportunities to share their skills and knowledge while strengthening their sense of social responsibility.

12.7.6.3. The Annual Inguyazana Event

“Inguyazana” is a Zulu term which refers to ‘family in-house meeting’ to encourage critical conversations. In the context of community engagement at MUT *Inguyazana* was introduced for critical conversations amongst project members together with their stakeholders (whether internal or external), pertaining to progress in the implementation of CE projects at MUT. On 17 October 2024 the event brought together diverse stakeholders from academia, government, non-profit organizations, and local communities with the aim of having frank conversations to improve CE at MUT while learning best practices from one another.

Key themes and discussions included community engagement as a strategic priority, by integrating it into teaching and learning and research, and positioning MUT as a critical resource for addressing societal needs; the importance of collaboration with community organizations and integrating research to achieve lasting impact; and multidisciplinary collaboration and participatory research, which includes harnessing expertise across disciplines and engaging students and faculty in meaningful, participatory research that aligns with community needs. Discussions highlighted the value of co-creation, ensuring that communities are active participants in project planning and execution.



Stakeholders and MUT staff that took part in the Inguyazana

12.7.6.4. Community Engagement Excellence Awards

The Community Engagement Excellence Awards were held on 26 November 2024 to recognise staff and students involved in community engagement; to contribute to the development of a culture of excellence in CE; and to honour partners who played a significant role in the implementation of CE projects. A total of 7 top projects received awards while 11 partners were acknowledged: Toyota, eThekweni Municipality, Sibusiso Boyz 2 Men Africa Initiative, Azibuye Digital Solutions, DMZ Agricultural Academy, SEDA, Impilo home, Vumengazi Traditional Authority, Moses Kotane Institute and Ikamva Youth.

12.7.6.5. The 16 Days of Activism against Violence Against Women and Children

The purpose of the programme was to raise awareness and to empower young people in the education sector, specifically targeting high schools and tertiary institutions. It sought to introduce a value-based developmental framework through the Youth Unite Influencer Leadership Program, designed to equip young leaders with the skills to combat GBV and to prepare for their future careers.

12.7.6.6. Public Lecture

On 1 November 2024 the CEAD Directorate hosted a public lecture titled: 'Journeying Toward an Engaged University: Institutionalising Scholarship for Societal Impact' which was virtually delivered by Professor Priscilla Daniels and Dr Cornel Hart from the University of Western Cape. The purpose of the lecture was to encourage scholarship of engagement (SoE) in an infused approach in all three core functions of the University (i.e. learning and teaching, research, and community engagement).

12.7.7. Research Outputs Realised

A number of research-related outputs were realised from the community engagement projects in the form of manuscripts and conference or summit attendances as follows:

Conferences, summit:

- **The 57th South African Society for Agricultural Extension Annual Conference, co-hosted with the Central University of Technology:** Bridging Collaborative Initiatives for Strengthening the Research-Training-Extension-Farmer Nexus. 26 – 29 August 2024. Title: The Food Security for Better Health Project: A Collaborative Community Engagement Initiative to Address Food Insecurity and Malnutrition.
- **Rhodes University CE symposium (13 – 16 May 2024).** Title: "Speculating on Emerging Trends and Possibilities for the Future of Community-University Relationships, including the Potential Impact of Global Challenges such as Climate Change and Social Unrest."
- UWC CE Colloquium on 21-22 May 2024. MUT's approach to engagement scholarship and how it fosters social transformation

Completed Manuscripts:

- Perspectives from Parents and Educators on the Impact of a STEM and 4IR Development Project in Two Township Schools in South Africa.
- **The Role of Universities in Community Development:** Lessons from the Environmental Education and Sustainability Project at MUT.

- **Enhancing Community Development through Environmental Education: A Case Study of the Environmental Education and Sustainability Project at MUT.**

12.8. Staff and Student Awards and Achievements in 2024

A summary of notable student and staff achievements, not already mentioned in earlier sections, is provided below.

12.8.1. Staff and Student awards and achievements

Ms Nokukhanya Thembane, a Senior Lecturer in the Department of Biomedical Technology, has been honoured with the 2024 Dr. Esther Mahlangu Doctoral Fellowship in Indigenous Knowledge Systems, conferred by the Department of Science and Innovation (DSI) as part of the South African Women in Science Awards (SAWISA). This prestigious accolade recognises Ms Thembane's significant contributions to the field, enhancing the scientific community's comprehension and valuation of indigenous knowledge systems. Her research endeavours are poised to foster a deeper engagement with these systems, thereby advancing interdisciplinary discourse and promoting the integration of indigenous perspectives within contemporary scientific frameworks.



Nokukhanya Thembane, middle, accepting her prize

12.8.2. Sporting achievements and awards

USSA Competitions

Bodybuilding

Students took part in the USSA Bodybuilding Competition held on 28 June – 1 July 2024 in Vanderbijlpark, Gauteng. The competition results for male and female MUT participants were as follows:



Lindelani Mazibuko, with one of the organisation's officials

Males

- **Lindelani Mazibuko** – wheelchair, won 1st place and best poser overall.
- **Aphelele Mncwabe** – bodybuilding under 80kg, won silver medal.
- **Nhlakanipho Calvin Shoba** – bodybuilding under 65kg, won bronze medal.

Females

- **Phumla Nene** – won gold and overall in this section.
- **Mbuso Ngcobo** – ladies under 164cm, won gold and overall.
- **Sandiso Mthembu** – ladies wellness over 166cm, won gold.

Boxing

MUT participated in the USSA boxing championships hosted by Walter Sisulu University at the Orient theatre in East London from the 1 - 4 December 2024. The MUT boxing team travelled to the tournament with an official delegation of 16, comprised of 9 athletes (7 male & 2 female), 1 head coach, 2 assistant coaches, 2 sport office staff, 1 sport union representative and 1 official. The good results and exceptional individual performances witnessed at the 2024 national USSA boxing championships are testament to the dedication and hard work put into the pre-tournament preparations by both the athletes and technical team. Results were as follows:

Table 21: MUT Boxing Results

Athlete	Category	Weight (KG)	Fights	Placement /achievement
Ngilosi Nkosi	Male	60	4	1 ST Gold
Thanduxolo Ngobese	Female	60	1	1 st Gold
Samkelo Duma	Male	57	4	2 nd Silver
Nduduzi Hadebe	Male	54	3	3 rd Bronze
Khanya Nyakombi	Male	57	2	3 rd Bronze

Launch of inaugural MUT Sport Cup

The inaugural MUT Sports Cup was launched in 2024 for purposes of encouraging mass student participation in sporting activities. The following three sport codes formed part of the inaugural sports event: football, netball and chess. Team registration was open from the 6 - 8 August 2024 and a total number of 35 football teams, 8 Netball teams and 25 individual Chess players registered for the tournament.

Netball results:

- 3rd place- Main Campus Residence
- 2nd place- Lonsdale Residence
- 1st place- Clarence Residence

Football results:

- 3rd place- Berea Court
- 2nd place- Corner House
- 1st place- Waterfront residence



Chess players contemplating their next moves



MUT MUT female soccer team captain, Wendy Madziba, right, tussling for the ball with a VUT player

Prizes

Chess prizes:

- 3rd place - Razaq Mavundla (Voucher worth R500 + bronze medal)
- 2nd place - Thobani Mkhwanazi (Voucher worth R750 + silver medal)
- 1st place - Simlindile Cele (Voucher worth R1,500 + gold medal + winners' trophy)

Netball prizes:

- 3rd place - (Voucher worth R500 + 15 bronze medals)
- 2nd place - (Voucher worth R1500 + 15 silver medals)
- 1st place - (Voucher worth R3000 + 15 gold medals + winners' trophy)

Football prizes:

- 3rd place- (Voucher worth R 1500 + 21 bronze medals)
- 2nd place- (Voucher worth R 7000 + 21 silver medals)
- 1st place- (Voucher worth R12500 + 21 gold medals + winners' trophy)

12.8.3. Student Governance activities and achievements

- The 2024 – 2025 SRC elections took place on 19 September 2024 at Seme Hall. The final results were announced on Monday 22 September 2024 and remained unchanged as all organizations and students were satisfied with the electoral process. The elections were declared free and fair, with SASCO winning the SRC elections at an organizational level.

- The SRC portfolio allocation was successfully conducted on 25 September 2024 in the Student Centre, with the new SRC president Mr Mhlengi Nkanyiso Ngubo, a postgraduate student doing an Advanced Diploma in Marketing, succeeding the outgoing SRC President, Mr Thobisa Dalasile. Two females were elected to the SRC Executive, i.e. Ms Sikholiwe Nokusa Khumalo as Deputy President and Ms Andiswa Mkhize as Treasurer General.
- The 2024 -2025 SRC was officially inaugurated on 1 October 2024 in the Student Centre foyer, with the Vice Chancellor and Principal, Professor Nokuthula Sibiya, members of Executive Management, and Senior Management in attendance.
- The newly elected SRC internal induction workshop took place on 7 – 8 October 2024 and 23 – 24 October 2024 at the Learning Commons in the Resource Centre, Library Building. The workshop introduced the newly elected SRC to various departments, units, and directorates within the University, with which the student leadership would be working closely. These included the Registrar's Office, Academic Administration, Library Services, Cooperative Education, Community Engagement and Development Directorate, Finance, Student Funding Office, Campus Health Services, Student Counselling, Sport and Recreation. The workshop enabled the SRC to raise matters of concern to students and to advocate on behalf of students for improvement in service delivery, infrastructure, resources, teaching and learning. The positive outcomes of the SRC Induction included a deeper understanding of University processes and systems, and the contribution that student leadership can make in implementing positive change to the University and the lives of students.
- The SRC Strategic Planning and Capacitation Workshop took place from 25 – 28 November 2024, where SRC Executive Members participated in crafting the 2025 SRC Plan of Action that would guide them towards making a meaningful impact in student lives, academic functioning, holistic development and well-being.

12.9. Composition and Size of the Student Body

The main features of the MUT student population in 2024 are reflected in the following graphs, including the total headcount; the distribution by gender and by major field of study; the success and graduation rates; and the access of students to funding by the National Student Financial Aid Scheme (NSFAS). In most cases, comparative data for the previous four years is also provided.

MUT's total student enrolment in 2024 was 14,638, which was 1,2% below the planned target of 14,814. This is the second time in the five-year period shown below that the University's actual enrolment was lower than the target; but the target was almost 1,300 enrolments higher than in 2022, following adjustments made to the Student Enrolment Plan for the period 2023-2025 to bring the targets closer to historical actuals. As can be seen in the graph below, the actual enrolments in previous years were significantly higher than the Enrolment Plan targets, ranging from an over-enrolment of 12,9% in 2020 to 6,7% in 2022. The 1.2% under-enrolment recorded in 2024 falls within the 2% deviation threshold permitted by the Department of Higher Education and Training (DHET) before financial penalties are applied. This outcome reflects effective enrolment planning and management for the year.

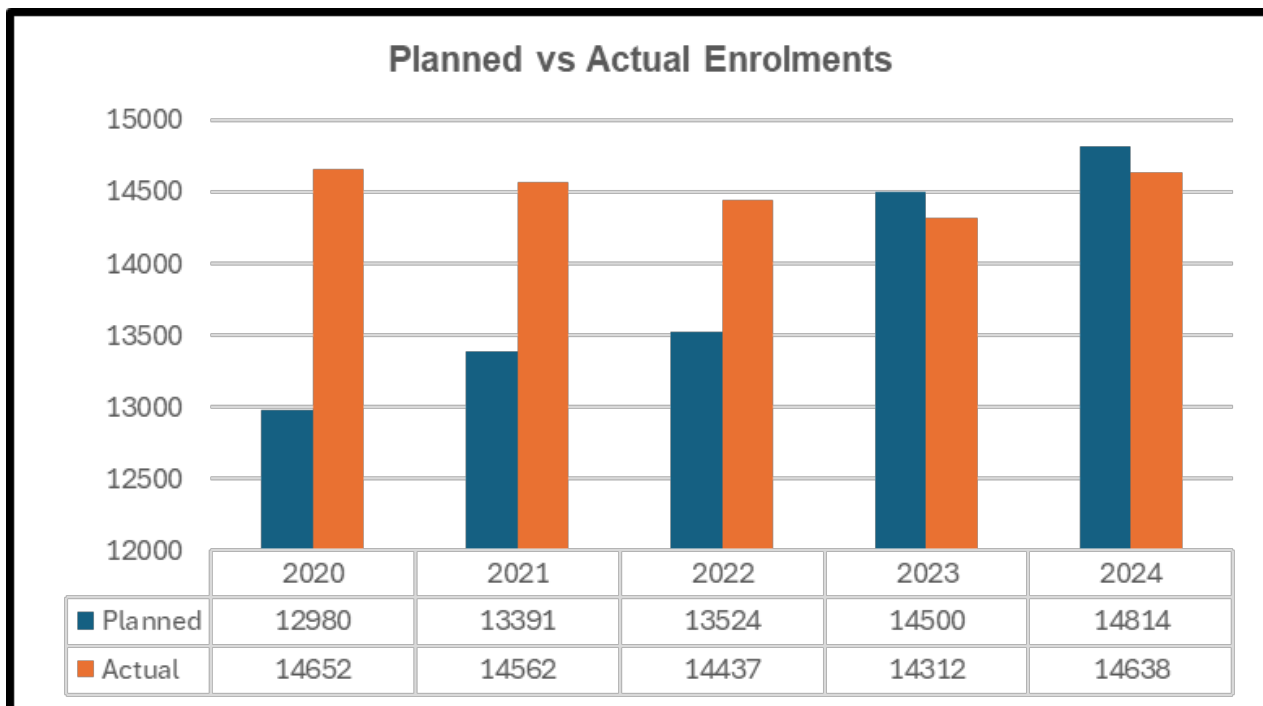


Figure 3: Headcount Enrolments: Planned vs Actual (2020-2024)

The gender profile of MUT students over the past five years shows a transition from an even distribution of males and females to an increasing majority of females. As can be seen in the following graph, the proportion of female students increased from 50% in 2021 to 54% in 2024, while the proportion of male students decreased from 50% to 46% in the same period.

In terms of population group, MUT's student body remains overwhelmingly African. The proportion of African Students was 99,77% in 2024, compared to 99,74% in 2023.

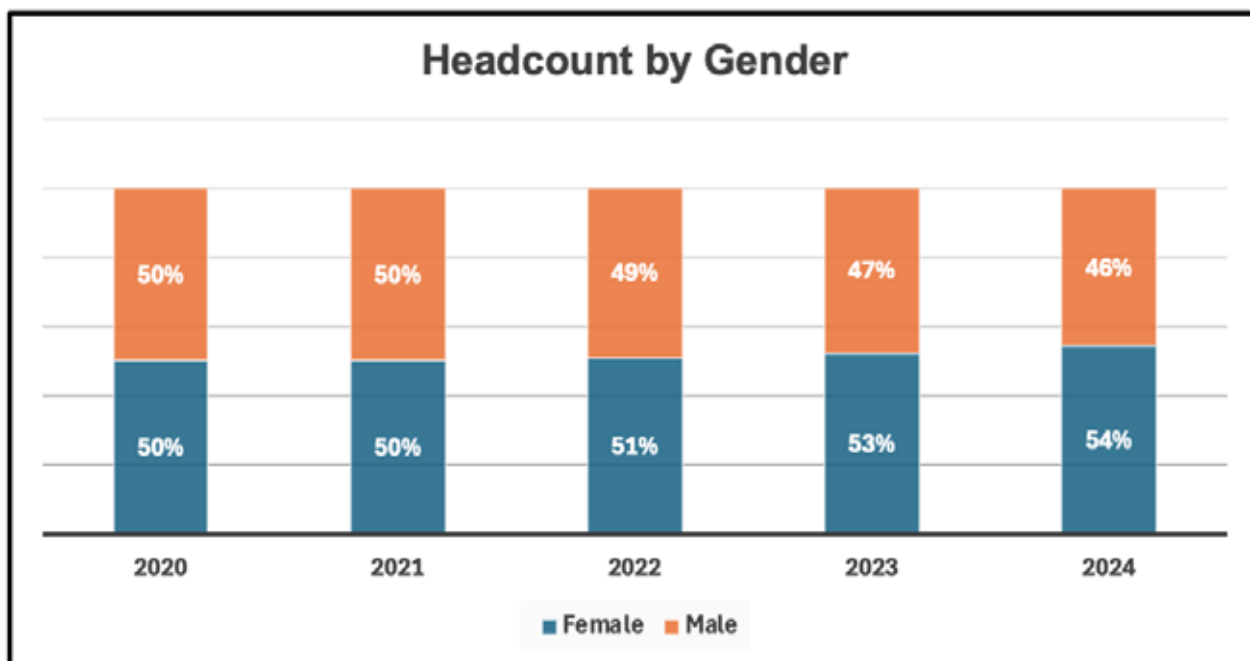


Figure 4: Headcount by Gender (2020-2024)

The graph below reflects the headcount enrolments by major field of study for 2024. Science,

Engineering, and Technology (SET) fields constituted 58% of the total enrolments, followed by Business and Commerce at 32%, and Other Humanities at 10%. The proportions were similar in 2023: SET was 59%, Business and Commerce was 32%, and Other Humanities was 9%.

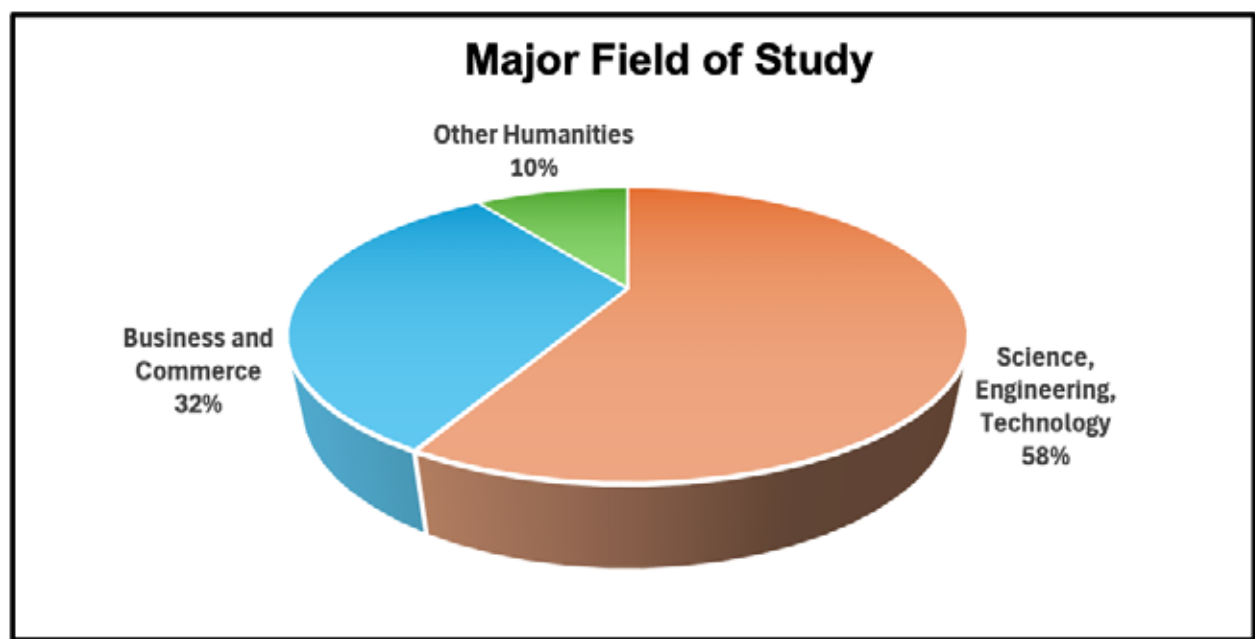


Figure 5: Headcounts by Major Field of Study in 2024

The University’s success rate reflects the proportion of subjects that students pass compared to the subjects for which they were enrolled. Figure 6 below reflects the actual versus planned success rates for the years 2020 to 2024. The high success rates of 86% and 84% were achieved during the Covid-19 years of 2020 and 2021. The 2024 success rate of 83% exceeded the planned rate by two percentage points.

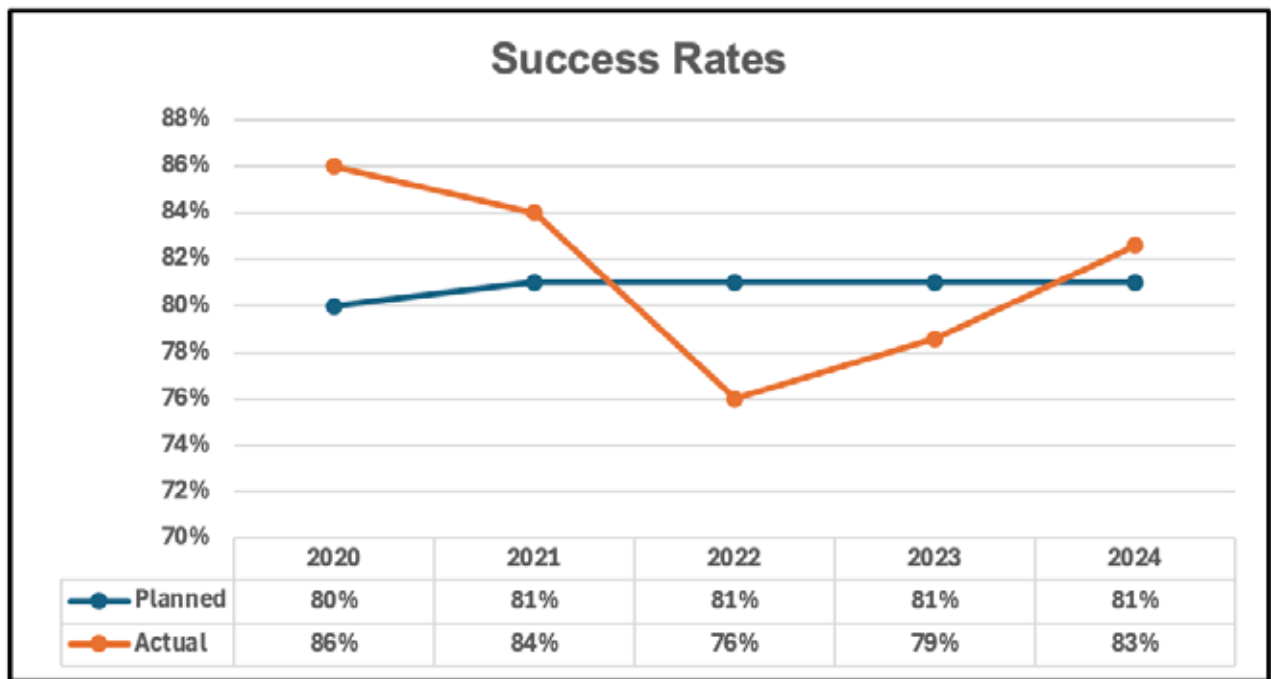


Figure 6: Success Rates, Planned vs Actual (2020-2024)

The graduation rate compares the number of students who graduate in a particular year to the total number of students enrolled. The 2024 graduation rate of 21% was consistent compared to the previous year (Figure 7), closely approximating the planned target of 23%.

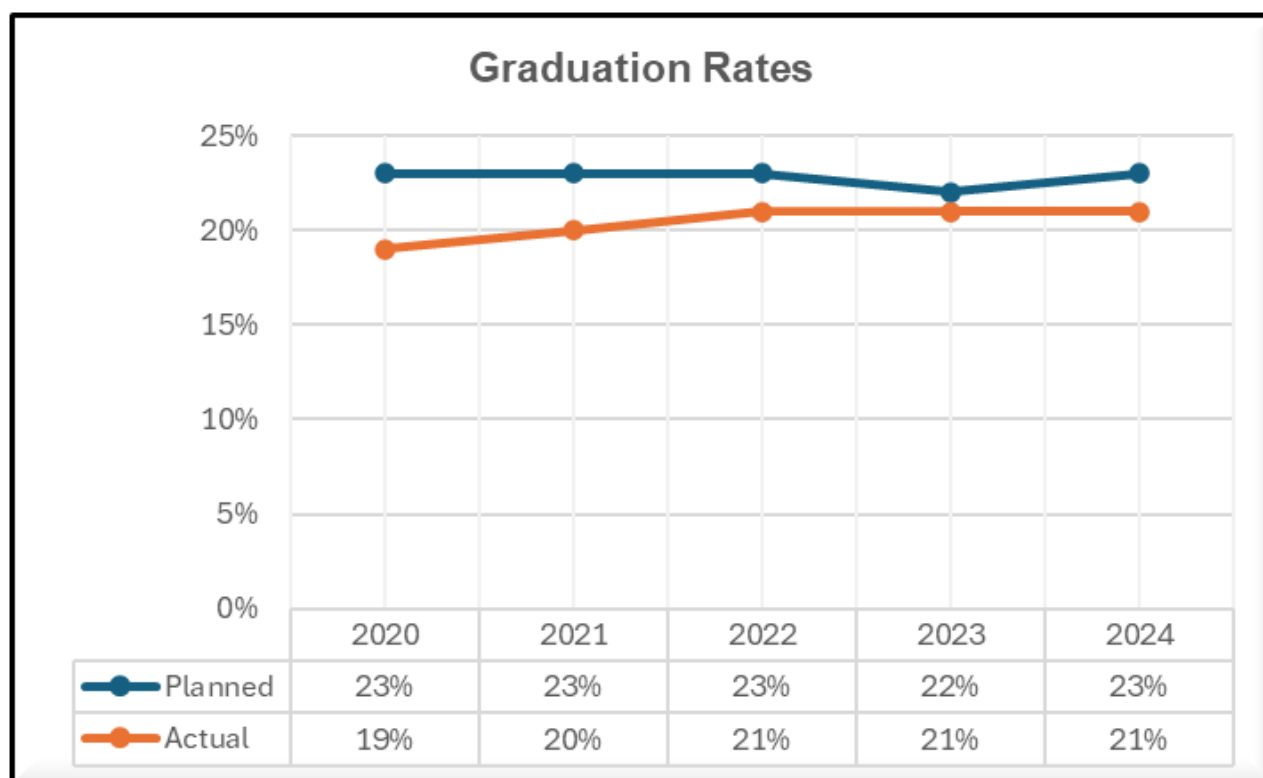


Figure 7: Graduation Rate, Planned vs Actual (2020-2024)

The proportion of students receiving funding from the National Student Financial Aid Scheme (NSFAS) in 2024 was 71%. As shown in Figure 8 below, this was an increase of six percentage points on the 65% in 2023.



In 2024, MUT had Open Day at Ndwedwe, northwest of KwaZulu-Natal

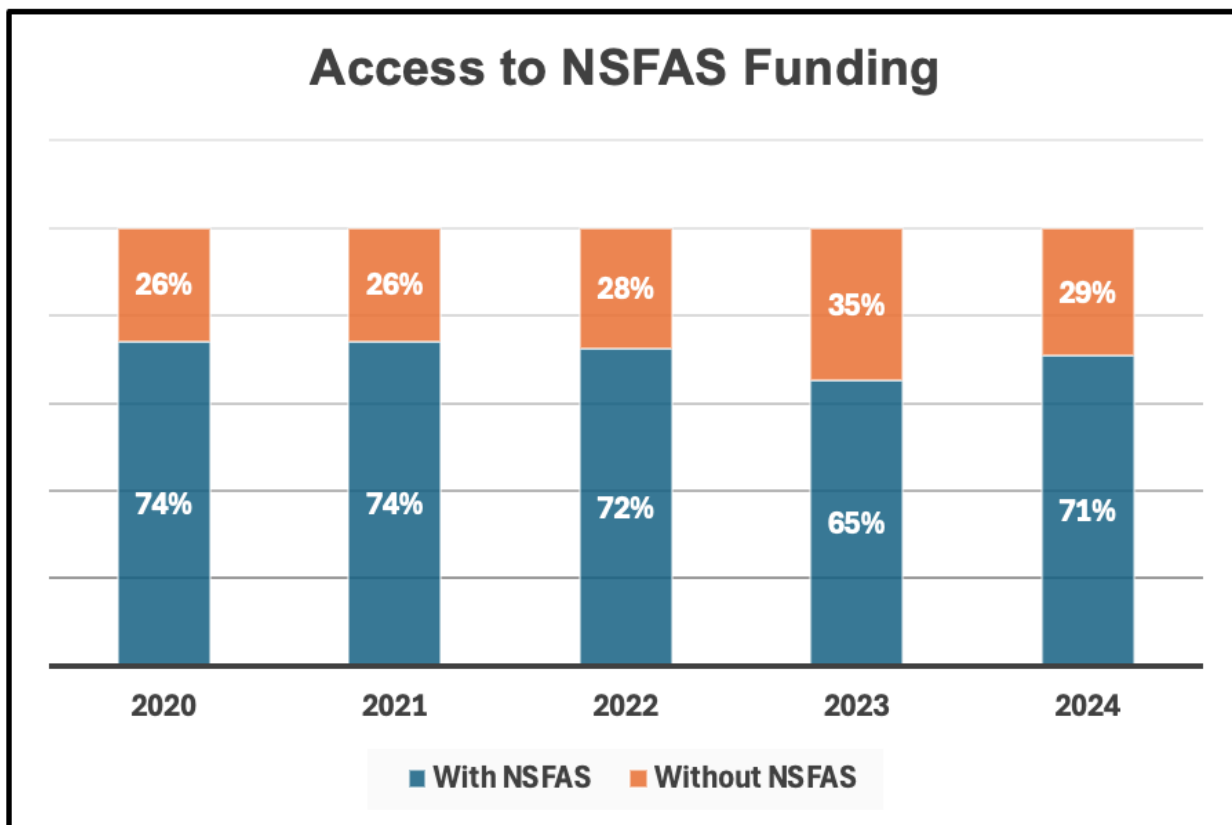


Figure 8: Student Access to NSFAS Funding (2020-2024)

Overall, the performance of MUT students in 2024 compares well with previous years. In terms of the composition of the student body, the actual enrolments in 2024 were closer to the target than in the previous four years, reflecting improved planning and outreach. While the recent shift in the gender profile, marked by a declining proportion of male students, remains a concern, the closer alignment of enrolments to target in 2024 is encouraging. MUT remains attentive to these dynamics and will continue to monitor and support inclusive growth in student representation.

MN Sibuya
 Professor Nokuthula Sibuya
 Vice-Chancellor & Principal
 Chairperson of Senate

12/09/2025

Date



I Lwazi Mthimkhulu

13. REPORT OF THE INSTITUTIONAL FORUM

The charter of the Institutional Forum (IF) states that its purpose is to promote the transformation agenda of the University by giving advice to Council. During 2024, the Forum provided advice to the Administrator.

The MUT Statute outlines the role of the IF as an advisory body on issues including, but not limited to, the following:

- The implementation of the Higher Education Act and the national policy on higher education.
- Transformation, which includes race and gender equity policies.
- The selection of candidates for senior management positions.
- Codes of conduct, mediation and dispute resolution procedures.
- The fostering of an institutional culture which promotes tolerance and respect for fundamental human rights, and creates an appropriate environment for teaching, research, learning and community outreach.
- The language policy of the University.

In terms of the provisions of the Higher Education Act and the MUT Statute, the IF consists of representatives from Management, Council, Senate, Convocation, academic employees, administrative and support employees, representative employee organisations, students, and an expert on transformation. During 2024, in the absence of Council, a member of the Administrator's technical team served on the IF.

The IF held four ordinary meetings and four special meetings in 2024. The composition of the IF and attendance of the meetings is reflected in Table 22 below.

Table 22: IF Composition and Attendance

Institutional Forum Attendance in 2024										
Name	Designation	15 March (Ordinary meeting)	24 May (Ordinary meeting)	13 June (Special meeting)	5 July (Special meeting)	25 July (Special meeting)	20 August (Special meeting)	30 August (Ordinary meeting)	22 November (Ordinary meeting)	%
Dr T. Kweyama (Chair)	Dean of Students	P	P	P	AP	P	AP	P	AP	63%
Dr C. Israel	Executive Director: Institutional Advancement	P	P	P	P	P	P	AP	P	88%
Dr J.M. Makua	DVC: T&L (Acting)	AP	P	AP	AP	P	P	P	AP	50%
Dr P.P. Masala	Registrar	AP	P	P	P	P	P	AP	P	75%
Ms M. Mokuele	Administrator's Technical Team	P	P	P	P	P	P	P	P	100%
Dr N. Mntwetyana	Deputy Registrar: Governance & Secretariat (Interim)	P	A	P	P	P	P	P	P	88%
Mr L.Z. Mthimkhulu	NEHAWU: Representative	A	A	P	P	A	P	P	P	63%
Dr P. Naidoo	Director: Student Counselling					P	P	P	P	100%
Mr L. Nzama	NEHAWU: Representative	P	P	P	P	P	P	P	P	100%
Dr B.A. Nshangase	Acting DVC: Teaching & Learning					P	P	P	AP	75%
Mr V. Phungula	SRC Health and Social Welfare Officer	P	P	P	P	P	A	A		71%
Dr K Ramsarghey	Dean: Management Sciences (Acting)	P	P	P	P	P	P	P	P	100%
Ms L. Zenzile	SRC Secretary General	P	P	P	P	P	A	A		71%
Mr T. Zwane	TENUSA: Representative	A	P	P	P	A	P	P	P	75%

P = Present | A = Absent | AP = Apology | = Not a member

The Institutional Forum (IF) serves as an advisory body promoting the University's transformation agenda, as outlined in the MUT Statute and the Higher Education Act. In 2024, the IF advised the Administrator in the absence of Council and included representatives from various university constituencies.

Key activities and recommendations during 2024 included:

- **Governance & Transformation:** Provided input on the Institutional Transformation Rollout Plan, Employment Equity Plan (2024–2028), and supported deferment pending leadership appointments.
- **Leadership Appointments:** Recommended appointments for senior management roles, including Acting DVCs, Deans, and the Vice-Chancellor and Principal.
- **Policy Oversight:** Reviewed and recommended policies on overtime compensation and campus operations.
- **Monitoring & Reporting:** Received quarterly updates on campus security, B-BBEE implementation, and employment equity.
- **Gender-Based Violence:** Raised concerns over reported incidents and requested detailed reports on institutional response and prevention measures.
- **External Engagement:** The IF Chairperson presented to the Parliamentary Portfolio Committee in August 2024.

The Forum continues to play a vital role in fostering an inclusive, accountable, and transformation-driven institutional culture.



Mr Lwazi Mthimkhulu
Interim Chairperson of the Institutional Forum

12/09/2025

Date

14. REPORT OF THE VICE-CHANCELLOR ON MANAGEMENT AND ADMINISTRATION

The 2024 academic year marked a pivotal period of stabilisation and strategic repositioning for Mangosuthu University of Technology (MUT). The leadership context of the year was shaped by the continued tenure of the DHET-appointed Administrator, whose mandate, extended to January 2025, focused on institutional turnaround and the development of a comprehensive Five-Year Development Plan to address findings from the Independent Assessors and the Council on Higher Education (CHE) audit reports.

The installation of the new Vice-Chancellor and Principal on 1 August 2024 signified a transition to renewed executive leadership, with emphasis on institutional accountability, academic integrity, and operational excellence. This leadership change coincided with ongoing implementation of the Development Plan, ensuring alignment between strategic vision and operational delivery.

Strategic Management and Administrative Leadership

Senior leadership appointments were prioritised to strengthen institutional capacity. A Deans were appointed to the Faculties of Management Sciences and Engineering, while recruitment for the Faculty of Applied and Health Sciences continued into 2025. A new Senior Director: Operations was appointed, effective January 2025, to fortify the university's administrative backbone.

Institutional Systems and Organisational Effectiveness

A major milestone was the transition to Blackboard Ultra, a modernised learning management system (LMS). Supported by 78 academic staff through workshops and individual coaching, the migration enabled advanced digital learning capabilities. A total of 129 academics were trained in digital pedagogy, and 66 venues were upgraded with audio-visual technology to support blended learning.



Professor Nokuthula Sibiya, Vice-Chancellor and Principal, second from left, with some distinguished guests



Operational efficiency was demonstrated by the Registrar's Division, which executed the admissions and examinations cycles without disruption. The Human Resources and Development (HR&D) Division completed an external SABPP audit and initiated a Quality Improvement Plan (QIP) aligned with institutional compliance imperatives.

Human Capital Management and Transformation

The institution made targeted progress on staffing equity and capacity. While notable appointments were made, particularly in the Deanships, critical vacancies remain. The HR&D strategic planning session identified internal process improvements, and transformation targets remain an area of active focus.

Institutional Risk Management

Risks associated with infrastructure, load-shedding, and space constraints were proactively managed through scheduling, temporary venue arrangements, and planned maintenance. These interventions were aligned with the risk register and supported institutional continuity.

Institutional Information Systems and Planning Integration

The Directorate of Institutional Planning and Research (DIPR) advanced its leadership in institutional effectiveness by initiating development of the 2026–2030 Strategy and Strategic Plan through a consultative process. In parallel, data system automation initiatives were launched to reduce manual data handling and improve the efficiency, accuracy, and timeliness of decision-support reporting. These efforts include automated data extraction from core systems, digitisation of planning templates, and validation tools to support evidence-informed planning. Cross-system integration initiatives also commenced, aimed at linking platforms such as ITS, CELCAT, and reporting dashboards to streamline institutional data flows.

Student Support and Service Delivery

The Teaching and Learning Development Centre (TLDC) reached over 6,448 students with various academic support services. First-Year Experience (FYE) support reached 90.4% of first-time entering students (FTENS). More than 500 students completed Digital Literacy Workshops. These interventions reflected MUT's sustained commitment to equitable access and student success.

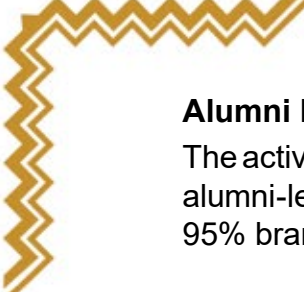
Governance and Accommodation

A governance-led review resulted in the termination of irregular off-campus student housing contracts. The NSFAS (National Student Financial Aid Scheme) piloted a student accommodation project in 2024 to improve the provision of accommodation for students at public universities and TVET colleges in South Africa. MUT's exclusion from the NSFAS pilot due to national constraints prompted the university to begin a new internal process to secure compliant accommodation solutions for 2025.

External Relations and Enterprise Development

MUT's stakeholder engagement increased significantly, marked by the successful Annual Fundraising Dinner (AFRD) in November 2024. The event introduced the new Vice-Chancellor, honoured the late Princess Angela Buthelezi, and secured 25 pledges, including a R100,000 donation from the Chancellor.

Enterprise development expanded through confirmed consultancies and the development of six short courses.



Alumni Engagement and Media Visibility

The activation of the “Donate Now” feature and collaboration with MUTFSCO enabled multiple alumni-led initiatives. MUT’s media reach grew significantly, with an AVE of R8 million and a 95% brand advocacy rating—despite an annual media budget of under R200,000.

Academic Enterprise and Library Services

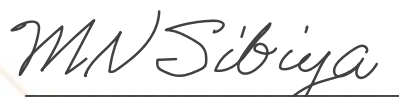
A strategic renaming of the Faculty of Natural Sciences to the Faculty of Applied and Health Sciences enhanced alignment with national development priorities. The Advanced Diploma in Mechanical Engineering received provisional accreditation. The Library conducted 34 Turnitin workshops across faculties to support academic integrity.

Executive Development and Institutional Culture

The year concluded with a three-day Executive Leadership Programme led by Prof Ihron Rensburg. The programme aimed to align personal leadership purpose with institutional strategy, reinforcing collective accountability at the executive level.

Self-Assessment by the Vice-Chancellor

MUT has made significant strides in stabilising governance, strengthening institutional systems, and rebuilding stakeholder trust. Foundational reforms in leadership, teaching and learning, infrastructure, and student support have positioned the institution on a positive trajectory. Continued implementation of the Development Plan and finalisation of the new Strategic Framework will further strengthen institutional resilience and responsiveness.



Professor Nokuthula Sibiyi
Vice-Chancellor & Principal

12/09/2025

Date

15. REPORT ON INTERNAL ADMINISTRATIVE AND OPERATIONAL STRUCTURES AND CONTROLS

MUT maintains a system of internal controls over financial reporting and the safeguarding of assets against the unauthorised acquisition, use or disposal of such assets. Such controls are designed to provide reasonable assurance to MUT and the Administrator regarding an operational environment that promotes the safeguarding of MUT's assets and the preparation and communication of reliable financial and other information.

The University relies on enterprise resource planning (ERP) software to manage its information resources, namely staff, student, space and financial data. Information management systems have been developed and implemented according to defined and documented standards, including HEMIS protocols. Accepted standards are applied to protect privacy and to ensure control over all data, including disaster recovery and backup procedures. Password controls are strictly maintained, with users required to change passwords regularly. There are monthly reviews to ensure that there are no clashes in user access rights and that the basic internal control concept of division of duties is maintained.

Internal Auditors assessed the operation of internal control systems and reported findings and recommendations to the EMC and ARCWG. Corrective actions were taken to address control deficiencies, and other opportunities for improving systems are adopted when identified. The audit log was maintained to assess progress on the implementation of management action plans in terms of addressing both internal and external audit findings raised previously.

The University prepares its annual financial statements internally using specialized software. The financial statements are prepared by the Budget and Reporting Accountant, with the assistance of the Director: Finance, and under the supervision of the CFO. The draft annual financial statements are subject to an independent review by the Internal Audit, Risk and Compliance directorate, and then submitted to the External Auditors for audit. The statements were submitted to the Administrator's Working Group on Finance and Investment for approval.



Professor Nokuthula Sibiyi
Vice-Chancellor & Principal

12/09/2025

Date



Dr Mosidi Makgae
Chairperson of Council

12/09/2025

Date

16. REPORT ON TRANSFORMATION

16.1. Background and Initiatives

The University is actively engaged in cultivating relationships with strategic stakeholders, both locally and globally. Significant accomplishments in this endeavour include reciprocal visits by esteemed leaders and scholars, participation of University staff in international conferences, and the orchestration of global conferences and webinars. To formalize its collaborative efforts, the University has entered several Memoranda of Understanding (MoUs) with various institutions, thereby reinforcing its partnerships with international entities.

A noteworthy outcome of the University's international collaborations was the successful hosting of the Energy-Water-Food-Climate Nexus Summit in Durban, marking the inaugural occasion that this Summit was convened on the African continent. The event attracted delegates from the South African government, the United States, Europe, the private sector, state-owned enterprises, African delegations, researchers from across South Africa and high school students from Umlazi Township. Discussions centred around the ramifications of the ever-evolving climate. The University negotiated a co-hosting agreement for the Summit with Florida Agriculture and Mechanical University earlier in the year during an official delegation's visit to the United States, further enhancing its international cooperative framework.

Historic appointment and gender equality initiatives:

The appointment of Professor Nokuthula Sibiya as the first female Vice-Chancellor and Principal of the Mangosuthu University of Technology represents a pivotal advancement in the quest for gender equality within the institution. The installation ceremony was attended by a diverse representation of stakeholders, including government officials, international partners, members of the Zulu Royal House, leaders from national universities, educators, faculty and staff of MUT, student representatives, MUT Convocation members, and Professor Sibiya's family.



| In 2024, MUT hosted the Energy-Water-Food-Climate Nexus Summit in Durban

Wellness and Gender Empowerment Initiatives

The Annual Wellness Day event provided a platform for activities aimed at fostering a healthier work-life and study-life balance, thereby enhancing the emotional, mental, and physical well-being of both staff and students. A key initiative of this programme was a three-day boot camp held in September 2024, which equipped 50 female learners from Vumengazi (eNgonyameni) Tribal Authority schools with crucial digital skills, serving to bridge the digital gender divide prevalent in rural communities.

Gender Forum and Women's Day Celebration

The establishment of the MUT Gender Forum, along with the subsequent allocation of portfolios for its Executive Committee, serves as a foundational mechanism for guiding gender relations within the institution. This Forum was created to address prevailing misconceptions and stereotypes surrounding gender and sexual orientation, thereby promoting gender equity and inclusion while ensuring the adoption of gender-sensitive organisational culture and practices. The Women's Day event, themed "Invest in Women: Accelerate Progress," served as a celebration of the contributions of female staff at MUT. During this event, the Vice-Chancellor reaffirmed her commitment to fostering a gender-balanced leadership structure at the university.

Teaching with Technology Summit

On April 24-25, 2024, the Teaching and Learning Development Centre (TLDC) hosted a 'Teaching with Technology' summit centred around the theme 'The Responsiveness of Higher Education to Artificial Intelligence: Impact and Consequences'. The summit was attended by a total number of 117 MUT academics. The summit featured discussions on various sub-themes, offering insights into how teaching and learning practices can benefit from the adoption of AI technologies. Notably, out of the 25 papers presented, 15 were contributed by MUT staff, underscoring their active engagement in the Scholarship of Teaching and Learning. In addition to paper presentations, staff participated in workshops designed to provide hands-on experience in utilising AI technologies effectively.

Focus Conference

The 11th Focus Conference was held in Durban from August 14-16, 2024, under the theme "Three Decades of Democracy: Reflecting on Higher Education Achievements, Challenges, Impact, and the Future," and brought together a diverse group of delegates, scholars, and institutions. The conference aimed to reflect on South Africa's higher education progress since the advent of democracy and addressed key challenges facing the sector. The Focus Conference has grown from a small colloquium into a national platform for critical discussions on teaching, learning, curriculum development, and higher education policy.

Throughout the event, 41 presentations were made, covering various sub-themes, including decolonisation, higher education governance, and pedagogical paradigms. The presentations ranged from conceptual frameworks to empirical studies, offering a broad examination of the intersections between education, democracy, and technology. The conference provided a platform for multiple institutions, with contributions from more than 20 South African higher education institutions, resulting in an attendance of more than 150 delegates.

The conference featured a blend of plenary sessions, workshops, and individual presentations, focusing on issues such as academic governance, multilingual policies, and innovations in teaching and learning. Additionally, pre-conference workshops on integrating entrepreneurship education and leadership in higher education were well attended, offering



practical insights into enhancing higher education practices. Atlantis Press published the conference proceedings.

Implementation of Language Policy

MUT has made significant progress in addressing its language-related challenges and aligning with national goals around linguistic diversity and inclusion. The initiatives implemented in 2024 have laid a solid foundation for a more inclusive and multilingual educational environment. Although challenges remain, the institution is committed to refining its strategies to ensure that all students have equal opportunities to succeed, irrespective of their linguistic background. With continued support and investment, the institution is well-positioned to contribute further to South Africa's vision of promoting multilingualism and fostering inclusivity, social integration and social cohesion in higher education.

Language Awareness events

- Advocacy campaigns and the promotion of bilingualism focusing on linguistic and cultural diversity, social cohesion and social integration addressed, institution wide.
- Language Working Group members and language ambassadors have participated and assisted in the following events:
- Africa Day: 23 May 2024
- South African Sign Language (SASL) workshop: 30 August 2024
- International Translation Day: 30 September 2024
- Bilingual and multilingual workshops: 7 – 11 October 2024
- Launch of the Language Dev Project Plan: 31 October 2024

Leveraging Scientific Research for sustainable solutions in Water, Food, Climate, and Energy

From July 1 to July 4, 2024, MUT hosted in partnership with Florida Agricultural and Mechanical University (FAMU), the Energy-Water-Food-Climate Nexus Summit (EWFC). This prominent event positioned the institution as a key participant within the global sustainability discourse. This international summit convened diverse stakeholders, including government officials, researchers, academics, representatives from philanthropic foundations, and innovators, to collaboratively address the interrelated challenges posed by the nexus of water, energy, food, and climate.

The summit's significance is rooted in its systems-based approach to sustainability, which aligns with MUT's commitment to developing integrated and forward-thinking solutions to contemporary challenges. Notably, the event featured the participation of 200 local high school learners in the Why Hack competition, where these students presented innovative concepts and novel perspectives on sustainability issues. This involvement highlights MUT's dedication to fostering the next generation of climate leaders and underscores the importance of education as a catalyst for meaningful climate action. By engaging young people in discussions and initiatives surrounding sustainability, the University plays a pivotal role in cultivating future changemakers, thereby reinforcing the essential intersection of education and environmental stewardship.

Advancing environmental sustainability through digital transformation at MUT

MUT has undertaken significant measures to promote environmental sustainability by drastically reducing the production of printed magazines and newsletters. The institution has transitioned to digital platforms to disseminate its publications to minimise paper consumption and decrease its carbon footprint. This strategic shift has limited printed copies

to fewer than 5,000 while enabling online access that garners over 100,000 views.

By prioritising digital distribution over physical copies, MUT conserves natural resources and adopts more efficient and cost-effective communication methods aligned with eco-friendly practices. Furthermore, the University actively monitors its digital publications' online reach and engagement. This approach facilitates enhanced analytics, broader accessibility, and a further reduction in environmental impact. These efforts underscore MUT's steadfast commitment to sustainable operational practices within the educational landscape.

Enhancing student well-being through sustainable partnerships

As part of its ongoing commitment to student well-being and social sustainability, the University continues to benefit from its partnership with Gift of the Givers, a prominent humanitarian aid agency in South Africa with a global presence. This partnership has been instrumental in sustaining the Food Pantry initiative established in 2022, which critically supports students facing food insecurity.

The initiative delivers monthly food parcels to 500 indigent students through this vital collaboration, ensuring consistent access to nutritious meals. By addressing food insecurity with the aid of Gift of the Givers, the University not only alleviates the immediate nutritional needs of its students but also reduces its operational and financial burdens related to emergency food provision. This symbiotic relationship allows the academic institution to concentrate on its core educational mission while enhancing its social impact through meaningful community partnerships. The Food Pantry initiative reflects a holistic approach to student support, reinforcing the University's dedication to fostering an inclusive and supportive learning environment. By emphasising sustainability and collaboration, the University effectively demonstrates its commitment to student welfare and the broader community.



! The faculty of Engineering is one of the leaders in the profession



Strengthening global collaboration through Research and Innovation (Aligned SDGs: Goal 4, Quality Education; Goal 9, Industry, Innovation and Infrastructure; Goal 13, Climate Action; Goal 17, Partnerships for the Goals)

In 2024, MUT actively engaged in the South African Swedish University Forum (SASUF) Research and Innovation Week held in Sweden, illustrating the University's commitment to enhancing its global presence. A delegation comprising nine scholars—established and emerging researchers—represented MUT across diverse programme segments, including satellite workshops, poster sessions, sustainability forums, and the SASUF Coordinators' Forum. This impactful engagement reaffirmed MUT's dedication to the Sustainable Development Goals (SDGs), particularly those focusing on promoting quality education, innovation, and the establishment of meaningful international partnerships.

The Vice-Chancellor and Principal, Professor Nokuthula Sibiyi, co-led a comprehensive hybrid satellite workshop that necessitated two days of rigorous preparation to craft a cohesive presentation. This experience highlighted her commitment to advancing research leadership as an academic leader and a collaborative member of the research community.

Dr Awonke Mbangi, a Senior Lecturer in Agriculture, demonstrated MUT's resilience and commitment to advancing global research by co-hosting a workshop addressing the remediation of contaminated soils in collaboration with partner universities from South Africa and Sweden. His extensive travel for collaborative efforts at the Nordic Africa Institute in Uppsala underscored his commitment to the issues of land degradation and sustainable agriculture, which directly support SDG 15 (Life on Land) and SDG 13 (Climate Action).

The Marketing and Communications team, represented by Ms Mbali Mkhize and Ms Zama Sishi, made noteworthy contributions by presenting at a workshop focused on the sustainability of education and international student mobility. Collaborating with the Cape Peninsula University of Technology and Karlstad University, their work investigated resilient systems to support academic mobility amidst global disruptions such as pandemics, furthering the objectives of SDG 4 (Quality Education) and SDG 17 (Partnerships for the Goals).

Additional efforts to advance our sustainability agenda were manifested through a collaborative workshop led by Ms Kavita Behara (Electrical Engineering), Dr Thobeka Makhathini (Chemical Engineering), and Professor Nokuthula Sibiyi. The workshop addressed the critical issue of electronic waste and its implications for human health and the environment. This line of research aligns with SDG 12 (Responsible Consumption and Production) and SDG 3 (Good Health and Well-being), and our team's poster presentations received academic recognition from adjudicators for their excellence.

These initiatives embody MUT's unwavering commitment to the Sustainable Development Goals.

16.2. Employment Equity

The Employment Equity plan that was approved by Council for the period January 2022 to August 2023 has run its course and was extended until 31 August 2024. MUT acknowledges that it is beneficial to the University to have a broad-based workforce and an inclusive working environment. In accordance with the Employment Equity Act, the University acknowledges and respects the legislative imperative of addressing the legacy of apartheid. Within each organizational structure, transformation and change management ought to be intertwined with employment equity in order to bring about a workplace that is diverse and representative.

The Employment Equity Amendment Act 2022 received the President's signature on 6 April 2023, but the amendments have not yet been put into effect. They will be effected on a date that will be determined by the President through a proclamation in the Government Gazette. However, this will not have any impact on the University as it will continue to use the EAPs (Economic Active Population) to determine its targets.

The significance of transformation in terms of demographics is evident, which is why MUT is doing everything in its power to accurately reflect the racial, gender, and disability profile of the people in the country. The goal of the employment equity plan is to arrive at a more equitable and diverse staff composition at MUT. Despite the fact that there are challenges and difficulties, the University is embracing the challenges and working hard to achieve a more equitable staff composition as the University.

Table 23 below summarises the University's success in meeting its employment equity targets.

Table 23: University Employment Equity Targets

University Employment Equity Targets					
Population Group	Gender	EAP 2022	Filled Posts	EE Target	Employees Required
African	Male	43,50%	291	326,74	-35,74
	Female	44,00%	324	300,40	23,60
Coloured	Male	0,70%	3	5,26	-2,26
	Female	0,40%	4	3,00	1,00
Indian	Male	4,50%	31	33,85	-2,85
	Female	2,80%	19	21,03	-2,03
White	Male	2,20%	5	16,52	-11,52
	Female	1,90%	8	14,26	-6,26
TOTAL			685	721	-36

EAP: Economically Active Population. The 2022 EAP figures from the Labour Force Survey were published in 2023.

The figures in the negative represent a deficit in terms of employees required. The University has committed itself through the EE Plan to ensuring that its targets are clearly indicated on advertisements for posts so as to attract and recruit the relevant race and gender, particularly other races as MUT is dominated by African Males and Females. There is still a shortage of women in higher-level positions and people living with disability.

The University continues to work towards achieving employment equity targets and to ensure that the designated groups are given employment opportunities first. However, there has been slow progress in terms of achieving the provincial and national targets. This is not a challenge unique to MUT but is evident elsewhere as indicated in the new EE Bill and associated regulations.

The numbers for the year under review have been low as a result of financial constraints. Priority was given to the number of positions that needed to be filled, which is what is used for setting targets.

MUT's workforce profile, in terms occupational levels, gender and race as at 31 December 2024, is shown in Table 24 below.

Table 24: Workforce Profile by Occupational Level

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2	0	1	0	1	0	1	0	0	0	5
Senior management	1	1	1	1	3	0	1	0	0	0	8
Professionally qualified and experienced specialists and mid-management	37	0	13	2	25	1	3	3	14	1	99
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	159	2	15	1	175	2	14	4	6	2	381
Semi-skilled and discretionary decision making	42	0	0	0	29	0	1	0	0	0	72
Unskilled and defined decision making	8	0	0	0	10	0	0	0	0	0	18
TOTAL PERMANENT	249	4	30	4	243	3	20	7	20	3	583
Temporary employees	63	1	2	5	49	1	0	0	15	1	139
GRAND TOTAL	314	5	32	9	292	4	20	7	35	4	722

16.3. Staff Development and Capacity Building

Employees are a key determinant of an organisation's success and maintaining a well-trained and well-qualified workforce is a critical function of both employees and managers. Skills development supports transformation, the University's goals, and professional and personal development and advancement. Employee training and development is a continuous effort of the University to boost the performance of its employees.

Staff development presents an opportunity to instil the needed skills for the employees and in doing so the University is able to bridge any gaps and weak links. Employees who receive training from time to time are in a better position to improve their work productivity.

MN Sibiyi

Professor Nokuthula Sibiyi
Vice-Chancellor & Principal

12/09/2025

Date

Makg

Dr Mosidi Makgae
Chairperson of Council

12/09/2025

Date



MUT
MANGOSUTHU
UNIVERSITY OF TECHNOLOGY

17. REPORT OF THE CFO AND THE FINANCE AND INVESTMENT WORKING GROUP

MUT is committed to sound financial governance in accordance with King IV Principle 4 principles, to ensure that the budgeting process, performance management, and consideration of sustainability issues are handled in a manner which supports the institution's strategic objectives.

MUT continues to navigate through difficult times with a view to addressing various challenges, including capacitating the Finance Department to achieve improved efficiency, effectiveness, and compliance in all respects.

The University remains steadfast in prioritising financial sustainability. The turn-around strategy finalised in 2023, is currently being implemented on a phased approach, and it will require some fundamental changes in business processes and practices in order to yield the desired results. Central to the strategy was crafting of a development plan to address changes in the academic project, review of governance processes, embracing technology, financial sustainability, etc.

MUT still experiences significant challenges in respect of Supply Chain Management (SCM), and part of the problem being that the department continues to operate with a structure that is not fit for purpose. This makes it extremely difficult to make impactful improvements and achieve overall efficiency and effectiveness. Consequently, the full capacitation of the SCM unit remains critical in the overall progress and development of the University. This matter is receiving immediate attention, and Council will be reviewing the new structure in order to ensure that this matter is addressed.

Table 25: Irregular Expenditure

The Administrator instituted investigations, and the report which came out in August 2023 revealed serious shortcomings, especially in the area of procurement. One of the findings was that there was either none or no credible procurement process in sourcing student accommodation, printing services, transport, and security. Though the investigation had focused on the 2022 financial year end, given the short-term nature of the contracts, 2023 and 2024 financial years were impacted. The Council is in the process of reviewing several policies, and the SCM one is amongst those which will be prioritized, and will be benchmarked against the PFMA and other National Treasury's prescripts.

The overall figure amount for irregular expenditure for 2024 is R384mil (2023: R412mil).

17.1. Budgeting Process

The budget supports the implementation of plans aimed at achieving the objectives of MUT's Annual Performance Plan. The budget for 2024 was a balanced budget in line with the historical trends.

The Budget Committee is responsible for overseeing the budget and recommended it to the FIWG, which in turn recommended it to the Administrator for approval.

The budgeting process followed a detailed budget guideline document on an annual basis in order to assist the budget holders in the budget-setting process. The 2024 budget was approved by the Administrator at the beginning of 2024.

17.2. Financial Aid

The majority of students at MUT rely on financial aid in order to fund their studies. As shown below, a large portion of fees are funded from the National Student Financial Aid Scheme

(NSFAS), plus a small proportion of bursaries or scholarships from independent donors, with the balance made up of privately funded (cash paying) students.

Figure 7: 2024 student funding by category.

The following graph illustrates the funding category per student number for the 2024 academic year:

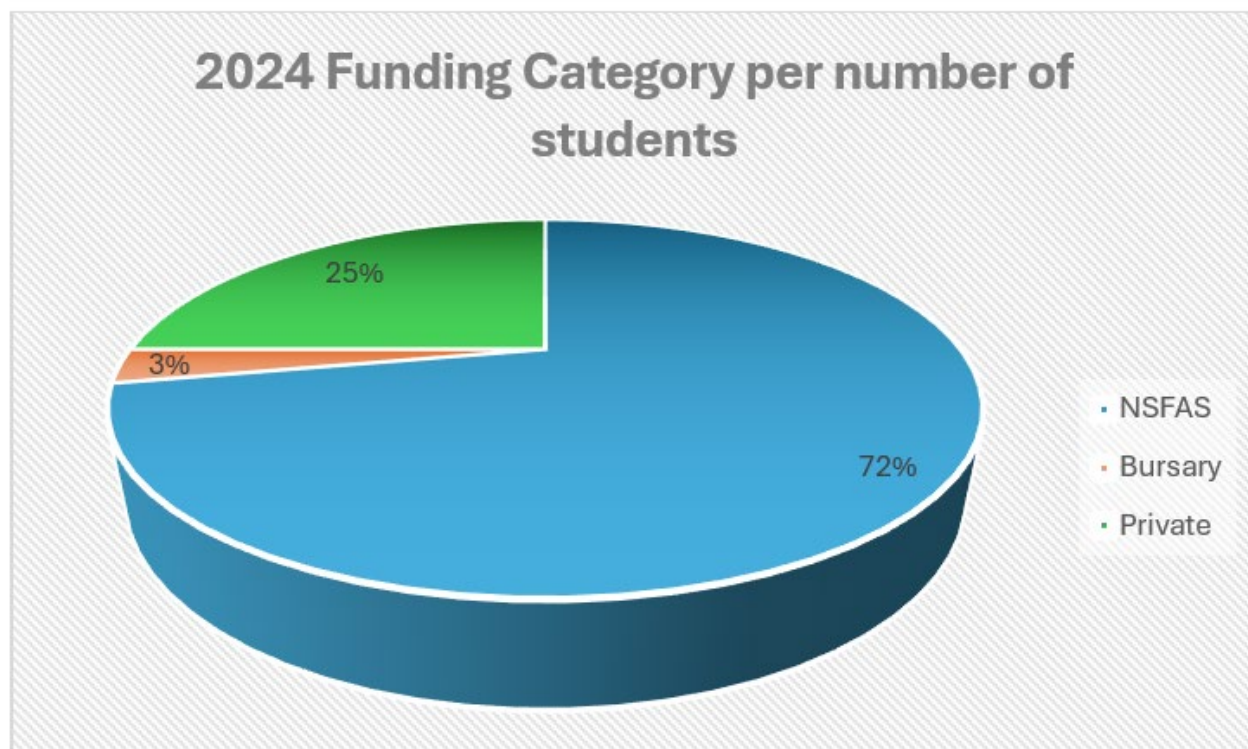


Figure 9: 2024 Student Funding by Category

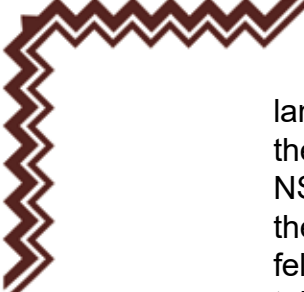
17.2.1. NSFAS

The number of NSFAS-funded students as of 31 December 2024 was 10635 (2023:9738) representing an increase of 9%. The number of students funded does fluctuate during the year as students are added onto the funded report when new applicants are funded or when appeals are approved by NSFAS.

The total funded amount for 2024 was R925m (2023: R720m). Our records indicate that as of 31 December 2024 NSFAS owes the University an amount of R210m (2023: R251m).

The amounts reflected are subject to confirmation by NSFAS through their Close-Out Project. The project was initiated in previous years, commencing with the period 2017 to 2020. Due to the complexities involved, the project has been extended to include the 2021 and 2022 academic years. NSFAS outsourced this project three times, which meant changes in the external project teams and delays in the finalization of the project.

A material matter that this new Council is now confronted with emanates from the investigation referred to under irregular expenditure above, as commissioned by the Administrator (the Administrator's term ended in January 2025). The findings also revealed that NSFAS was claiming more than it should from NSFAS, in respect of student accommodation. Transport costs are generally included in the charge by the



landlord, however MUT and some universities provide transport, and as a consequence they deduct the cost from the NSFAS funding. When the investigation was conducted, NSFAS's response was that this is not permitted. In recent engagement with NSFAS their communication seems to suggest that both models are acceptable. The auditors felt that the communication was not clear enough, and for that reason they have taken the view that there is uncertainty, and it is also material.

This is a matter that will properly be resolved only after providing NSFAS with the full context and numbers. The University was not in a position to provide comprehensive and credible enough to allay the fears of the auditors. It did not assist that there is also no way of knowing how far back the investigation should go, especially in the context that the reconciliations between NSFAS and the universities start from the time when free education was introduced in 2017. NSFAS will advise as to how far back the analysis should go. What is also very clear is that had a clear-cut initial indication (the subsequent communication is not considered to be clear cut) been provided by NSFAS to the effect that transport costs cannot be claimed been acted upon from a financial adjustments point of view, the adjustments would have formed part of the 2023 AFS, and any arrangements of possible repayments would have been concluded before the new Council came on board.

17.2.2. Bursaries and Scholarships

The University has a cohort of students who are funded by various organizations, government, and private institutions. The funding is staggered over the year with some organizations providing support and making commitments over various periods of the year, especially the SETAs who provide funding to students.

Bursaries and scholarships amounted to R23m (2023: R26m) and funded 421 students (2023:476) students, this translates to a decrease of 11% in funds received.

The Financial Aid Office performs an administrative function in respect of bursaries and scholarships, and although it does not actively source bursaries and scholarships for students, it does respond to funding proposals from potential funders.

17.3. Financial Highlights: Income and Expenditure

17.3.1 Income

The Statement of Profit and Loss and Other Comprehensive Income distinguishes between Council-Controlled funds, earmarked funds, and student and staff accommodation.

Total income increased from R1.338 billion in 2023 to R1.376 billion in 2024, representing an increase of R38m (3%).

Council-Controlled income increased from R818m in 2023 to R860m in 2024, an increase of R42m (5%).

Government subsidies and grants increased from R480m in 2023 to R539m in 2024, representing an increase of R59m (12%).

Tuition and other fee income increased from R303m in 2023 to R329m in 2024, an increase of R26m (9%). The tuition fee increment for the 2024 year was 4,5% (2023: 5%), which was in accordance with the fee compact issued by the Minister of Higher Education, Science and Technology.

Income from student residence fees decreased from R504m in 2023 to R453m in 2024, which represents a decrease of R51m (10%). The increment in University

residence fees was 6,5% (2023: 7%) which was in accordance with the fee compact issued by the Minister of Higher Education, Science and Technology. The residence fee for external residences was decreased by 9% to be within the maximum NSFAS capping applicable to student accommodation.

Third stream income include donation received of about R 85 000 (2023: R 936 000), short courses income of R54 000 (2023: R30 000); TSC Project income of R133 000 (2023: R22 000), and Venue Hire & Conferencing income of R 1.091m (2023: R 586 000).

17.3.2. Expenditure

The total expenditure for the 2024 year amounted to R1.305 billion, which is a decrease of R158m (11%) on the 2023 amount of R1.464 billion.

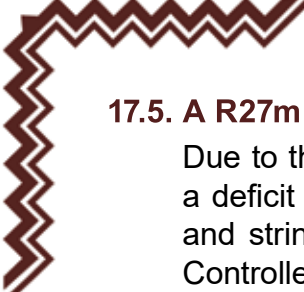
Council-Controlled unrestricted expenditure amounted to R890m in 2024 compared to R1.046 billion in 2023, which is decrease of R156m (15%).

Personnel costs amounted to R544m compared to R526m in 2023, which is an increase of R18m (3%). The approved salary increment for the year was 3% (2023: 4.25%). The ratio of personnel costs to unrestricted income is 63% (2023: 64%).

17.4. Other Operating Expenses

Other operating expenses amounted to R664m, which is an increase of R31m (5%) on the 2023 expenses of R633m. Operating expenses include items such as travel, conference and workshop, cleaning, security, assessment rates and municipal charges, etc. There was a prior year adjustment made in the 2024 year as a result of fundamental errors relating to expenses in the 2023 year. These adjustments were directly adjusted to the respective expense items in the 2023 year. The affected expenses included repairs and maintenance R3.3m, telephone R4m, accommodation R2.4m, travel R2m and provision for doubtful debts of R114m.





17.5. A R27m deficit budget approved budget by the Administrator

Due to the challenges faced, the Administrator approved the 2024 budget which reflected a deficit of R27m. Immediately a turnaround strategy was put in place, which saw robust and stringent financial interventions being put in place. The surplus of R34m in Council Controlled funds is due partly to these interventions.

17.6. Surplus/Deficit

The University has reported a surplus of R50m in 2024, which is a significant improvement compared to a deficit of R133m in 2023. The previously reported deficit of R127 000 was restated to R133m after adjusting for the prior year transactions.

The major reason for the increase in surplus in the current year is the increase in total income of 3.3%, and reduction in expenditure of just below 10%.

Notable as well is the University's relatively low tuition fee base, compared to similar institutions. Other contributory factors are DHET fee compact which places a limit on what the student can be charged, and NSFAS policies on funding decisions.

Certainty regarding whether we surplus for 2024, is subject to the finalisation of the NSFAS matter as referred to in 16.2.1 above.

17.7. Statement of Financial Position

17.7.1. Non-current Assets

Property, Plant and Equipment (PPE) increased by 22% from R1.192 billion in 2023 to R1.466 billion in 2024. Some of the main reasons for the increase are the completion of various infrastructure-related projects amounting to R98m, additions to fixed assets amounting to R143m, and the revaluation of the University's fixed properties during the year, in line with the university's policy. The next revaluation will be performed in 2029.

During the year under review, MUT engaged an external provider to conduct a full physical verification of moveable assets. The asset verification exercise conducted during the year found a number of assets which had not been recorded in the fixed asset register. They were valued, a process which resulted in the increase in PPE of R1m in the AFS. The exercise also revealed that there were many items of office equipment, which were either very old, or no longer used. These were properly valued and brought to our Fixed Asset Register.

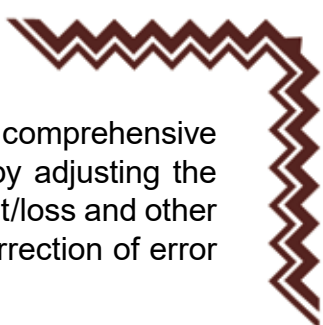
17.7.2. Current Assets

Current assets increased by 2% from R1.550 billion in 2023 to R1.577 billion in 2024. In the 2024 year, the inventories comprising laptops amounting to R4.1m were identified as obsolete and were written down accordingly.

The net student receivables decreased in the current year by R24m from R253m in the 2023 year to R229m in the 2024. Credit losses processed for the 2023 and 2024 were R 229m and R27m respectively. The total amount impaired as at 31 December 2024 amounted to R 597m (2023 :R569m).

In performing the Expected Credit Loss assessment this year, it was picked up that certain variables were erroneously left out of the methodology last year, and the necessary adjustments have been effected.

This has been corrected by retrospectively adjusting the previously reported



impairment loss allowance and the statement of profit/loss and other comprehensive income for the 2023 financial year. The error has been corrected by adjusting the previously reported Statement of Financial position, statement of profit/loss and other comprehensive income, and statement of changes in equity. The correction of error had no impact on the periods prior to 01 January 2023.

There was an increase in the cash and cash equivalents in the current year amounting to R51m, from R 1.291bn billion in the 2023 year to R 1.342 billion in the 2024 year. Included in the cash and cash equivalents is R834m (2023:R868m) that relates to restricted grants.

Privately funded student debt still remains a major challenge for the University. MUT has handed over the collection of student debt to a panel of service providers. There is a significant volume of accounts handed over, with a total handover value of more than R600m at year end. These service providers have made steady but slow progress in the collection of such debt. The average collection rate is just below 10%. We engage with debt collectors on a regular basis to review and discuss their progress in respect of collections. MUT's in-house capacity for debt management is very limited.

The challenges of student fees and debt is not unique to MUT and is a sector-wide problem. Historically, MUT has been lenient in allowing students with outstanding balances from previous periods to register in the new academic period without settling prior period debt or making a significant payment towards reducing the balance.

17.7.3. Non-current Liabilities

Non-current liabilities increased by 3% from R1.413 billion in 2023 to R1.450 billion in 2024. The increase is mainly due to the increase in Deferred Income of R83m as a result of work-in-progress being raised on the infrastructure projects. The non-current liabilities include two unsecured loans from ABSA amounting to R 58m (2023 : R66m). These loans bear fixed interest rates at 11,06% and 13,04% respectively, repayable in two instalments in June and December each year. The final dates of repayment are 23 June 2039 and 23 December 2030. These loans were taken out to fund the construction of a new student residence, which was completed in 2018.

There was an overall decrease in restricted grants from R 822m in 2023 to R 782m in 2024 due mainly to expenditure on construction. These grants have been received from DHET for specific projects and the University is precluded from utilizing any of these grant monies for any other purpose.

17.7.4. Current Liabilities

Current liabilities increased by 6% from R323m in 2023 to R342m in 2024. This is mainly due to the increase in Trade and Other payables of 8% comprising trade and other payables of R76.6m (2023 R 73.7m); credit balances in student debtors of R81.7m (2023: R78m); payroll accrual R49m (2023: R48m), and deposits received of R 33m (2023: R 23m).

17.7.5. Solvency and Liquidity

The balance sheet reflects a technically solvent position as the University's total assets exceed its total liabilities by R1.237 billion (2023: R1.026 billion). This includes a revaluation reserve of R670m (2023: R527m). Liquidity is also positive with current assets exceeding current liabilities by R1.235 billion (2023: R1.227 billion). The

University's own cash balance after deducting earmarked grants is R389m (2023: R422m) as at 31 December 2024.

The following table reflects key financial indicators and ratios for 2024, with comparative data for the years 2020 – 2024.

Table 25: Financial Indicators and Ratios (2020-2024)

Key indicators	2024	2023	2022
Personnel cost to unrestricted income	63%	64%	63%
Personnel cost as a % of total expenditure	43%	36%	43%
Academic personnel costs as a % of total payrolls cost	49%	47%	49%
Subsidy as % of total income	36%	35%	36%
Tuition and residences income as a % of total income	61%	60%	61%
Other income as a % of total income	2%	4%	2%
Current ratio	4:6	5:1	5:1
Cash ratio	4	2	1
Total debtors (net of provision for doubtful debts) as % of fees	46%	29%	46%
Cumulative provision for doubtful debts (B/S) as % of gross debtors	48%	71%	48%
Current year provision for doubtful debts (I/S) as % of fees	0.04%	28.43%	0.04%
Increase/(decrease) in gross debtors (R000)	136 859	101 746	136 859
Year on Year growth in total income	-4%	3%	-4%
Cash and cash equivalents at the end of the year	1 123 362	1 291 928	1 123 362
Total unrestricted funds	507 978	422 815	396 930
Increase/(decrease) in unrestricted funds (R000)	-86 549	25 885	-86 549
Total Restricted Funds	726 432	870 083	726 432
Total Restricted Funds as a % of Cash and cash equivalents	65%	67%	65%

As the case has been in the past, there is a focused effort to improve the financial sustainability of the University. The table above reflects minor improvements in some ratios, whilst student debt remains a concern. Although progress is slow and hindered by various internal and external factors, we are confident that the University will be successful in implementing improvements that will see enhanced efficiency, effectiveness and compliance that will contribute to the financial sustainability of the University.

17.7.6. Contingencies

Litigation is in progress against the University from the parents of a former student who was shot and killed at one of the University's residences. The claim document reflects an amount of R10m. The matter is being defended by the University's Legal Directorate. The other major litigation pertains to a company which has since filed a claim against the university, following the withdrawal of a letter purporting to appoint it to be a service provider. The estimated value of the rental over three years is about R55m.

17.7.7. Going Concern

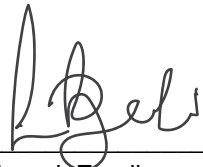
The financial statements have been prepared on a going concern basis which the University's governing body, Council, and Management consider to be appropriate for the following reasons.

- The funding from government is on-going.
- Funding from NSFAS, which is more than 70% of tuition fees, is on-going.
- The University has prepared forecast and budget for a period of 12 months from the date of this financial statements/year end, and it looks positive.
- Steps have been and continue to be taken by Management to deal with any disputes between MUT and NSFAS.

Based on the above, Council is of the opinion that, the University will have sufficient funds to meet its liabilities as they fall due over the going concern assessment period.


Mr Bulelani Mahlangu
CFO

12 September 2025
Date


Mr Lwazi Zondi
Chairperson of FIC

12 September 2025
Date

18. REPORT ON RISK AND AUDIT

18.1. Enterprise Risk Management

MUT continues to have a robust process in place for effective management of enterprise risk management. Enterprise-wide risk management is a continuous, proactive and systematic process, effected by MUT's personnel, applied in strategic planning and across the University, designed to identify potential events that may affect the University, and manage risks to be within its risk appetite, to provide reasonable assurance regarding the achievement of goals and objectives.

The Administrator had oversight of risk management in 2024 through the Audit, Risk and Compliance Working Group (ARCWG). Risk is managed within the approved Enterprise Risk Management (ERM) framework 2020-2025.

An independent risk maturity assessment was conducted in July of 2023 which revealed that MUT risk management processes are at a "developing" stage based on the 5-point rating scales established for measurement. Lowest being Basic and highest being Leading. The department continues to ensure that the recommendations from this report are implemented through inclusion in the annual operational plans.

Progress made:

- Review of the ERM framework and policy and the Combined Assurance Framework and policy was conducted during 2024.
- Appointment of risk champions
- Review of the Fraud Management policy
- Development of Whistleblowing policy
- Rolling out of Departmental risk assessment workshops

Processes are in place to identify, evaluate and manage or monitor significant risks that have the potential to impact the achievement of institutional goals and objectives. The Vice-Chancellor and Executive Management are responsible for risk assessment and mitigating against institutional risks. Progress on the monitoring of risks and risk mitigation actions were reported to ARCWG every quarter.

The University continues to manage and monitor the 10 identified strategic risks for 2024, listed in the table below.

Table 26: Top 10 Risks in 2024

	Risk Name		Risk Name
1	Poor institutional culture	6	Inability to remain financially sustainable
2	Failure to maintain academic quality and standards	7	Lack of fit-for-purpose infrastructure
3	Inability to form, maintain and implement collaborations nationally and internationally	8	Business Continuity
4	Non-alignment of skill set to achieve strategic imperatives	9	Non-compliance with applicable laws, regulations, and processes.
5	Lack of enterprise architecture capability	10	Underperforming in terms of DHET research norms



18.2. Fraud Risk Management

The Vice-Chancellor of MUT, through her delegation from Council to manage risk, including fraud risk, continues to ensure that the “no tolerance” approach is upheld through active and prompt management of fraud and corruption risk.

The Audit, Risk and Compliance Working Group continued to play an oversight role in supporting the Administrator in ensuring effective management of risk. The following were the critical achievements:

- Increased number of initiatives on fraud awareness were conducted during the 2024 financial year, including: Posters, radio interviews, online presentations and posters around campus
- Approval by the Administrator of the Fraud and Corruption Policy
- Approval by the Administrator of the Whistleblower Policy

MUT has a hotline facility independently managed by Deloitte Tip-Off Anonymous (Pty) Ltd which encourages anonymity. The cases are then referred by MUT whistleblower officers named in the MUT policy to external forensic services. MUT does not have an internal division for forensics. The Risk and Audit Directorate coordinates the investigation process and hands over the reports to the Vice-Chancellor for further action if necessary.

The Administrator commissioned forensic investigations in line with the terms of reference with the University. The focus areas were Student Accommodation, student transport, printing services, security services, labour broker issues, external audit appointment and Fleet management. The investigations were coordinated and handled by the Registrar’s office. •

The investigations revealed general weakness in the internal controls that management has committed ensuring swift ratification and enforcement of mitigation measures. Improvement plans and responses were requested by the administrator through a letter handed over to management.

- The forensic report around student accommodation had significant findings that pointed further to financial risk and irregular expenditure. The findings were around procurement of leased accommodation not following proper procurement processes thus being irregular procurement.
- Further the investigation found that MUT overclaimed 91 million from NSFAS for transport costs in the 2022 financial year and did not account for it nor disclose it correctly. The impact of the forensic report and findings are reflected in the Finance section of the report.

18.3. Internal Audit

Internal audit is an independent assurance function with the aim of providing oversight and reasonable assurance that controls are in place to ensure the effective and efficient delivery of operations, reliability of financial information, safeguarding of assets and the information systems environment, and compliance with laws and regulations.

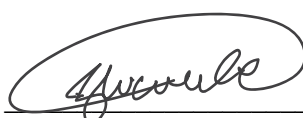
The Director Risk and Audit, as the custodian of the internal audit function, reported regularly to the Audit, Risk and Compliance Working Group (ARCWG) of the administrator in 2024. A three-year strategic rolling plan, including an annual operational risk-based plan, was developed, and approved for the 2024 financial year.

Internal Audit also assists management by coordinating the process of closing out reported external and internal audit queries, by following up quarterly on the specified target action dates. An audit register report is compiled and updated quarterly and reported to ARCWG.

Table 28 below shows the status of internal audit findings as at 31 December 2024. As at 31 December 2024, a total of 55 internal audit findings remained not resolved. While this number is relatively high, it continues to receive focused attention from relevant departments. Efforts are underway to address outstanding issues and strengthen internal controls to ensure improved compliance and accountability.

Table 27: Status of Internal Audit Findings, 2024

Status	Teaching & Learning	Finance	HR	Student Affairs	Registrar	DIPR	IT&N	Operations	Total
Not Resolved	0	17	6	10	0	0	10	12	55
Resolved	25	157	14	19	20	29	26	37	327
Partially Resolved/In Progress	0	1	4	2	0	0	2	5	14
Total	25	175	24	31	20	29	38	54	396



Ms Zimasa Gwarube
Acting Director: Internal Audit, Risk and Compliance

12/09/2025

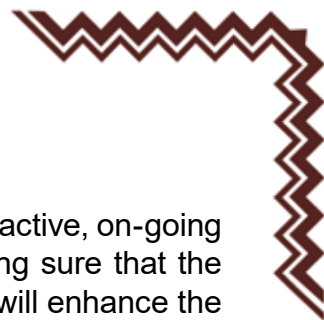
Date



Ms Nirvani Devcharran
Chair of ARCC

12/09/2025

Date



19. REPORT ON COMPLIANCE

19.1. Compliance Overview

The University is committed to managing its compliance obligations in a proactive, on-going and positive manner. The Compliance Officer plays a pivotal role in making sure that the University has an effective risk management and compliance strategy that will enhance the identification, assessment, and effective treatment of the University's strategic, financial, operational, and compliance risks to protect and create value in support of the University's goals and objectives.

MUT is committed to ensuring that it complies with all applicable laws, regulations, and internal policies, as well as DHET Policy obligations (where applicable to the University environment).

The University has a rolling 3-year compliance plan that was approved by the Administrator. The implementation of the plan was monitored on a quarterly basis by both the Audit, Risk and Compliance Working Committee and the Governance, Social Cohesion and Ethics Working Group. The plan is implemented through the office of the Registrar.

In the year under review, the compliance function worked on POPIA compliance, and occupational health and safety. Compliance Risk Management Plans (CRMPs) were developed for the Higher Education Act and the Labour Relations Act. A CRMP on the Occupational Health and Safety Act is planned for development in the following year.

19.2. Monitoring Health and Safety

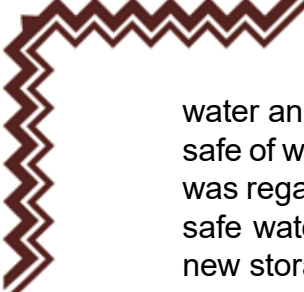
The University's Health and Safety Committee regularly monitors actions taken by management to mitigate any risks relating to health and safety on the University premises. The committee has a Charter that guides its functionality. The Health and Safety unit focused in 2024 on improving the behaviour of students in residences and encouraging adherence to health and safety standards. The students were inducted on the importance of health and safety in the residences and also alerted to the implications of mis-using firefighting equipment.

Health and Safety continues to play a significant role at the University in terms of ensuring that both maintenance and infrastructure projects are compliant with legislation. The objective is to have facilities that are compliant and conducive for MUT students and employees. The internal student residences which were non-compliant with relevant legislation and safety standards are not yet occupied. The Infrastructure Department has engaged a professional team and these facilities are being refurbished.

The signing of a Section 37(2) agreement as per the provisions of the OHS Act, 85 of 1993, indicates the importance of incorporating health and safety throughout all University business processes. The induction of Student Representatives Council (SRC) members continues during their terms of office and the idea is to create leaders of students who have an insight into health and safety matters within the University premises, including the leased students accommodation. The renovations in Block E students residence incorporated a Fire Detection system and emergency simulation drills will be conducted following occupation of the building.

Food safety remains an important aspect of health and safety, hence OHS is ensuring that all food handlers catering for the University are compliant with food safety management. The MUT facilities have been renovated due to health and safety concerns regarding compliance with food safety management.

The Operations Department sourced the services of an accredited laboratory to conduct



water analyses campus-wide after the Health and Safety Officer raised concerns about the safe of water that is consumed by students and employees. There is one facility, where water was regarded as unsafe for human consumption, where students and staff are supplied with safe water. A project for the installation of a storage tank is being conceptualised and the new storage facility will be installed urgently.

19.3. Monitoring IT Governance

With continued emphasis on robust information technology (IT) governance, the IT Governance Framework has been formally presented and accepted. This has laid the groundwork for establishing formal IT governance structures, including the IT Steering Committee, among others. Additionally, with a key focus on Artificial Intelligence (AI), the IT&N Directorate has introduced an AI Policy and updated the IT Governance Framework to foster a strong AI culture.

In an effort to continuously enhance governance controls in an orthodox way, the Directorate has broadened its auditing approach by incorporating multiple types of audits, including an information security forensic assessment. This approach supports the appointment of an external Information Security partner to oversee the comprehensive Information Security environment, providing independent recommendations for implementing best-practice Information Security controls.

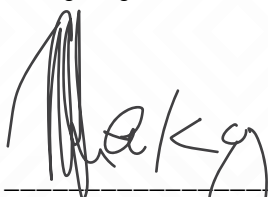
By executing the IT Strategy, which encompasses six main objectives and 31 key performance indicators, the Directorate has achieved a 100% performance ratio, with several other indicators exceeding the established thresholds. The IT&N project programme for this period confirms the implementation of a Business Intelligence and Document Management system, whereby all paper-based information is captured in an electronic format, hosted on the University's central secured data warehouse, on the Microsoft SharePoint platform.



Mr Zolisa Gqamane
Acting Registrar

12/09/2025

Date



Dr Mosidi Makgae
Chairperson of Council

12/09/2025

Date





Mangosuthu University of Technology
Consolidated Financial Statements
for the year ended 31 December 2024

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provision of Higher Education
Council	Dr M Makgae - Chairperson Ms C Mametja - Deputy Chairperson Professor K Zuma Ms N Maharaj Dr D Xaba Mr K Quille Mr N Ngubo Mr L Zondi Dr R Kimmie Dr P Mazibuko Mr N Kabi Professor P Naidoo Mr N Cele Mr S Mbonambi Professor N Sibiya Dr K Ramsarghey Dr B Ntshangase Mr L Mthimkhulu Mr T Zwane Mr L Nzama Professor S Mukhola Ms N Devcharran

Registered office	511 Mangosuthu Highway Umlazi Durban KwaZulu-Natal 4031
Postal address	P.O Box 12363 Jacobs 4061

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

General Information

Auditor	SNG Grant Thornton Inc Chartered Accountant (SA) Registered Auditors
Level of assurance	These consolidated financial statements have been audited in compliance with the applicable requirements of the Higher Education Act (Act No. 101 of 1997, as amended).
Issued	12 September 2025

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

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These financial statements were prepared under the supervision of:

Mr Rakash Jugernath
CA (SA)

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Council's statement of responsibility for the consolidated annual financial statements

The Mangosuthu University of Technology Council is required in terms of the Higher Education Act No 101 of 1997 (as amended) to maintain adequate accounting records and is responsible for the content and integrity of the consolidated financial statements and related financial information included in this report. It is Council's responsibility to ensure that the consolidated financial statements fairly present the state of affairs of the Mangosuthu University of Technology as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS Accounting Standards as issued by the Accounting Standards Board. The external auditor is engaged to express an independent opinion on the consolidated financial statements.

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the Accounting Standards Board based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Council acknowledge that its ultimately responsible for the system of internal financial control established by the Mangosuthu University of Technology and place considerable importance on maintaining a strong control environment. To enable the Council to meet these responsibilities, the Council sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the university and all employees are required to maintain the highest ethical standards in ensuring the university's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the university is on identifying, assessing, managing, and monitoring all known forms of risk across the University. While operating risk cannot be fully eliminated, the Mangosuthu University of Technology endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

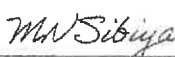
The Council have reviewed the Mangosuthu University of Technology's cash flow forecast and, in light of this review and the current financial position, they are satisfied that the Mangosuthu University of Technology has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Mangosuthu University of Technology's consolidated financial statements. The consolidated financial statements have been examined by the Mangosuthu University of Technology's external auditors and their report is presented on pages 5 to 12.

The consolidated financial statements set out on pages 13 to 57, which have been prepared on the going concern basis, were approved by the Council on 11 September 2025 and were signed by:

Approval of financial statements


Dr M Makgae - Chairperson of Council


Prof MN Sibuya - Vice-Chancellor and Principal

Independent auditor's report to the Minister of Higher Education and the Council of the Mangosuthu University of Technology

Report on the audit of the consolidated financial statements

Disclaimer of opinion

1. We were engaged to audit the consolidated financial statements of the Mangosuthu University of Technology and its subsidiary (the group) set out on pages 13 to 57, which comprise the consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended as well as notes to the consolidated financial statements, including material accounting policy information.
2. We do not express an opinion on the financial statements of the Mangosuthu University of Technology. Because of the significance of the matters described in the basis for disclaimer of opinion section of this auditor's report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for disclaimer of opinion

Revenue recognised from accommodation fees

3. The Mangosuthu University of Technology had for the 2024 and prior periods recognized and recovered accommodation fees for students from the National Student Financial Aid Scheme (NSFAS) by incorporating other costs which include student transport. The University did not correctly recognise revenue for student accommodation fees for the current and prior years in accordance with Guidelines for the Department of Higher Education Bursary Scheme for Students at Public Universities and the requirements of International Financial Reporting Standard 15: *Revenue from Contracts with Customers* (IFRS 15) issued by the International Accounting Standards Board, as revenue recognised was not measured at the fair value of the consideration received or receivable, as required by the standard which resulted in an overclaim from NSFAS.
4. We were unable to determine the full extent of the impact of the misstatement of revenue from student accommodation, stated at R453 968 000 (2023 – R504 154 000) in note 14 to the financial statements, related trade and other receivables stated at R229 765 000 (2023–R253 714 000) in note 6 to the financial statements, and the possible impact of misstatement of trade and other payables, stated at R241 063 000 (2023 – R223 685 000) in note 13 as it was impracticable to do so. We were unable to determine the other line items affected by this misstatement as it was impracticable to do so. Therefore, we were unable to audit the consolidated financial statements by alternative means.
5. Consequently, we were unable to determine whether any adjustment to revenue recognised from accommodation fees, trade and other receivables and trade and other payables as well as cash generated from operating activities for current and prior periods were necessary.

Other matters

6. The consolidated financial statements of the Mangosuthu University of Technology for the year ended 31 December 2023 were audited by a predecessor auditor whose opinion dated 30 August 2024 was unmodified with no findings on predetermined objectives and compliance.

Responsibilities of the Council for the consolidated financial statements

7. The Council, is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Higher Education Act of South Africa, 1997 (Act no.101 of 1997) and for such internal control as the Council determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
8. In preparing the consolidated financial statements, the Council is responsible for assessing the group's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the Council either intends to liquidate the group or to cease operations or has no realistic alternative but to do so.

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

9. Our responsibility is to conduct an audit of the consolidated financial statements in accordance with International Standards on Auditing and to issue an Auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of this auditor's report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.
10. We are independent of the University in accordance with the Independent Regulatory Board for Auditors' Code of professional conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Report on the audit of the annual performance report

11. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; we must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the focus areas presented in the annual performance report. The Council is responsible for the preparation of the annual performance report.
12. We selected the following goals presented in the annual performance report for the year ended 31 December 2024 for auditing. We selected goals that measures the University's performance on its primary mandated functions and that are of significant national, community or public interest.

Objectives	Page numbers	Purpose
Goal 1: Excellence in teaching and learning	13-16	This goal commits Mangosuthu University of Technology (MUT) to offer enriching educational experiences to enable student success and provide students with a University experience that develops the whole person - academically, socially, and personally.
Goal 2: Excellence in research, innovation and engagement	17	MUT is dedicated to the advancement of knowledge through research and discovery. Success in this endeavour is essential to provide the rich knowledge base, innovation, and workforce required to grow and sustain the quality of life for an increasingly diverse and rapidly changing global society.

13. We evaluated the reported performance information for the selected goals against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the University's planning and delivery on its mandate and goals.
14. We performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the University's mandate and the achievement of its planned goals

- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that we can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets
15. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
16. The material finding on the usefulness and reliability of the performance information of the selected objective are as follows:

Goal 1: Excellence in teaching and learning

KPI 7.2. Employability of graduates (tracer study)

- The source information and method of calculation for achieving the planned indicator was not measurable and verifiable.

Other matters

17. I draw attention to the matters below:

Achievement of planned targets

18. The annual performance report includes information on reported achievements against planned targets and provides explanations for over and under achievements. This information should be considered in the context of the material findings on the reported performance information.

Report on compliance with legislation

19. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Council is responsible for the University's compliance with legislation.
20. We performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.
21. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the University, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
22. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

23. Financial statements were not submitted for auditing within the prescribed period after the end of the financial year, as required by section 14(2)(b) of the PAA.
24. The financial statements submitted for auditing were not prepared in accordance with International Financial Reporting Standards, as required by reg 7(4)(b)(xii) of the regulations for reporting by public higher education institutions.
25. The financial statements submitted for auditing were not supported by complete accounting records, as required by section 41(1)(b)(ii) of the Higher Education Act.
26. Material misstatements identified in the submitted financial statement were not adequately corrected, and the supporting records could not be provided subsequently which resulted in the financial statements receiving a disclaimer of opinion.

Procurement contract management

27. Some of the members of staff or employees did not in writing declare any business that may raise a conflict or a possible conflict of interest with the University before he or she was appointed or assumed office, in contravention of section 34(4)(a) of the Higher Education Act.

Other information in the annual report

28. The Council is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated financial statements, the auditor's report and those selected goals presented in the annual performance report that have been specifically reported on in this auditor's report.
29. Our opinion on the consolidated financial statements and our findings on the reported performance information and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.
30. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the selected goals presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. We did not receive the other information prior to the date of this auditor's report. When we do receive and read this information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. We considered internal control relevant to our audit of the consolidated financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.
33. Council did not adequately play oversight responsibility regarding monitoring compliance with laws and regulations, monitoring the full implementation of action plans by the administrator.
34. Management did not fully comply with the requirements of the financial reporting framework as the financial statements contained material misstatements. The lack of reviews and monitoring of legislation resulted in material non-compliance.
35. Management did not conduct adequate reviews on the financial statements before submission for auditing to ensure that the financial statements are in line with applicable financial report standards which resulted in significant number of audit adjustments.
36. Management did not implement proper recording keeping, ensuring that the information supporting the consolidated financial statements and certain achievements in the annual performance reports, was maintained, resulting in the disclaimer and material findings identified during the audit process.

Other reports

37. We draw attention to the following engagements conducted by other parties. These reports did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.

Matters under investigations

- There were several investigations initiated during the period under review. These investigations relate to suspected fraud and misconduct; one investigation was completed during the year and others are still in progress as at the date of this report. Management is in the process of implementing recommendations on the completed investigation.
- During 2023, the administrator initiated forensic investigations into financial control weaknesses and suspected financial irregularities covering student housing, student transport, procurement of motor vehicles, security services, printing services, and provision of external audit services. The outcome of these investigations were finalised in 2023 and early 2024. These investigations identified multiple irregularities, with recommendations having been proposed. Implementation of the recommendations are in progress at the date of this report.

38. Agreed- upon procedures engagements performed by us for the Mangosuthu University of Technology during the period:

- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the National Research Foundation. The report covered the period 01 January 2024 to 31 December 2024 and was issued on the 6th of June 2025.
- An agreed-upon procedures engagement was conducted on the Higher Education Management Information System data reported to the Department of Higher Education and Training. The report covered the period 01 January 2024 to 31 December 2024 and was issued on the 25th of July 2025.
- An agreed-upon procedures engagement was conducted on the Published Research Publication claims reported to the Department of Higher Education and Training. The report covered the period 01 January 2024 to 31 December 2024 and was issued on the 10th of April 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the University Capacity Development Programme grant. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 31 May 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the Clinical Training Grant. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 29 May 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the Nurturing Emerging Scholars Programme. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 05 June 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the New Generation of Academics Programme. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 29 May 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the Foundation Provisioning Grant. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 10 June 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the Sibusiso Bengu Development Programme. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 06 June 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the University Staff Doctoral Programme Grant. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 06 June 2025.
- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the Technology Station Chemicals. The report covered the period 01 April 2024 to 31 March 2025 and was issued on 04 July 2025.
- An agreed-upon procedures engagement is in progress on the Supplementary Financial Data to be reported to the Department of Higher Education and Training. This covers the period 01 January 2024 to 31 December 2024.

39. Agreed-upon procedures engagement performed by Morar Incorporated for the Mangosuthu University of Technology during the period:

- An agreed-upon procedures engagement was conducted on the grant received and expenditure incurred specific to the grant allocation letter from the Department of Higher Education and Training regarding the Infrastructure and Efficiency grant. The report covered the period 01 January 2024 to 31 December 2024.

Audit tenure

40. In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that SizweNtsalubaGobodo Grant Thornton Inc. has been the auditor of the Mangosuthu University of Technology (the group) for 1 year.

Disclosure of fee-related matters

41. In terms of the EAR Rule, we disclose the following fee-related matters:

Services	Amount
Mangosuthu University of Technology (External Audit)	R2 060 443
Mangosuthu University of Technology (Non-assurance)	R1 662 842



SizweNtsalubaGobodo Grant Thornton Inc.

Suleman Lockhat

Director

Registered Auditor

12 September 2025

SizweNtsalubaGobodo Grant Thornton Inc.

Ground Floor, Milkwood East,

1 Milkwood Office Park, Milkwood Crescent

La Lucia Ridge Office Estate, Durban

Annexure to the auditor's report

The annexure includes the following:

- the auditor's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor's responsibilities for the audit

Professional judgement and professional scepticism

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 selected requirements in key legislation.

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.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the group 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 our 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 operating as a going concern
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and determine whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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 provide the Council with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Audit Act 25 of 2004 (PAA)	Annual Financial statements
Regulations for Reporting by Public Higher Education Institutions	• PAA 14(2)(b) • RRPHEI 7(4)(b)(xii) • HE Act 41(1)(b)(ii)
Higher Education Act 101 of 1997	Asset Management
Higher Education Act 101 of 1997	• HE Act 20(5) • HE Act 40(3)(a)(i) • HE Act 40(3)(a)(ii) • HE Act 40(3)(a)(iii)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Consequence Management
Regulations for Reporting by Public Higher Education Institutions	• PRECCA 34(1)
	Strategic Planning
	• RRPHEI 4(1) • RRPHEI 4(2) • RRPHEI 5(1) • RRPHEI 5(2)(a) • RRPHEI 5(2)(d) • RRPHEI 5(2)(g) • RRPHEI 5(2)(m) • RRPHEI 6(2) • RRPHEI 6(2)(d) • RRPHEI 6(2) • RRPHEI 6(3)

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Consolidated Statement of Financial Position as at 31 December 2024

Figures in Rand Thousands	Note(s)	2024	2023 Restated *	2022 Restated *
Assets				
Non-Current Assets				
Property, plant and equipment	2	1,466,582	1,192,875	1,147,387
Net defined benefit asset	3	14,410	14,649	12,510
Intangible assets	4	4,186	4,583	4,977
		1,485,178	1,212,107	1,164,874
Current Assets				
Inventories	5	-	658	4,796
Trade and other receivables	6	229,765	253,714	345,554
Investments at fair value	7	4,159	3,767	3,653
Cash and cash equivalents	8	1,342,784	1,291,928	1,123,362
		1,576,708	1,550,067	1,477,365
Total Assets		3,061,886	2,762,174	2,642,239
Equity and Liabilities				
Equity				
Reserves	9	723,518	526,712	526,712
Retained income		546,612	498,977	623,066
		1,270,130	1,025,689	1,149,778
Liabilities				
Non-Current Liabilities				
Net defined benefit liability	3	38,126	36,034	37,332
Interest bearing loans	10	49,750	58,401	66,075
Restricted grants	11	782,151	822,228	684,319
Deferred income	12	579,751	496,542	426,685
		1,449,778	1,413,205	1,214,411
Current Liabilities				
Interest bearing loans	10	8,651	7,675	6,867
Restricted grants	11	52,655	47,855	41,624
Trade and other payables	13	241,063	223,685	198,758
Deferred income	12	13,711	11,405	10,847
Special restricted funds		25,898	32,660	19,098
Bank overdraft		-	-	856
		341,978	323,280	278,050
Total Liabilities		1,791,756	1,736,485	1,492,461
Total Equity and Liabilities		3,061,886	2,762,174	2,642,239

* See Note 21

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Consolidated Statement of profit/loss & other comprehensive income for the period ended 31 December 2024

Figures in Rand Thousands		Note(s)		2024		2024		2024		2023	
		Council- Controlled Unrestricted	Specifically funded restricted	Sub-total	Student and staff accommodation	Total					Restated *
TOTAL REVENUE		861,982	60,617	922,599	453,968	1,376,567					1,337,535
RECURRENT REVENUE		861,982	60,617	922,599	453,968	1,376,567					1,337,535
14	Government grants	478,841	60,617	539,458	-	539,458					480,153
15	Income from other activities	5,246	-	5,246	-	5,246					10,923
14	Tuition and other fee revenue	329,087	-	329,087	453,968	783,055					807,189
16	Investment income	48,808	-	48,808	-	48,808					39,270
TOTAL EXPENDITURE		860,421	26,578	886,999	438,384	1,325,383					1,464,354
RECURRENT EXPENDITURE		859,280	26,578	885,858	438,384	1,324,242					1,464,354
17	Staff costs - Academic professional	255,100	1,678	256,778	-	256,778					246,907
17	Staff costs - Non-academic professional	275,143	5,613	280,756	6,378	287,134					278,844
4	Amortisation	396	-	396	-	396					395
2	Depreciation and impairment	69,549	-	69,549	7,302	76,851					62,929
6	Impairment loss - Student receivables	27,661	-	27,661	-	27,661					229,407
18	Other operating expenses	227,686	19,287	246,973	416,899	663,872					633,307
19	Finance costs	3,745	-	3,745	7,805	11,550					12,565
NON-RECURRENT EXPENDITURE		1,141	-	1,141	-	1,141					-
Loss on disposal of property, plant and equipment		1,141	-	1,141	-	1,141					-
(Deficit) /Surplus for the year		1,561	34,039	35,600	15,584	51,184					(126,819)
Other comprehensive income: Items that will not be reclassified to profit or loss											
3	Other comprehensive income - actuarial gain / (loss)	(3,549)	-	(3,549)	-	(3,549)					2,730
9	Other comprehensive income - revaluation gains	196,806	-	196,086	-	196,086					-
Total comprehensive income		194,818	34,039	228,137	15,584	243,721					(124,089)

* See Note 21

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Consolidated Statement of Changes in Equity

Figures in Rand Thousands	Revaluation reserve - non distributable	Retained income Restated *	Total equity
Balance at 01 January 2023	526,712	623,066	1,149,778
Restated deficit for the year ended	-	(126,819)	(126,819)
Other comprehensive income	-	2,730	2,730
Total comprehensive Loss for the year	-	(124,089)	(124,089)
Restated balance at 01 January 2024	526,712	498,977	1,025,689
Surplus for the year	-	51,184	51,184
Other comprehensive income	196,806	(3,549)	193,257
Total comprehensive income for the year	196,806	47,635	244,441
Balance at 31 December 2024	723,518	546,612	1,270,130
Note(s)	9		

* See Note 21

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Consolidated Statement of Cash Flows

Figures in Rand Thousands	Note(s)	2024	2023
Cash flows from operating activities			
Cash generated from operations	20	109,798	184,494
Finance income	11,16	114,318	106,982
Finance costs		(3,741)	(3,952)
Net cash from operating activities		220,375	287,524
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(154,438)	(102,623)
Proceeds from sale of laptops		404	-
Net cash from investing activities		(154,034)	(102,623)
Cash flows from financing activities			
Repayment of interest-bearing loans	10	(7,675)	(6,866)
Payment of interest on interest bearing loans	10	(7,810)	(8,613)
Net cash from financing activities		(15,485)	(15,479)
Total cash movement for the year		50,856	169,422
Cash at the beginning of the year		1,291,928	1,122,506
Total cash at end of the year	8	1,342,784	1,291,928

* See Note 21

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1. Material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

1.1 Reporting entity

Mangosuthu University of Technology is an educational institution domiciled in the Republic of South Africa and is governed by the Higher Education Act (Act no 101 of 1997, as amended). The consolidated financial statements as at and for the year ended 31 December 2024, comprises of the University and its subsidiary, First Ready Development 143 NPC collectively referred to as 'the University'. The address of the University's registered office is 511 Mangosuthu Highway, Umlazi, 4031, South Africa.

Where reference is made to the financial statements in the accounting policies, it should be interpreted as referring to the consolidated financial statements where the context requires, unless otherwise noted.

1.2 Basis of preparation

The consolidated financial statements have been prepared on the going concern basis in accordance, and in compliance with, IFRS Accounting Standards and IFRIC Interpretations issued and effective at the time of preparing these consolidated financial statements and the regulations for the annual reporting by the Higher Education Institutions and in the manner required by the Higher Education Act (Act 101 of 1997) of South Africa, as amended.

The consolidated financial statements have been prepared on the historic cost convention on an accrual basis, except for Investments at fair value which are measured at fair value through profit or loss and land and buildings which are measured at revalued amount in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the university's functional currency and rounded to the nearest thousand.

1.3 Significant judgements, assumptions and sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements is, outlined as follows:

Entity in which Mangosuthu University of Technology does not hold equity instruments but has control over

The Mangosuthu University of Technology has concluded that it has control over First Ready Development 143 NPC even though it does not hold equity shares in the company. This is because the company was formed by the Executive management and Council of the University. The directorship of the Company is 100% represented by individuals related to the University. Furthermore, since the formation of the company Mangosuthu University of Technology has been the only party to exercise any and all rights over the company and the ability to influence the returns of the company.

Revenue and expenditure recognition in respect of First Ready Development 143 NPC

No revenue and expenditure have been recognised in the accounting records of First Ready Development 143 NPC (FRD) in view of the fact that these records were not maintained, and all revenue and expenditure in respect of the property owned by FRD has been recorded in MUT's financial system. Management is not aware of any revenue or expenditure in the name of FRD.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1.3 Significant judgements, assumptions and sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

Impairment of financial assets

The impairment allowance for financial assets is based on assumptions on risk of default and expected loss rates. The Mangosuthu University of Technology uses judgement in making these assumptions and selecting the inputs for the impairment calculation, based on the Mangosuthu University of Technology's history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Information about assumptions and estimation uncertainties in respect of expected credit losses is disclosed in note 6.

Fair value estimation

Several assets and liabilities of the Mangosuthu University of Technology are either measured at fair value or disclosure is made of their fair values.

Information about the specific techniques and inputs of the various assets and liabilities is disclosed in note 3 (employee benefits), note 7 (investments at fair value) and note 2 (property, plant and equipment).

Impairment of property, plant and equipment

The Mangosuthu University of Technology reviews and evaluates the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs. Refer to note 2.

Useful lives of property, plant and equipment

Management assesses the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on Mangosuthu University of Technology replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge. Refer to note 1.4.

Employee benefits

Mangosuthu University of Technology makes certain estimates and assumptions about the future when determining the employee benefits obligations. Refer to note 3 for additional disclosures on key actuarial assumptions.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the Mangosuthu University of Technology holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment are recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Mangosuthu University of Technology, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day-to-day servicing costs are included in profit or loss in the year in which they are incurred.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1.4 Property, plant and equipment (continued)

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting year. A formal revaluation is carried out every 5 years by an independent and professional valuer.

When an item of property, plant and equipment is revalued, the gross carrying amount is adjusted consistently with the revaluation of the carrying amount. The accumulated depreciation at that date is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The revaluation reserve related to a specific item of property, plant and equipment is transferred directly to retained income when the asset is derecognised.

Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the University. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Useful life
Buildings	Straight line	50 - 60 years
Land improvements	Straight line	35 years
General equipment	Straight line	10 - 16 years
Furniture and fittings	Straight line	10 - 16 years
Motor vehicles	Straight line	5 - 9 years
Computer equipment	Straight line	3 - 5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

General equipment consists mainly of air-conditioners, training equipment, security system, kitchen equipment, electronic equipment and beds for hostels.

1.5 Financial instruments

Broadly, the classification possibilities, which are adopted by the Mangosuthu University of Technology, as applicable, are as follows:

Financial assets:

- Amortised cost
- Fair value through profit or loss

Financial liabilities:

- Amortised cost.

Note 26 Financial risk management presents the financial instruments held by the Mangosuthu University of Technology based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1.5 Financial instruments (continued)

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 6).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Mangosuthu University of Technology's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the Mangosuthu University of Technology becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment

The Mangosuthu University of Technology recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Mangosuthu University of Technology measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The Mangosuthu University of Technology makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions.

The student base is somewhat diverse with significantly different loss patterns for different students with different types of funding. The Mangosuthu University of Technology aggregates students who share similar credit risk characteristics for purposes of determining the credit loss allowance. Details of the provision matrix, per grouping, is presented in note 6.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account.

Write off policy

The Mangosuthu University of Technology writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Receivables written off may still be subject to enforcement activities under the Mangosuthu University of Technology recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1.5 Financial instruments (continued)

Investments in equity instruments

Classification

Investments in equity instruments are presented in note 7. They are classified as mandatorily at fair value through profit or loss.

Recognition and measurement

Investments in equity instruments are recognised when the Mangosuthu University of Technology becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition, at fair value. All transactions costs are expensed when recognised in the statement of profit or loss.

Investments in equity instruments are subsequently measured at fair value with changes in fair value recognised either in profit or loss or in other comprehensive income.

Trade and other payables

Classification

Trade and other payables (note 13), including VAT, payroll accruals and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

For financial liabilities, transaction costs are deducted from the fair value at initial recognition.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 19).

Trade and other payables expose the Mangosuthu University of Technology to liquidity risk and possibly to interest rate risk. Refer to note 26 for details of risk exposure and management thereof.

Financial liabilities

Classification

Financial liabilities comprise of trade and other payables and interest bearing borrowings. These financial liabilities are classified at initial recognition at fair value.

Recognition and measurement

Financial liabilities are recognised when the Mangosuthu University of Technology becomes a party to the contractual provisions of the instrument. They are measured, at initial recognition at fair value. Subsequent to initial recognition they are measured at amortised costs. Transaction costs are recognised in profit or loss.

Interest paid on financial liabilities at fair value through profit or loss is included in finance costs (note 19).

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1.5 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents include bank accounts and short-term investments with maturities of less than 90 days. The cash is held at South African major banks. Cash and cash equivalents are stated at amortised costs.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

1.6 Inventories

Inventories are measured at the lower of cost and net realisable value on the weighted average formula.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed retirement benefit schemes are dealt with as defined contribution plans where the Mangosuthu University of Technology's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Past service costs are recognised immediately to the extent that the benefits are already vested and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

The liability in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for actuarial gains/losses and past service cost. The defined benefit obligation is calculated annually by independent actuaries. Full retrospective application with limited exceptions is applied. Defined benefit plans ("DB Plans"), full deficit – or surplus are recognised on the statement of financial position.

Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the Mangosuthu University of Technology is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In profit or loss, the expense relating to a defined benefit plan is presented as the net of the amount recognised for reimbursement.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1.7 Employee benefits (continued)

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

1.8 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful life
Computer software - purchased	3 -5 years
Oracle database - purchased	Indefinite

1.9 Government grants

Government grants are recognised when there is reasonable assurance that:

- the Mangosuthu University of Technology will comply with the conditions attaching to them; and
- the grants will be received.

Grants relating to income are netted off against relevant expense.

A government grant that becomes receivable as compensation for expenses or surplus already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income during the construction of the asset and are recognised in profit and loss on a systematic basis over the life of the asset.

1.10 Revenue from contracts with counter parties

The Mangosuthu University of Technology recognises revenue from the following major sources:

- Student fees - tuition
- Student fees - accommodation
- Examination fees
- Student levies

Revenue is measured based on the consideration specified in a contract with a student and excludes amounts collected on behalf of third parties. The University recognises revenue over the service period to its students which is either a semester or a full year.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

Revenue from contracts with counter parties (continued)

The payment terms granted to students for tuition and accommodation fees is either full upfront payment or in monthly installments over the academic period of which the student is registered.

Revenue is recognised when the services are rendered to the student for the period which is a semester or financial year.

Revenue recognised at point in time

Examination fees - MUT satisfies performance obligation when student has written a supplementary examination

Revenue recognised over time

Student fees Tuition - MUT satisfies performance when the student start attending lectures for the academic year.

Student fees accommodation - MUT satisfies performance when the student takes occupation for accommodation.

Student levies - MUT satisfies performance when the student registers for academic year.

1.11 Income from other activities

The University recognises income from other activities from the following major sources:

- a. Sale of products from Technology Station in Chemicals (TSC) and Agricultural department.
- b. Venue hire income from the rental of certain University halls, lecture venues and other spaces.
- c. Donations from various private and corporate organisations.

Income is measured based on the consideration to which the University expects to be entitled from a counter party. The University recognises revenue when it transfers control of a product or service to a counter party.

Venue hire income

The University leases on an ad-hoc basis certain of its halls, lecture venues and other spaces to various organisations and private entities.

Income from the rental of venues is recognised when the service is rendered.

Donations

The University receives donations from various private and corporate donors during the course of the year.

Income from donations is recognised when the funds are deposited into the Universities bank account.

Sale of products

The University sells chemicals, soaps and detergents produced by the TSC and also sells livestock produced by the Agricultural department to the local community. Income from such sales is recognised when control of the goods has been transferred when the buyer pays and collects for the goods.

These goods are sold for cash and no credit terms are granted.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

Accounting Policies

1.12 Reserve 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, (Act No. 101 of 1997 as amended), as amended. Income shown as Council controlled relates to reserves over which Council has legal control and discretionary control. Income shown as specifically funded restricted relates to reserves generated in terms of legally enforceable requirements by the donor or grantor. Income shown as student and staff accommodation relates to revenue generated from student accommodation fees. Management continuously reviews the classification of the various reserves and periodically reclassifies them, where deemed appropriate, for changes in the circumstances and conditions relating to them.

The statement of changes in equity is grouped according to the same criteria as the statement of comprehensive income and also includes a revaluation reserve. Reserves for the revaluation of property, plant and equipment are transferred to the revaluation reserve, which thereafter represent the total reserves from the revaluation of items of property, plant and equipment.

1.13 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the consolidated financial statements of the university and its subsidiary. Subsidiaries are entities (including structured entities) which are controlled by the University.

The University has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of the subsidiary are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the consolidated financial statements of subsidiaries to bring their accounting policies in line with those of the University.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Mangosuthu University of Technology

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Figures in Rand Thousands

2. Property, plant and equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	47,322	-	47,322	41,208	-	41,208
Buildings	1,220,742	(607)	1,220,135	1,138,219	(98,368)	1,039,851
Furniture and fittings	34,981	(23,856)	11,125	33,468	(23,084)	10,384
Motor vehicles	12,118	(5,851)	6,267	11,915	(8,144)	3,771
General equipment	134,833	(69,603)	65,230	102,943	(64,613)	38,330
Computer equipment	96,893	(55,760)	41,133	84,889	(47,385)	37,504
Land improvements	75,370	-	75,370	24,716	(2,889)	21,827
Total	1,622,259	(155,677)	1,466,582	1,437,358	(244,483)	1,192,875

Mangosuthu University of Technology

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Figures in Rand Thousands

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Land	Buildings	Furniture and fittings	Motor vehicles	General equipment	Computer equipment	Land improvements	Total
Opening balance								
Cost or revaluation	41,208	1,138,219	33,468	11,915	102,943	84,889	24,716	1,437,358
Accumulated depreciation and impairment	-	(98,368)	(23,084)	(8,144)	(64,613)	(47,385)	(2,889)	(244,483)
Net book value at 01 January 2024	41,208	1,039,851	10,384	3,771	38,330	37,504	21,827	1,192,875
Additions	-	56,749	2,813	4,116	34,946	15,923	28,833	143,380
Work in progress	-	98,787	-	-	-	-	-	98,787
Additions through verification exercise	-	-	121	-	538	376	-	1,035
Disposals and scrapings - cost	-	-	(1,423)	(3,913)	(3,592)	(4,294)	-	(13,222)
Disposals and scrapings - accumulated depreciation	-	-	1,107	3,717	3,075	3,891	-	11,790
Revaluation surplus	6,114	165,084	-	-	-	-	25,607	196,805
Transfers from capital work in progress	-	(88,017)	-	-	-	-	-	(88,017)
Depreciation	-	(52,319)	(1,777)	(1,424)	(7,650)	(12,193)	(897)	(76,260)
Impairment loss	-	-	(100)	-	(417)	(74)	-	(591)
Net book value at 31 December 2024	47,322	1,220,135	11,125	6,267	65,230	41,133	75,370	1,466,582
Made up as follows:								
Cost or revaluation	47,322	1,220,742	34,981	12,118	134,833	96,893	75,370	1,622,259
Accumulated depreciation and impairment	-	(607)	(23,856)	(5,851)	(69,603)	(55,760)	-	(155,677)
	47,322	1,220,135	11,125	6,267	65,230	41,133	75,370	1,466,582

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Figures in Rand Thousands

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Land	Buildings	Furniture and fittings	Motor vehicles	General equipment	Computer equipment	Land improvements	Total
Opening balance								
Cost or revaluation	41,208	1,060,922	31,030	8,619	95,943	67,366	24,716	1,329,804
Accumulated depreciation and impairment	-	(62,933)	(19,706)	(5,833)	(56,569)	(35,383)	(1,993)	(182,417)
Net book value at 01 January 2023	41,208	997,989	11,324	2,786	39,374	31,983	22,723	1,147,387
Additions	-	77,297	881	2,048	6,165	16,232	-	102,623
Disposals and scrapping - cost	-	-	(315)	-	(1,943)	(387)	-	(2,645)
Disposals and scrapping - accumulated depreciation	-	-	262	-	1,544	305	-	2,111
Reclassifications	-	-	1	-	(31)	30	-	-
Gains from verification exercise	-	-	1,837	-	2,856	1,635	-	6,328
Depreciation	-	(35,435)	(3,415)	(885)	(9,116)	(11,668)	(896)	(61,415)
Impairment loss	-	-	(191)	(178)	(519)	(626)	-	(1,514)
Net book value at 31 December 2023	41,208	1,039,851	10,384	3,771	38,330	37,504	21,827	1,192,875
Made up as follows:								
Cost or revaluation	41,208	1,138,219	33,468	11,915	102,943	84,889	24,716	1,437,358
Accumulated depreciation and impairment	-	(98,368)	(23,084)	(8,144)	(64,613)	(47,385)	(2,889)	(244,483)
	41,208	1,039,851	10,384	3,771	38,330	37,504	21,827	1,192,875

Property, plant and equipment encumbered as security

No property, plant and equipment have been pledged as security.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

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Figures in Rand Thousands

2. Property, plant and equipment (continued)

Useful life and residual value assessment

The University reassesses the useful lives and residual values of items of University at the end of each reporting period, in line with the accounting policy and IAS 16 Property, plant and equipment. These assessments are based on historic analysis, benchmarking, and the latest available and reliable information.

The revised useful life (RUL) of an asset was determined based on the condition assessment performed during the physical verification and the Local Government Capital Asset Management guideline as issued by the National Treasury was applied in respect of percentages of RUL by asset condition to determine the RUL of the asset as at 31 December 2024. The following percentages were applied:

Condition: Very good = 90.5%

Condition: Good = 70.5 %

Condition: Fair = 50.5%

Condition: Poor = 30.5%

Condition: Very poor = 10.5%

The expected useful life (EUL) are based on MUT's policy (refer to accounting policy 1.4 - Property, Plant and Equipment)

Revaluations of immovable property

Formal revaluations are performed every 5 years by a professional and independent external valuer. A revaluation was performed during the year under review. This valuation was performed by Umhlaba Geomatics Inc, independent valuers who are members of the South African Institute of Valuers. The next revaluation will be performed in 2029 in line with the revaluation policy. Refer to note 9.

Valuation for land and buildings were made using the Depreciated Replacement Cost Approach (DRC), applying straight-line depreciation to the improvements, to which is added the market value of the land, as if vacant except for the VC's house where the Comparable Sales Approach was selected in determining the market value. The revaluation surplus was credited to the revaluation reserve in equity.

Fair value hierarchy

This note explains the judgements and estimates made in determining the fair values of the non-financial assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the University has classified its non-financial assets and liabilities into the three levels prescribed under the accounting standards.

The University obtains independent valuations for its freehold land and buildings related to campus, residences and office buildings (classified as property, plant, and equipment) at least every five years.

All resulting fair value estimates for properties are included in level 3. The fair value of land has been derived using the sales comparison approach for similar sales adjusted for the specific land valued for the Vice Chancellors house and for all other buildings a depreciated replacement cost approach was used

The key inputs for the VC's house was the price per square metre from sales within a reasonable time frame of comparable lots of land in the area (location and size).

For other building using the DRC method, the computation was as follows:

$DRC = ENRC \times (ERL/EOL)$

DRC – Direct replacement cost

ENRC – Estimated new replacement cost

EOL – Estimated operational life

Mangosuthu University of Technology

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Figures in Rand Thousands

2. Property, plant and equipment (continued)

An addition of professional fees at a rate of 14% have applied the current building replacement costs to the improvements as provided by quantity surveyors Messrs. Africa Cost Guide: Property & Construction 2023/24. The present replacement costs of the surrounding infrastructure, including parking lots, highways, and sports facilities, have also been factored in. Straight-line depreciation has been used, and average Estimated Remaining Lives (ERL) have been modified in cases where renovations have taken place.

	Level 2	Level 3
Land	47,322	-
Buildings and land improvements	-	1,285,817
	47,322	1,285,817

Physical verification of movable assets

During the year under review, MUT engaged Dynamic Dashing Solutions (PTY) LTD to conduct a full physical verification of movable assets. Impairment indicators were identified during the verification exercise relating to some Computer Equipment, Office Equipment and Training Equipment. In this regard assets that were deemed to be poor or in a very poor condition were further tested for impairment. These assets were tested for impairment by comparing the carrying amount to its recoverable amount. As a result, an impairment charge of R591 000 (2023: R1 514 000) was recorded in profit or loss for the year.

The verification exercise also revealed that a significant number of assets have been found in the University, but these assets were not recorded in the fixed asset register. These assets were inspected, fair values determined and have been recorded as asset gains in the current financial year. The financial impact of this gain is R1 035 000. (2023: R6 328 000). Refer below for fair value measurement methodology.

The fair value of newly identified assets was determined using the Depreciated Replacement Costs (DRC) method. This method involves determining the costs of the new assets of the same type and adjusting the cost to take into account the condition and to reflect the remaining useful life of the actual asset on hand.

The formula to calculate the DRC is: $DRC = CRC \times RUL/EUL$

CRC = current replacement cost

RUL = remaining useful life

EUL = Expected useful life

The CRC is the equivalent of the price of a new or similar asset.

Impairment of non-financial assets

During the annual verification of movable assets, assets in a poor or very poor condition were identified. These assets were submitted and tested for impairment thus giving rise to the impairment loss.

The University has adopted the depreciated replacement cost approach (DRC) for determining impairment of assets in service.

The Current Replacement Cost (CRC) is the equivalent of the price of a new or similar asset on the date of testing. Replacement costs were obtained from various sources including quotations and prices obtained from other institutions and the internet.

The Depreciated replacement Cost (DRC) is equal to $CRC \times RUL/EUL$. The remaining useful life (RUL) of an asset was determined based on the condition assessment performed during the physical verification. The expected useful life (EUL) is based on MUT's policy and practice.

Condition = Poor (factor of 30.5%)

Condition = Very poor (factor of 10.5%)

The recoverable amount of MUT assets is realised through value in use.

Depreciation and impairment

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

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Figures in Rand Thousands

2. Property, plant and equipment (continued)

Depreciation on owned property, plant and equipment	76,260	61,415
Impairment loss	591	1,514

Work in progress of R103 428 000 (2023: R92 151 000) is included in cost of buildings.

3. Net defined benefit

Carrying value

Present value of the defined benefit obligation-partially or wholly funded	(23,716)	(21,385)
Non-current assets - National Tertiary Retirement Fund (NTRF) Asset	14,410	14,649
Non-current liabilities - Post Retirement Medical Aid Obligation	(38,126)	(36,034)
Net (loss) or gain recognised in other comprehensive income		
Pension fund asset	(1,518)	1,031
Medical aid obligation	(2,031)	1,699
	(3,549)	2,730

NTRF Retirement Fund

The NTRF is a defined contribution fund established with effect from 30 November 1994. The rules of the Fund allow for guaranteed minimum retirement benefits in respect of members who previously belonged to either the Associated Institutions Pension Funds ("AIPF") or the Temporary Employees Pension Fund ("TEPF"). This benefit forms a defined benefit underpin within the Fund.

A summary of the guaranteed minimum post-employment retirement benefits is given below. Full details are contained in the registered Rules of the Fund.

Normal retirement age

A member may retire at age 60, but may remain until age 65, if a service agreement has been entered into between the member and the employer.

Final pensionable salary

The highest average of a member's pensionable salary over any consecutive 24 months.

Gratuity

Previous members of the Associated Institutions Pension Fund, the Government Services Pension Fund or the Authorities Services Pension Fund are entitled to a gratuity of 7.25% of Final Pensionable Salary for each year of pensionable service.

The Fund is subject to the provisions of the Pension Funds Act 24 of 1956 (the "Act") and amendments.

1) Section 14B(4) of the Act prescribes minimum pension increases for pensioners. Pensions in payments should be increased by the greater of the increase to be granted in terms of the Fund's pension increase policy and the lower of: Inflation-related increases since commencement of the pension; and increases that can be afforded with reference to what has been termed the "notional pensioner accumulation amount."

2) Members of the Fund are entitled to minimum benefits as per the Pensions Fund Second Amendment Act, 2001, as set out in Section 14A of the Act. This minimum benefit is defined in Section 14B (2)(a) of the Act as the fair value equivalent of the present value of the member's accrued deferred pension calculated at a prescribed rate of discount.

Mangosuthu University of Technology

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Figures in Rand Thousands

3. Net defined benefit (continued)

Subject to the provisions of the Act and of the Rules of the Fund, the sole responsibility for the management of the Fund shall be vested in the Trustees.

Exposure to risks

- Inflation: The risk that future CPI inflation is higher than expected and uncontrolled
- Investment returns: The risk that future investment returns are lower than expected. This would possibly result in the member shares being insufficient to cover the minimum retirement benefit due, thus increasing the top-up required
- Longevity: The risk that pensioners live longer than expected and thus their pension benefit is payable for longer than expected
- Open-ended, long-term liability: The risk that the liability may be volatile in the future and uncertain
- Future changes in legislation: The risk that changes to legislation with respect to the post-employment liability may increase the liability for the University
- Future changes in the tax environment: The risk that changes in the tax legislation governing employee benefits may increase the liability for the University
- Administration: Administration of this liability poses a burden to the University

It was assumed that early ill-health retirement would occur at 40% (2023:40%) of the pre-retirement mortality rates. An expected retirement age of 63 (2023:63) was assumed and is based on the average age of retirements. It was assumed that 95% (2023:95%) of the members would be married at retirement with a spouse 4 years younger than the husband.

The University's obligation towards the NTRF pension fund was actuarially calculated as at 31 December 2024 by Alexander Forbes Financial Services.

Statement of financial position

Present value of funded obligations	(2,203)	(1,810)
Fair value of plan assets	16,613	16,459
	14,410	14,649

Fair value of planned assets

Opening balance	16,459	14,768
Interest income on assets	1,427	1,409
Actuarial gain	626	471
Benefits paid	(1,899)	(189)
	16,613	16,459

Actual return on plan assets	2,053	1,880
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The actual return on plan assets is calculated using the market value of assets both opening and closing as well as cash flows from the assets.

The net actuarial gain on the fair value of planned assets arose as a result of the actual returns on the assets being lower than the calculated interest income on assets.

Unrecognised actuarial gains/(losses)

Opening balance	-	-
Amortisation	1,518	(1,031)
New (losses)/gain	(1,518)	1,031
	-	-

Present value of funded obligation

Opening balance	1,810	2,258
Current service costs	63	85
Interest cost	85	216
Actuarial loss/(gain)	2,144	(560)
Benefits paid	(1,899)	(189)

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Figures in Rand Thousands

3. Net defined benefit (continued)

	2,203	1,810
Per statement of comprehensive income		
Profit or loss		
Current service cost (included in staff costs - note 17)	63	85
Net interest cost:		
- Interest earned (note 16)	(1,342)	(1,193)
Amount recognised in profit and loss	(1,279)	(1,108)
Other comprehensive income		
Actuarial loss/(gain)	2,144	(560)
 Cumulative amount recognised in other comprehensive income	 (22,673)	 (21,394)
Factors contributed to net actuarial gains		
The following factors contributed to the net actuarial gain:		
Change in economic assumptions	375	(130)
Experience: Member share increases	(237)	(434)
Experience: Salary increases	(272)	(161)
Experience: Data and model changes	752	134
Experience: Demographic experience	1,526	31
	2,144	(560)
Reconciliation of Statement of financial position		
Opening value	14,649	12,510
Amount recognised in profit and loss (note 17)	1,279	1,108
Amount recognised in other comprehensive income (page 32)	(1,518)	1,031
	14,410	14,649

The paragraph 65 limit in terms of IAS 19 (Employee Benefits) ensures the asset to be recognised in the University's statement of financial position is subject to a maximum of the present value of any economic benefits available to the University in the form of refunds or reductions in the future contributions. The paragraph 65 limit is not applicable for the year under review and the prior year, accordingly there is no unrecognised surplus as the paragraph 65 limit is not applicable.

The defined benefit plan exposes the University to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk. The economic assumptions used in this valuation are based on market information as at 31 December 2024. The market information and rates fluctuate daily therefore the assumptions in 2024 may differ from the assumptions used in 2023.

Significant valuation assumption

Discount rate	8.9%	9,20%
Inflation rate	3.5%	4,40%
Pension increase rate	2.74%	2,42%

Discount rate

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Figures in Rand Thousands

3. Net defined benefit (continued)

The rate used to discount post-employment benefit obligations should be determined by reference to market yields at the reporting date on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yields (at the reporting date) on government bonds should be used. In our opinion, there is no deep market in corporate bonds in South Africa and as such we have set our recommended assumption with reference to the Nominal Bond Curve, as compiled by the Johannesburg Stock Exchange of South Africa and obtained from Inet Bridge, at the duration of the liabilities of 4 years. This converts into an effective yield of 8,90% (2023: 9,20%) as at 31 December 2024. In terms of the accounting standards historical yields are less important and we consequently consider it appropriate to use the discount rate of 8,90% per annum.

Inflation rate

While not used explicitly in the valuation, we have assumed the underlying future rate of consumer price inflation (CPI) to be 3,50% (2023: 4,40%) per annum. This assumption is in line with the SA Government's Monetary Policy target of 3% to 6% per annum. This assumption has been based on the relationship between the current Nominal and Real Bond Curves, as compiled by the Johannesburg Stock Exchange of South Africa. The real bond yield was rounded to the nearest 0.1% as in the case of the discount rate. We calculated our inflation assumption as the difference between the discount rate and the real bond yield and adjusted for an inflation risk premium which we assumed to be 0.5%. The yield on a conventional bond is assumed to equal inflation plus the real yield on an index-linked bond plus an inflation risk premium. There is a premium to compensate the conventional bondholder for the uncertainty regarding future inflation. If inflation is higher than expected, their real yield will be lower than expected. The index-linked bondholder does not require such a premium as their yield is protected against higher-than-expected inflation.

Pension increase rate

Within the context of the Board's (Pension Fund Board) objective to grant annual pension increases to the extent that the Fund earns an investment return in excess of 6.0% per annum over the long term, as well as the Pensioner Portfolio's objective to out-perform the consumer price index (CPI) by 4.5% per annum over the long term and on recommendation of the Fund's Actuary, the Fund's pension increase policy prescribes that the Fund's purpose is to provide pensions payable in terms of the Fund's Rules, including pension increases which, subject to affordability, are targeted to be between 50% and 60% of the Consumer Price Index (CPI) over the long term. The Financial Sector Conduct Authority in recent years has reiterated that pension increases should be set in line with a targeted percentage of CPI. As a result, we have assumed a target of 55% of CPI. This implies a pension increase rate of 2,74% per annum.

Fund membership

The active members covered by the fund is 28 (2023: 34)

The below sensitivity analysis was performed on the key valuation assumptions.

Sensitivity information:

1% increase in discount rate		
Decrease in defined benefit obligation	(1,824)	(752)
1% decrease in discount rate		
Decrease in defined benefit obligation	(3,047)	(4,670)
1% decrease in inflation rate		
Increase in defined benefit obligation	(2,716)	(1,036)
1% increase in inflation rate		
Decrease in defined benefit obligation	(1,888)	(3,543)

Post Retirement Medical Aid Fund Benefit

Mangosuthu University of Technology

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Figures in Rand Thousands

3. Net defined benefit (continued)

Post-retirement Medical Aid benefit (PRMA) is post-retirement health-care benefit which includes subsidisation of medical aid premiums to employees and retirees and to their registered dependents. The University offers employees and retirees the opportunity to belong to one of several medical schemes.

The Projected Unit Credit method has been used to value the liabilities. This post-retirement benefit obligation exposes the University to actuarial risks, such as longevity risk, currency, interest rate risk and market (investment) risk.

The University's obligation towards the PRMA obligation was actuarially calculated as at 31 December 2024 by Simeka Consultants and Actuaries (Pty) Ltd. This obligation is fully funded by the University.

The University has not legally ring-fenced any assets to fund this liability and there are therefore no "Plan Assets".

Maturity profile

The obligation does not have a defined maturity, the liability ceases when the last member entitled to the health care benefit passes away. This date is unknown. The weighted average lifetime of the remaining members which was 10.3 years (2023: 10.4 years) was used for the current valuation. This is the calculated estimate of the average future remaining lifetime of the membership weighted by the level of subsidy.

Five-year projections.

The projected value of the accrued liability for the five years following the valuation date are as follows:

31 Dec 2025: Accrued liability R37 818 000, Service costs Rnil, Interest cost R3 647 000 and Benefit payment R4 284 000

31 Dec 2026: Accrued liability R37 181 000, Service costs Rnil, Interest cost R3 566 000 and Benefit payment R4 587 000

31 Dec 2027: Accrued liability R36 160 000, Service costs Rnil, Interest cost R3 445 000 and Benefit payment R4 911 000

31 Dec 2028: Accrued liability R34 694 000, Service costs Rnil, Interest cost R3 278 000 and Benefit payment R5 258 000

31 Dec 2029: Accrued liability R32 714 000

Statement of financial position

Present value of unfunded obligations	38,126	36,034
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Benefits paid

Benefits paid	(3,680)	(3,550)
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Movement in present value of obligation

Opening balance	36,034	37,332
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Interest cost	3,741	3,951
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Actuarial loss/(gain) arising from financial assumptions (page 31)	2,031	(1,699)
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Benefits paid	(3,680)	(3,550)
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Closing balance	38,126	36,034
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Amounts included in profit or loss

Interest cost (note 19)	3,741	3,951
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Other comprehensive income: Actuarial losses

Opening balance:	(58,634)	(56,935)
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Amount recognised during the year (page 31)	(2,031)	(1,699)
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(60,665)	(58,634)
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Actuarial (gain)/loss

Change in actuarial assumptions	(865)	(459)
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Actual health care cost inflation compared with expected	2,700	380
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Figures in Rand Thousands

3. Net defined benefit (continued)

Change in demographic profile of the membership	196	(1,620)
	2,031	(1,699)

Reconciliation of statement of financial position

Opening value	36,034	37,332
Employee contribution	(3,680)	(3,550)
Amount recognised in profit or loss	3,741	3,951
Amount recognised in other comprehensive income	2,031	(1,699)
	38,126	36,034

Key valuation assumptions

Discount rate	10.22%	10.94%
Mortality rate (PA (90)) mortality tables for males and females with age reduction of 2 years	(2)	(2)

Sensitivity information: 2024

1% increase in discount rate

Decrease in defined benefit obligation (effect in % terms)	(6)	(6)
Increase in annual expense (service cost plus interest cost) (effect in % terms)	3	2

1% decrease in discount rate

Increase in defined benefit obligation (effect in % terms)	7	7
Decrease in annual expense (service cost plus interest cost) (effect in % terms)	(4)	(3)

Medical mortality rate rated down by 1 year PA 90-3

Increase in defined benefit obligation (effect in % terms)	4	4
Increase in annual expense (service cost plus interest cost) (effect in % terms)	4	4

Medical mortality rate rated up by 1 year PA 90+3

Decrease in defined benefit obligation (effect in % terms)	(4)	(4)
Decrease in annual expense (service cost plus interest cost) (effect in % terms)	(4)	(4)

4. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software - definite	7,424	(6,586)	838	7,424	(6,189)	1,235
Computer software - indefinite	3,348	-	3,348	3,348	-	3,348
Total	10,772	(6,586)	4,186	10,772	(6,189)	4,583

Intangible assets consist of Integrated Tertiary Software (ITS) system and Oracle database. These are purchased software and not internally generated. The Oracle software has an indefinite useful life as it has a perpetual user license.

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Figures in Rand Thousands

4. Intangible assets (continued)

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
Computer software	4,582	(396)	4,186

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer software	4,977	(395)	4,582

5. Inventories

Maintenance stock and consumables	711	1,398
Student laptops held for resale	4,166	4,151
	4,877	5,549
Impairment of inventories	(4,877)	(4,891)
	-	658

During the year inventories were reduced by the value of R4 877 000 (2023: R4 891 000) due to stock that has been regarded as obsolete. The impairment was recognised in the Statement of Profit or Loss and Other Comprehensive Income under Other Operating Expenses.

6. Trade and other receivables

Financial instruments:

Student receivables	814,479	805,805
Allowance for impairment loss	(597,276)	(569,616)
Net student receivables	217,203	236,189
Sundry debtors	12,562	17,525
Total trade and other receivables	229,765	253,714

Exposure to credit risk

Trade receivables inherently expose the Mangosuthu University of Technology to credit risk, being the risk that the Mangosuthu University of Technology will incur financial losses if customers fail to make payments as they fall due.

In recognising and measuring Expected Credit Losses for trade receivables under the simplified approach, MUT used a provision matrix for calculating lifetime expected credit losses. The provision matrix is based on MUT's historical default rates over the expected life of the trade receivables. The rates are applied to the ageing buckets in each category of debtor after setting off the amounts still to be allocated to the student debtors.

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6. Trade and other receivables (continued)

	2024	2024	2023	2023
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default Restated *	Loss allowance (Lifetime expected credit loss) Restated *
Expected credit loss rate:				
Categories of Debtors				
NSFAS - Current	9,871	(395)	108,058	(18,927)
NSFAS - 1 year past due	13,223	(529)	3,648	(3,648)
NSFAS - 2 years + past due	251,866	(7,506)	139,662	(114,540)
Privately Funded - Current	38,456	(37,686)	173,729	(86,475)
Privately Funded - 1 year past due	24,641	(24,148)	20,127	(20,128)
Privately Funded - 2 years + past due	466,447	(520,045)	337,121	(302,439)
Bursary/Sponsored - Current	5,189	(3,270)	5,367	(5,367)
Bursary/Sponsored - 1 year past due	1,403	(323)	541	(541)
Bursary/Sponsored - 2 years + past due	3,374	(3,374)	17,551	(17,551)
	814,470	(597,276)	805,804	(569,616)

Default occurs when the student has an outstanding balance at the end of the semester or year if the student is registered annually.

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

Opening balance	(569,616)	(340,208)
Remeasurement of loss allowance	(27,660)	(229,408)
Closing balance	(597,276)	(569,616)

There were no debts written off during the year.

The receivable balance reflected includes amounts which were recorded as due from NSFAS which incorporates recoveries for student fees/tuition, student accommodation and other allowances. As part of the administration process which endured between 2022 and early January 2025, forensic investigations were conducted by administrator appointed service providers into amongst others the NSFAS recoveries claimed by the University relating to NSFAS Student accommodation, which purported possible over claims from NSFAS in this regard.

During the 2025 financial year management supported by Council has commenced the process of unpacking and remediating the findings of the forensic reports and further commenced engagement with NSFAS with a view to clarifying the principles which should be adopted in terms of the NSFAS guidelines. Additionally the process of quantifying the possible exposure of overclaims has commenced and was in process at the time of approval of these financial statements. The resultant of managements exercise together with concurrence of NSFAS may give rise to material adjustments to the financial statements. Council resolved that this be finalised with NSFAS by the end of November 2025 and appropriate adjustments be made in the accounting records.

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7. Investments at fair value

Investments held by the Mangosuthu University of Technology which are measured at fair value:

Mandatorily at fair value through profit or loss:

Other equity instrument	4,159	3,767
Old Mutual Wealth Investment. This investment was made several years ago and can be drawn down at any time.		
	4,159	3,767

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2,762	5,045
Cash on term deposit	1,340,022	1,286,883
	1,342,784	1,291,928

Restricted cash

Included in cash and cash equivalents is R834 806 (2023: 868 908) that relates to restricted grants.

Cash on term deposits

Financial institution

ABSA	381,829	418,591
Nedbank	378,344	338,556
Investec	94,035	87,010
African Bank (Grindrod)	485,814	442,726
	1,340,022	1,286,883

MUT has the following facilities with ABSA bank:

Credit Card R500 000, Merchant Acquiring R1 600 000, Fleet Card R300 000 ACB Mag- Tape Debit R50 000

9. Revaluation reserve

The revaluation reserve represents the accumulated gains on the revaluation of the University's fixed properties. Further details of the revaluation are provided under note 2.

Opening balance	526,712	526,712
Revaluation of immovable assets	196,806	-
	723,518	526,712

10. Interest bearing loans

The loans and borrowings consist of two unsecured loans from ABSA.

Held at amortised cost

Unsecured

ABSA Bank Limited	58,401	66,076
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Unsecured

Split between non-current and current portions

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10. Interest bearing loans (continued)

Non-current liabilities	49,750	58,401
Current liabilities	8,651	7,675
	58,401	66,076

An unsecured loan of R26 950 300 (2023: R31 355 042) from ABSA Bank Limited bearing a fixed interest rate of 11.06% and repayable in two instalments of R3 881 641 per annum including interest and capital. The instalments are due in June and December each year. The final date for repayment is 23 June 2029.

An unsecured loan of R31 450 634 (2023: 34 720 453) from ABSA Bank Limited bearing a fixed interest rate of 13.04% and repayable in two instalments of R3 858 192 per annum including interest and capital. The instalments are due in June and December each year. The final date for repayment is 23 December 2030.

The above loans were taken out to fund the construction of a student residence which was completed in 2018.

Interest bearing loans 2024

	Opening balance	Interest costs	Repayments	Closing balance
ABSA Loan 1	31,355	3,358	(7,763)	26,950
ABSA Loan 2	34,720	4,447	(7,716)	31,451
	66,075	7,805	(15,479)	58,401

Interest bearing loans 2023

	Opening balance	Interest costs	Repayments	Closing balance
ABSA Loan 1	35,319	3,799	(7,763)	31,355
ABSA Loan 2	37,623	4,813	(7,716)	34,720
	72,942	8,612	(15,479)	66,075

11. Restricted grants

Non - Current

2024

	Opening balance	Grants received	Interest	Expenditure	Closing balance
SBDP Grant	340,333	50,918	25,183	(74,777)	341,657
Deferred maintenance	18,378	-	1,127	(11,809)	7,696
Alga biotech & equipment	247	-	20	-	267
Student centre/bridge	15,986	-	1,087	(8,837)	8,236
New student housing	80,141	-	6,672	(2,387)	84,426
FC2 Engineering labs	8,672	-	482	(5,564)	3,590
Infrastructure efficiency	305,545	-	24,676	(32,550)	297,671
University essential projects	9,763	-	803	(205)	10,361
Bulk infrastructure	43,163	-	2,930	(17,846)	28,247
	822,228	50,918	62,980	(153,975)	782,151

The above grants have been received from DHET for specific projects. The University is precluded from utilising any of these grant monies for any other purpose other than the stated terms and conditions of the various grant letters.

2023

	Opening balance	Grants received	Interest	Expenditure	Closing balance
SBDP Grant	310,583	54,546	25,958	(50,754)	340,333
Deferred maintenance	22,516	-	1,767	(5,905)	18,378
Alga biotech & equipment	213	-	34	-	247
Student centre/bridge	16,442	-	1,332	(1,788)	15,986
New student housing	73,978	-	6,393	(230)	80,141

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11. Restricted grants (continued)

FC2 Engineering	8,030	-	667	(25)	8,672
FC11 Project management	(1,186)	-	-	1,186	-
Infrastructure efficiency	196,851	120,132	23,720	(35,158)	305,545
University essential projects	10,036	-	796	(1,069)	9,763
Bulk infrastructure	46,856	-	3,663	(7,356)	43,163
	684,319	174,678	64,330	(101,099)	822,228

Current

2024	Opening balance	Grants received	Interest	Expenditure	Closing balance
New generation of academics	28,303	1,307	2,326	(3,550)	28,386
Clinical training	7,711	1,338	633	(2,016)	7,666
UCDG Old cycle	7,086	-	-	(4,672)	2,414
UCDG New cycle	-	15,109	549	(6,382)	9,276
Science equipment	793	-	67	-	860
Refurbishment of lecture theatres	358	-	30	-	388
DHET NSFAS	132	-	-	-	132
Construction of social spaces	176	-	2	-	178
NSF Integration programme	3,296	-	265	(206)	3,355
	47,855	17,754	3,872	(16,826)	52,655

2023	Opening balance	Grants received	Interest	Expenditure	Closing balance
New generation of academics	13,726	7,847	1,430	5,300	28,303
Clinical training	15,028	768	883	(7,793)	8,886
Teaching and learning	8,662	9,663	794	(13,208)	5,911
Science equipment	733	-	60	-	793
Refurbishment of lecture theatre	331	-	27	-	358
DHET NSFAS	132	-	-	-	132
Construction of social spaces	174	-	2	-	176
NSF Integration programme	2,633	1,320	186	(843)	3,296
CRG 2 Campus Readiness	205	-	-	(205)	-
	41,624	19,598	3,382	(16,749)	47,855

Analysis as follows

Restricted grants - non-current	782,151	822,228
Restricted grants - current	52,655	47,855
	834,806	870,083

12. Deferred income

Deferred income relates to infrastructure projects and movable assets funded by restricted grants. When such expenditure is capitalised to work in progress, the corresponding deferred income is raised. When the asset is available for use, the grant is recognised on a systematic basis over the useful life of the asset.

Opening balance	507,947	437,531
WIP	84,276	81,792
Other assets funded through grants	14,009	8,632
Income recognised (note 15)	(12,259)	(15,008)

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12. Deferred income (continued)

Corrections to WIP and Deferred income

(511)

(5,000)

593,462

507,947

Analysis as follows

Deferred income - non-current

579,751

496,542

Deferred income - current

13,711

11,405

593,462

507,947

13. Trade and other payables

Financial instruments:

Trade accounts payables and other accruals

76,651

73,794

Non-financial instruments:

Credit balances in student debtors

81,733

78,050

Payroll accruals

49,360

48,128

Deposits received

33,319

23,713

241,063

223,685

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts due to trade payables being short-term in nature.

14. Revenue

Government grants

Government Subsidy

471,915

465,145

Council controlled government grants

471,915

465,145

Foundation grant

3,646

-

Programme funding

3,280

-

Realised deferred grant (note 12)

12,259

15,008

Specifically funded restricted grants

48,358

-

539,458

480,153

Disaggregation of revenue from contracts with counter parties

The university disaggregates revenue from counter parties as follows:

Tuition and other fee income

Tuition fees

321,981

296,405

Examination fee

224

112

Student levies

6,894

6,518

Accommodation fees

453,968

504,154

783,067

807,189

Timing of revenue recognition

At a point in time

Examination Fee

224

112

Over time

Tuition Fee

321,981

296,405

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14. Revenue (continued)

SRC Levies	6,894	6,518
Accommodation Fee Hostel Ann	453,968	504,154
	782,843	807,077
Total revenue from contracts with customers	783,067	807,189

15. Income from other activities

Donations Received	85	936
Rebates	352	210
Student Cards	46	56
Library Fines	9	11
Short Courses Income	54	30
TSC Projects Income	133	22
Hire of Venue	791	366
Conference Income	300	220
Sundry Income	10	2
Gain on fair value: Investment	392	-
Internal Costs Recovery	1,771	1,649
Vat Recoverable	-	380
Gains from Verificat	1,035	6,328
Insurance Claims Receivable	268	713
	5,246	10,923

16. Investment income

Interest income

Investments in financial assets:

Bank and other cash	47,466	38,077
Interest - post retirement fund obligations (note 3)	1,342	1,193
Total interest income	48,808	39,270

17. Staff costs

Employee costs

Academic Professionals	256,778	246,907
Non-Academic Professionals	287,134	278,844
	543,912	525,751

Average number of persons employed during the year

Academic professionals	264	228
Non-academic professionals	314	354
	578	582

18. Other operating expenses

Auditor's remuneration

External	2,457	2,368
Internal	4,476	2,788
Repairs and maintenance	26,956	25,520
Legal fees	1,654	3,769

Outsourced services

Catering expenses	1,591	1,666
Cleaning, hygiene and sanitation	22,681	18,989
Grounds and gardens	5,222	1,959
Information technology and computer services	10,089	12,912

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18. Other operating expenses (continued)

Security	33,702	27,969
Student Transport	57,049	62,523
Variable lease payments - Student residences	325,618	330,407
Low value leases - photocopy machines	3,986	4,864
Software licensing	11,317	10,936
Assessment rates & municipal charges	46,124	37,188
Telephone expenses	2,443	5,701
Periodicals (subscriptions to online journals and other academic materials)	8,179	7,920
Insurance	3,819	3,329
Professional fees	6,308	8,669
Consumables	5,492	2,554
Bank charges	1,285	1,146
Debt collection	2,498	2,700
Student related functions	4,861	6,160
Books and materials	648	1,432
Research and development costs	16,299	10,633
Membership fees	1,518	2,008
Training	6,015	2,863
Free study dependents	2,294	1,447
Students' sports body	1,890	2,462
Teaching aids	1,556	1,444
Conferences and workshops	8,676	2,587
Printing costs	403	732
Stationery	1,026	1,117
Petrol and oil	2,491	2,413
Travel - local	8,029	2,934
Branding	2,751	1,157
Obsolete stock provision	(14)	4,161
Other operating expenses	22,483	13,880
	663,872	633,307

19. Finance costs

Interest - post retirement medical aid obligation (note 3)	3,741	3,951
Interest paid - interest bearing loans	7,809	8,614
Total finance costs	11,550	12,565

20. Cash generated from operations

Surplus for the year	51,184	(126,819)
Adjustments for:		
Depreciation and amortisation	76,656	61,810
Losses on disposals and scrapping	1,441	534
Finance income	(48,808)	(39,270)
Finance costs	11,550	12,565
Impairment of PPE	591	1,514
Prior period gains on assets	(1,035)	(6,328)
Fair valuation of investment	(392)	(114)
Transfer of WIP and deferred income	97,776	85,424
Impairment provision - Student debtors	27,661	229,407
Deferred income recognised	(12,259)	(15,009)
Changes in working capital:		
Inventories	658	4,138
Trade and other receivables	(3,712)	(137,567)
Trade and other payables	17,382	24,219
Restricted grants	(102,133)	76,428
Special restricted funds	(6,762)	13,562
	109,798	184,494

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20. Cash generated from operations (continued)

* FY2023 has been restated. Refer to note 21 for further details.

21. Prior period adjustment

The following prior period error was corrected following a retrospective approach where the correction was done from the earliest date practical, being 2022.

1. During the year it was discovered that Accounts Payable control account does not match the creditors listing on the accounts payable subystem. The differences of R11 861 000 were investigated and were found to be relating journals passed in the control account and not the sub-ledger system during FY 2023. The errors were susequently corrected in the prior year.

2. During the year it was discovered that student discounts granted to students in terms of Fee Gap Grant (increment of fees for the missing middle) for FY2019 amounting to R40 803 844 had been included in trade and other payables rather than a reduction to the amounts owing by the students sitting in trade and other receivables. This was corrected as an prior year error.

3. During the 2024 financial year management performed the assessment of the Expected credit loss and associated impairment loss on Student receivables- In performing this assessment it was identified that certain factors relating to the assessment of NSFAS related receivables were erroneously not appropriately incorporated into the methodology and calculation of the previously reported Allowance for impairment loss for the 2023 financial year. This has been corrected by retrospectively adjusting the previously reported impairment loss allowance by R114 539 000 and the statement of profit/loss and other comprehensive income for the 2023 financial year. The error has been corrected by adjusting the previously reported Statement of financial position, statement of profit/loss and other comprehensive income and statement of changes in equity. The correction of error had no impact on the periods prior to 01 January 2023.

4. In the current year, it was identified that an amount previously presented under Trade and other payables (2023: R32 660 000, 2022: R19 098 000) in the prior year's (2023 and 2022) financial statements included special restricted funds. Accordingly, the prior year comparative figures have been reclassified to present this balance under Special Restricted Funds within the statement of financial position, in order to provide more relevant and reliable information. The reclassification had no impact on the reported surplus/deficit or net assets for the prior year.

The impact of the prior period errors is as follows:	31 Dec 2023 (as previously reported)	Restatement adjustment	31 Dec 2023 (Re-stated)	31 Dec 2022 (as previously stated)	Restatement adjustment	31 Dec 2022 (Re-stated)
Statement of Financial Position						
Current assets						
Trade and other receivables	407,118	(153,404)	253,714	386,358	(40,804)	345,554
Total current assets	1,703,471	(153,404)	1,550,067	1,518,169	(40,804)	1,477,365
Total assets	2,915,577	(153,403)	2,762,174	2,683,043	(40,804)	2,642,239
Equity						
Retained income	625,377	(126,400)	498,977	623,066	-	623,066
Total equity	1,152,089	(126,400)	1,025,689	1,149,778	-	1,149,778
Non current liabilities						
Restricted grants	822,228	-	822,228	684,319	-	684,319
Total non-current liabilities	1,413,205	-	1,413,205	1,214,411	-	1,214,411
Trade and other liabilities	283,348	(59,663)	223,685	258,660	(59,902)	198,758
Special restricted funds	-	32,660	32,660	-	19,098	19,098
Total current liabilities	350,283	(27,003)	323,280	318,854	(40,804)	278,050
Total liabilities	1,763,488	(27,003)	1,736,485	1,533,265	(40,804)	1,492,461
Total equity and liabilities	2,915,577	(153,403)	2,762,174	2,683,043	(40,804)	2,642,239
Statement on profit/loss & other comprehensive income						
Total revenue	1,337,535	-	1,337,535	-	-	-
Total expenditure	1,337,954	126,400	1,464,354	-	-	-
Recurrent expenditure	1,337,954	126,400	1,464,354	-	-	-

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21. Prior period adjustment (continued)

Impairment loss - Students receivables	114,868	114,539	229,407	-	-	-
Other operating expenses	621,446	11,861	633,307	-	-	-
Deficit for the year	(419)	(126,400)	(126,819)	-	-	-
Other comprehensive income	2,730	-	2,730	-	-	-
Total comprehensive income	2,311	(126,400)	(124,089)	-	-	-
Statement on changes in equity						
Retained income						
Balance at 1 Jan 2023	623,066	-	623,066	-	-	-
Deficit for the year	(419)	(126,400)	(126,819)	-	-	-
Other comprehensive income	2,730	-	2,730	-	-	-
Total retained income 31 Dec 2023	625,377	(126,400)	498,977	-	-	-
Total equity	1,152,089	(126,400)	1,025,689	-	-	-
Cash generated from operations						
Profit for the year	(419,000)	(126,400)	(126,819)	-	-	-
Impairment provision - Student debtors	114,868	114,539	229,407	-	-	-
Trade and other receivables	(135,628)	(1,939)	(137,567)	-	-	-
Trade and other payables	24,688	469	24,219	-	-	-
Special restricted funds	-	13,562	13,562	-	-	-
	-	-	-	-	-	-

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22. Payment to Council and Administrators Committees for attendance of meetings

To whom paid

Administrator team

Prof LR van Staden - Administrator	3,373	3,382
MR Mokuele - Technical team member	2,549	2,553
PK Slack - Technical team member	2,250	2,258
Dr D Naidoo - Technical team member	2,255	2,254
	10,427	10,447

The Minister of Higher Education, Science and Innovation, Dr BE Nzimande dissolved the Council of MUT and appointed an Administrator to MUT effective 28 September 2022 as per Government Gazette No 44280, dated 10 October 2022. The Administrator was Prof LR van Staden. The Administrator appointed a technical team to assist him in carrying out his mandate. The Administrator had been appointed for a 24-month period from effective date. The Administrator's term was further extended by a period of three months to 10 January 2025.

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23. Compensation paid to Senior Management and Administrative Staff

The following disclosure relates to the compensation paid to members of the Executive, Deans and other senior management of the University for the year ended 31 December 2024 as defined in the Statute of the University. Gross remuneration, for the purposes of the Higher Education Act, is based on the cost of employment to the University and comprises flexible remuneration packages, suitably annualised, where applicable and is inclusive of the employer's contributions to health and post retirement benefits. All these benefits fall within the category of short-term employee benefits. Exceptional payments, if any, to Executive and senior management have been included in the annualised gross remuneration and are disclosed separately below where applicable.

* Included in other benefits as detailed below are the following: Post employment benefits - Pension, group life, medical aid housing allowance and cellphone allowance.

NAMES	Offices Held	2024 basic salary	2024 other benefits *	2023 basic salary	2023 other benefits *
Prof MN Sibiya	Vice-Chancellor & Principal	2,546	1,544	2,129	1,209
Prof M Ramogale	DVC: Teaching and Learning	2,095	1,247	2,038	1,979
Dr BA Ntshangase	Acting DVC: Teaching and Learning	1,209	706	1,169	695
Dr CM Israel	Executive Director: Institutional Advancement	1,305	722	1,270	725
D Brijlal	Snr Director: Human Resources and Development	1,204	664	1,171	680
MHL Kau	Interim Snr Director: Operations	1,720	43	1,662	138
F Madhi	Snr Director: Legal Services	1,450	798	1,411	812
Dr JM Makua	Snr Dir: TLDC	1,284	915	1,254	1,129
EMF Mkhize	Snr Director: MARCOMMS	1,238	725	1,205	790
Dr N Mosala-Bryant	Snr Director: Library	1,260	699	1,213	723
Dr PP Masala	Registrar	1,458	787	1,518	732
Dr M de Swardt	Snr Director: ITN	1,449	800	1,411	813
Dr JF van Koller	Acting DVC: Resources and Planning	1,237	1,145	1,226	1,131
R Delomoney	Chief Financial Officer (Resigned 31/12/2024)	1,535	1,003	1,494	865
Dr LT Kweyama	Dean of Students	1,209	706	1,171	730
Prof BF Bakare	Acting Dean Engineering	983	554	950	549
Prof M Cooposamy	Acting Dean Natural Sciences	1,209	565	1,169	667
Prof AM Msomi	Acting Dean Natural Sciences	1,209	679	-	-
Dr K Ramsarghey	Acting Dean Management Science	1,209	512	-	-
		26,809	14,814	23,461	14,367

Exceptional payments

During the year ended 31 December 2024 and 31 December 2023, no exceptional payments in excess of R 249 999 were made to the members of the executive and senior management. Exceptional payments as defined for this purpose in terms of the Higher Education Act include special bonuses and exceptional amounts arising on the termination of employment with the University.

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24. Taxation

Income Taxation

Mangosuthu University of Technology is exempt from South African normal taxation in terms of Section 10(1) (cA)(i) of the Income Tax Act and therefore no provision has been made for taxation.

First Ready Development 143 NPC (FRD), a subsidiary of the university. FRD has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, (the Act) and the receipts and accruals are exempt from income tax in terms of section 10(1)(cN) of the Act.

Value Added Tax

The University is registered as a VAT vendor. Educational services are an exempt supply under section 12(h) of the VAT Act of 1991. Under current legislation, tuition fees, accommodation fees and some state funded research grants have no VAT implications.

First Ready Development 143 NPC is not registered for VAT as its primary asset is a building, and this building is defined under the VAT act as a dwelling for SARS purposes which is not vat-able (refer to note 28 for further explanation).

25. Related parties

Relationships

Subsidiaries

Shareholder with significant influence

Directors of First Ready Development 143 NPC

Members of senior management

First Ready Development 143 NPC - Refer to note 28
Department of Higher Education (DHET)
Prof MN Sibiya, Mr R Jugernath and Mr Z Gqamane
Refer to note 23

Related party balances

Loan accounts - Owing (to) by related parties

Loan to First Ready Development 143 NPC

3,500

3,500

Restricted grants

DHET Restricted grants

834,806

870,083

Related party transactions

Grants received

DHET Block grant

471,915

465,145

DHET Restricted grants

68,672

194,276

Mangosuthu University of Technology

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Notes to the consolidated financial Statements

2024

2023

26. Financial risk management

Categories of financial instruments

Categories of financial assets

2024

	Note(s)	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Investments at fair value	7	4,159	-	4,159	4,159
Trade and other receivables	6	-	229,765	229,765	229,765
Cash and cash equivalents	8	-	1,342,784	1,342,784	1,342,784
		4,159	1,572,549	1,576,708	1,576,708

2023

	Note(s)	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Investments at fair value	7	3,767	-	3,767	3,767
Trade and other receivables	6	-	253,714	253,714	253,714
Cash and cash equivalents	8	-	1,291,928	1,291,928	1,291,928
		3,767	1,545,642	1,549,409	1,549,409

Categories of financial liabilities

2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	76,654	76,654	76,654
Interest bearing loans	10	58,401	58,401	58,401
		135,055	135,055	135,055

2023

	Note(s)	Amortised cost	Total
Trade and other payables	13	145,639	145,639
Interest bearing loans	10	66,076	66,076
		211,715	211,715

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Figures in Rand Thousands

26. Financial risk management (continued)

Financial risk management

Overview

The University is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (interest rate risk and price risk).

The University's financial instruments consist primarily of deposits with registered Grade A commercial Banks, student accounts receivable and trade payables and interest bearing loans.

The University Council has overall responsibility for the establishment and oversight of the University's risk profile. Council has established an Audit, Risk and Compliance Committee (ARCC) to develop monitor and manage the University's risk management policies on its behalf and Executive management is responsible for implementing, managing and complying with selected risk management strategies.

All potential risks are identified, evaluated and managed as appropriate. Risk management policies, systems and procedures are reviewed regularly to reflect changes in market conditions, the higher education sector and in the University's operating environment. The Chairperson of the respective committee, the Vice-Chancellor and other members of Executive management report regularly to the Council on risk management activities and results. The University, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees, students and other stakeholders understand their roles and obligations.

The University's policies regarding insurance and risk cover are set and monitored by the ARCC. Likewise, decisions on the level of financial risk are taken by the ARCC and enforced by the University's Finance Division in terms of established limits by reference, in each case, to the particular transaction type, the monetary amounts and the counterparties involved. The University is exposed to market risk as it holds an investment in funds which are significantly affected by fluctuations in market conditions.

The University is exposed to changes in market prices through its investment in unit trust funds with Old Mutual. This investment was taken out in 1999 and is subject to fluctuations in the market prices of the units it is invested in. (Refer note 8)

Interest rate risk: The University is exposed to interest rate risk through the funds it has invested in call accounts with various financial institutions with interest rates linked to the repo rate.

There has been no change to the University exposure to market risks during the year of assessment or the manner in which these risks are managed and measured.

Credit risk

The University's potential concentrations of credit risk consist mainly of short-term cash, cash equivalent investments and trade and other receivables.

The University places cash and cash equivalents with reputable financial institutions. The maximum exposure approximates the carrying amount.

The University's credit risk exposure is represented primarily by the net aggregate balance of amounts receivable in respect of unpaid student fees and general trade receivables. Collateral measures include the withholding of the certificates and the refusal to allow students with outstanding balances to register in the ensuing academic year unless a debt payment plan has been committed to. Debt collection procedures are applied as diligently as circumstances permit in such a way as to minimise risk and related collection costs. As a general principle, no collateral is required for general trade debtors and other receivables. The University grants registration concessions to students at the discretion of Executive Management.

The University provides for expected credit losses in respect of student-related receivables (student fee debtors) and other trade receivables to the extent that these can be reliably and conservatively determined, having regard to the credit risk experience and payment history of the particular categories of debtors.

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26. Financial risk management (continued)

Liquidity risk

The University manages its liquidity risk by monitoring its daily cash flow to ensure that surpluses are optimally invested, and that adequate cash is available to meet its day-to-day operations in the short and medium-terms, based on rolling cash flow projections and good working capital management. The University adopts a diversified investment strategy with specified major financial institutions, each of which is required to be accredited according to the University's Investment Policy and has no significant concentration of credit risk with any single counter-party.

The timing and cyclical nature of the University's cash inflows and outflows are such that liquidity problems are likely to occur in the first quarter of the year. The University has access to funds through its short-term deposits in the event that any unforeseen event occurs.

Market risk

Market risk is the risk that changes in market prices (such as foreign exchange rates, interest rates and equity prices) will affect the University's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within the acceptable parameters, while optimising the return

a) Interest rate risk

The University's borrowings used to finance its operations are at fixed rates of interest. The level of borrowings and consequently, the debt servicing costs are closely monitored and controlled by the Finance Committee on behalf of Council, having regard to the prevailing and projected interest rates and the University's capacity to service such debt from future earnings.

The University's interest risk arises from financial assets / cash reserves bearing variable interest rates. The impact of a 1% increase / decrease in the interest rate with all other variables held constant on the profit / loss of the University, would be R 5 million increase / decrease.

Fair value versus carrying value

The fair value of the financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

	2024		2023	
	Carrying amount	Fair Value	Carrying amount	Fair value
Cash and cash equivalents	1,342,784	1,342,784	1,291,928	1,291,928
Interest bearing loans	58,401	58,401	66,076	66,076
	1,401,185	1,401,185	1,358,004	1,358,004

Basis for determining fair values

The following summarises the significant methods and assumptions used in estimating the fair values of the financial instruments reflected in the table above.

a) Cash and cash equivalents

The fair value of cash and cash equivalents is assumed to be equal to its carrying value, which is based on the year-end actual bank balances as reflected on the bank statements.

b) Employee benefits

The fair value of the employee benefits obligation is based on the actuarial valuation more fully disclosed on note 4 of these financial statements.

Mangosuthu University of Technology

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Figures in Rand Thousands

26. Financial risk management (continued)

c) Interest bearing loans

The fair value is assumed to be equal to its carrying value which is based upon the actual amortisation table from ABSA. The fair value is assumed to be equal to carrying value due to the terms of the loans being market related.

Interest rate sensitivity analysis

The University only has long term borrowings from ABSA as disclosed in note 10.

The interest rate on these loans is fixed and therefore not subject to fluctuations in interest rates. Therefore, no interest rate sensitivity is provided.

Credit risk

At the reporting date, the University has significant credit risk in respect of students who are self-funded.

Credit losses

Refer to note 6 for the ageing of student receivables.

Liquidity risk - contractual cash flows

The following are the contractual undiscounted cash flows of the financial liabilities that are maturing over different periods, including interest payments and excluding the impact of netting agreements.

31 December 2024	Carrying amount R'000	Contractual cash flows R'000	6 months or less R'000	6 - 12 months R'000	>1 year R'000
Trade and other payables	76,654	76,654	76,654	-	-
Interest bearing loans	58,401	81,232	7,740	7,740	65,752
Capital commitments	-	13,315	13,315	-	-
	135,055	171,201	97,709	7,740	65,752

31 December 2023	Carrying amount R'000	Contractual cash flows R'000	6 months or less R'000	6 - 12 months R'000	>1 year R'000
Trade and other payables	100,797	100,797	100,797	-	-
Interest bearing loans	66,076	96,712	7,740	7,740	81,232
Capital commitments	-	111,432	111,432	-	-
	166,873	308,941	219,969	7,740	81,232

Accounting classification and fair values

Fair value hierarchy

The table below analyses financial instruments measured at fair value, or items for which the disclosure of fair value is required, by valuation method. The different levels have been defined as follows:

2024	Level 2 R'000	Total
Investment at fair value	4,159	4,159
	4,159	4,159

Mangosuthu University of Technology

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Figures in Rand Thousands

26. Financial risk management (continued)

2023	Level 2 R'000	Total
Investment at fair values	3,767	3,767
	3,767	3,767

The fair value of the financial assets is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

1. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
2. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices), or indirectly (i.e. derived from prices).
3. Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value sensitivity in respect of level 3 Property, Plant and Equipment

The note details the methodology of the determined fair value of the assets that are prior period gains as reflected in note 2..

Fair value sensitivity in respect of level 2 Investments at Fair Value

The investment is held with Old Mutual and is invested in two funds namely Nedgroup Investment SA Equity fund R-class and Old Mutual Money Market

27. Contingencies

1. Litigation is in progress against Mangosuthu University of Technology from the parents of a former student who was shot and killed at one of the University's external residences. The claim documents reflect the amount of R10 050 000 being claimed. The matter arose in prior years.

The matter is being defended by the University's legal directorate who are aware of the discrepancy in the total claim value and will be using this as part of the defense in this matter.

2. As a result of non-submission of tax returns for First Ready Development 143 NPC, we are not aware of any and have not recognised any tax implications that will flow from the submission of the tax returns. There is a process underway to finalise the tax assessments with SARS.

28. Interests in subsidiaries - First Ready Development 143 NPC

Included in Mangosuthu University of Technology's Property, Plant and Equipment balance is the student residence known as the "Executive Hotel". This property is owned by First Ready Development 143 NPC, a company specifically formed in 1998 by the then Council and management of MUT for the purpose of acquiring the property to be used as student residence for Mangosuthu University of Technology's students. The property was acquired in 1999 at a cost price of R3 500 000. The carrying value of this property as at 31 December 2024 is R28 810 000 (as per the latest valuation conducted as at 31 December 2024). The property has been used as student accommodation since acquisition.

A process is underway to appoint a new board of directors. The company is in the process of amending its Memorandum of Incorporation.

Mangosuthu University of Technology

Consolidated Financial Statements for the year ended 31 December 2024

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28. Interests in subsidiaries - First Ready Development 143 NPC (continued)

The property is accounted for in the financial records of MUT and all related revenues and expenditures (including capital expenditure) are also accounted for in the financial records of the University. This was done because there were no separate accounting records of the company and in substance the company is controlled by Mangosuthu University of Technology. Mangosuthu University of Technology's financial statements are reported as consolidated financial statements as a result of assets, revenue and expenditure of this entity being included in the accounting records of Mangosuthu University of Technology and reported as such in the annual financial statements.

The student accommodation that is provided is primarily used for the purposes of a dwelling and therefore regarded as exempt from VAT.

The accommodation fee per student for this residence is R15 850 (2023: R14 880) per semester. The residence has a capacity of 240 students. This residence was not occupied in the 2024 academic year and thus no income was earned from this residence.

Contingent liability

The company is a non-profit company. The company is registered for income tax. There is no record of the submission of income tax returns for the company. The Mangosuthu University of Technology has commenced the process of addressing this matter in order to further engage with SARS. Therefore, there exists a contingent liability in respect of potential income tax payable on possible taxable income of the company from the time it commenced trading. There is also a contingency in respect of penalties and interest on such income tax. However, at this stage of the process, it is not possible to reliably estimate the amount of this liability. MUT appointed tax specialist through a professional services firm to attend to all tax aspects that may arise in respect of the company.

29. Going concern

The going concern basis of accounting for the Mangosuthu University of Technology is adopted in consideration of the requirements set out in the IFRS Accounting Standards, which requires entities to adopt the going concern basis of accounting in the preparation of the financial. The financial statements have been prepared on a going concern basis which the University's Council, and Management consider to be appropriate for the following reasons. The University has prepared forecast and budget for a period of 12 months from the date of this financial statements/year end. After reviewing these forecasts and budget, Council is of the opinion that, the University will have sufficient funds to meet its liabilities as they fall due over the going concern assessment period.

30. Events after the reporting period

Subsequent to year end 31 December 2024, litigation was instituted and is in process against Mangosuthu University of Technology by a landlord for an offer to lease a building for two years that was withdrawn by MUT. The offer was for a total of R56 779 000. The University is defending the matter.

The University has a new Council that started in January 2025

31. New Standards and Interpretations

31.1 Standards and amendments adopted in the current year

Amendments to IAS 1, 'Presentation of Financial Statements' - Non-current liabilities with covenants

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

The effective date for the amendment was 1 January 2024.

Amendment to IFRS 16, 'Leases' - sale and leaseback

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The effective date for the amendment was 1 January 2024.

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Notes to the consolidated financial Statements

31. New Standards and Interpretations (continued)

Amendments to Supplier Finance Arrangements (IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosure').

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The effective date for the amendment was 1 January 2024.

These standards did not have a material impact on the University.

31.2 Standards and interpretations not yet effective

The university has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the university's accounting periods beginning on or after January 1, 2024 or later periods:

Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' Lack of Exchangeability (Amendments to IAS 21)

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The effective date is for annual reporting periods beginning on or after 1 January 2025

Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" - Classification and Measurement of Financial Instruments.

These amendments: - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets; and- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The effective date is for annual reporting periods beginning on or after 1 January 2026

IFRS 18, 'Presentation and Disclosure in Financial Statements'

The objective of IFRS 18 sets out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and focuses on updates to the statement of profit or loss with a focus on the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its operating profit or loss.

The effective date is for annual reporting periods beginning on or after 1 January 2027

The above revised pronouncements and amendments are not expected to have a material impact on the MUT with exception to IFRS18 which will have a potential material impact of which management will be assessing on an ongoing basis.

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2024

2023

32. Capital commitments

Approved and contracted commitments

Commitments in respect of property, plant and equipment

13,316

111,432