ANNUAL REPORT
2025

UNIVERSITIES SOUTH AFRICA

TABLE OF **CONTENTS**

PART ONE
THE LEADERSHIP OVERVIEW

1.1. THE CHAIRPERSON'S FOREWORD

On behalf of the Board of Directors of Universities South Africa (USAf), I am honoured to present the 2025 Annual Report. This past year has once again demonstrated the resilience of our higher education system despite the persistent challenges we face.

I am encouraged by the sector's collective response to national challenges, as evidenced by the initiatives underway. As high unemployment levels persist, the World of Work Strategy Group (WSG) has made impressive progress in understanding this area. An environmental scan on the implications of the Fourth Industrial Revolution (4IR) for the world of work was undertaken to analyse the skills and competencies required in the digital age. The findings of the study were subsequently presented at the USAf 4IR Colloquium, which brought together 124 stakeholders from academia, government, and industry, including WSG members and representatives from universities. The colloquium provided a platform for engagement with the study's findings. It generated recommendations to strengthen the curriculum and advance pedagogical innovation, including embedding 4IR skills and competencies across disciplines, promoting active and experiential learning methodologies, and developing communities of practice among educators.

The embedding of entrepreneurship in the curriculum at our universities, driven by the EDHE Programme, is making progress. The University Staff Capacity Development Programme, supported by Absa Bank and the Department of Science, Technology and Innovation and implemented in collaboration with the US Embassy to South Africa through the Fulbright Specialist Programme, strengthened the capacity of academic and support staff to embed entrepreneurship in university curricula. Six regional workshops, facilitated by Emeritus Professor Paul Miesing, focused on curriculum integration, pedagogical transformation, institutional support mechanisms, and ecosystem alignment, positioning entrepreneurship as a cross-cutting graduate attribute linked to employability and innovation. The intellectual foundations of this work have been consolidated into a peer-reviewed book chapter titled "Embedding Entrepreneurship in Higher Education: Lessons from a South African Curriculum Transformation Initiative," accepted for publication in The Palgrave Handbook of Entrepreneurship and Youth Employment.

As our Chief Executive Officer elaborates in the report that follows, we are responding appropriately to the demands of a digitising world and doing our utmost to produce future-ready graduates and institutions that advance with technology. The recently established Community of Practice on Digital Education in Learning and Teaching (DELT CoP) has been instrumental in building academic staff confidence in integrating AI tools into their pedagogical practices, equipping them to adapt effectively to technology-mediated learning environments. On the other hand, the IBM project will play a major role in entrenching and advancing the usage of artificial intelligence in teaching, learning, and university administration across all public universities.

Through bespoke Programmes, we are investing in the development of our academics and leaders, ensuring a robust pipeline of talent in teaching, research, and senior leadership to secure continuity. The Department of Science, Technology, and Innovation funded 'Advancing Early

Career Researchers and Scholars (AECRS) Programme' has reached the maturation stage and has witnessed tremendous growth over time. Similarly, the Department of Higher Education and Training funded the Higher Education Leadership and Management (HELM) programme, which continues to advance. It has delivered the transformative Women in Leadership programme, which has been instrumental in advancing gender equity, transformation, and empowerment in current and future institutional leadership. The Student Affairs and Student Success (SASS) Programme was also rolled out, demonstrating USAf's sustained contribution to the professionalisation of student affairs as a discipline within higher education.

Towards achieving the Sustainable Development Goals, the Higher Education Sustainability Community of Practice (HESCoP), a recently established Community of Practice, has made progress in developing a national carbon footprint reporting tool for South African universities. Tool specifications were finalised, and quotations were sought from service providers, with implementation planned as a phased, long-term initiative, subject to available resources. Once implemented, the tool is intended to support standardised carbon emissions reporting via the USAf website, enhancing transparency, comparability and alignment with national environmental objectives.

The policy decision reflected in Ministerial Circular No. 1/2025, dated 31 October 2025, stands as a testament to the persistent and dedicated work of our Finance Executives

Forum (FEF). Over the years, the Forum has driven the development of the Higher Education Price Index (HEPI) and, through the Funding Strategy Group, has consistently and vigorously advocated for its adoption as a credible instrument in shaping sustainable funding decisions for the sector. Circular No. 1/2025 reflects many years' engagements, solidified during the 2025 consultations through the Ministerial Task Team on the Future Sustainability of South African Public Universities, on which USAf is represented. We must build on this development. Our presence in the Ministerial Task Team meant USAf is being heard at the highest decision-making level.

We cannot take that lightly. I extend my sincere gratitude to the Funding Strategy Group and the Finance Executives' Forum for achieving this notable milestone. In conclusion, USAf, through its structure and programmes, has continued to provide the necessary leadership to ensure that our universities remain responsive to emerging changes. It has played a crucial role in being the voice of universities. Within USAf, I salute the Board of Directors for their firm belief in our sector. Our Governance Committees remain the backbone of USAf, supported by our Strategy Groups, Communities of Practice, and ultimately the USAf Office, under the capable leadership of our Chief Executive Officer, Dr Phethiwe Matutu, and her dedicated management team.

In 2025, we celebrated the 20th anniversary of USAf, a significant milestone that reminds us of how far we have come. Yet, it also strengthens our conviction that the best is still ahead. With resilience, innovation, and collective resolve, we will continue to shape a higher education system that serves our nation and its future generations with distinction.

PROFESSOR FRANCIS PETERSEN

Chairperson of Universities South Africa

1.2. ANNUAL REVIEW 2025

1.2.1. INTRODUCTION

The year under review has been one of significant institutional consolidation, strategic expansion, and enhanced sectoral impact for Universities South Africa (USAf). Since assuming leadership in October 2022, I have remained unwavering in my commitment to strengthening the South African university system through purposeful advocacy, targeted capacity building, and collaborative partnerships that extend beyond traditional boundaries.

I am pleased to report that USAf has demonstrated remarkable resilience and adaptability in navigating the complex higher education landscape of 2025. The organisation has not only sustained its core programmes but has also forged new strategic pathways that position our member institutions for transformative growth. This report provides a comprehensive account of our achievements and acknowledges the challenges encountered.

1.2.2. TEACHING AND LEARNING: ADVANCING CURRICULUM TRANSFORMATION AND DIGITAL PEDAGOGIES

The Teaching and Learning Strategy Group (TLSG) has made inroads in advancing curriculum development across the sector. In a collaborative initiative with the Council on Higher Education (CHE), the TLSG completed a comprehensive baseline study on conceptions of curriculum transformation across South African universities. This study, finalised in 2025, has generated critical insights that will inform the next phase of our work, with detailed findings and recommended interventions to be disseminated during 2026.

The TLSG has continued to champion multilingualism as a pedagogical imperative for promoting student inclusion and academic success. The Community of Practice for the Teaching and Learning of African Languages has served as a vital platform for fostering collaboration on language development initiatives and supporting the implementation of institutional language policies across the sector. This work is particularly significant in addressing the linguistic diversity of our student population and advancing the decolonisation agenda in higher education.

Digital Education and Artificial Intelligence Integration

In response to the rapidly evolving technological landscape, the TLSG has prioritised integrating digital technologies to enhance teaching and learning outcomes. Through the Community of Practice on Digital Education in Learning and Teaching (DELT CoP), established in 2023, we have developed and published an open-access bibliography of technologies that improve teaching and learning, now accessible on the USAf website. This resource encompasses a broad spectrum of materials, including teaching guidelines for the artificial intelligence era, AI tools for academic research, assessment guides, and critical perspectives on educational technology.

The DELT CoP has further advanced its objectives through a series of Lunch-and-Learn webinars held in 2025, designed to raise awareness of digital resources and to promote case-based learning, information sharing, and collaborative problem-solving among academic staff. These initiatives have been instrumental in building academic staff confidence in integrating AI tools into their pedagogical practices, equipping them to adapt effectively to technology-mediated learning environments.

IBM Partnership for Artificial Intelligence Advancement

A particularly significant development in 2025 was USAf's receipt of an in-kind grant valued at R8.7 million from IBM, aimed at entrenching and advancing the usage of artificial intelligence in teaching, learning, and university administration across all public universities. This project encompasses a comprehensive needs assessment to identify institutional requirements for fully embracing AI across core university functions, including Teaching and Learning, Research and Innovation, and Community Engagement. Ultimately, this initiative will support universities in advancing transformative AI, which is inclusive and aligned with institutional missions.

1.2.3. RESEARCH CAPACITY DEVELOPMENT: THE THUSO PLATFORMS

USAf has continued to invest substantially in developing research capacity and academic leadership through its online platforms, which form the cornerstone of the Advancing Early Career Researchers and Scholars (AECRS) Programme, funded by the Department of Science, Technology and Innovation.

Thuso Resources: The National Toolbox

Thuso Resources is the "National Toolbox" for early-career researchers, serving as an open-access repository of scholarly advice, articles, and information curated for emerging academics. The platform enables universities and other relevant entities to share invaluable materials across eight key domains: academic capacity building (including research integrity and ethics, data analysis, research protocol design, and grant proposal writing); publishing guidance (including selecting publication venues, promoting research post-publication, and advice on predatory journals); funding information (fellowships, scholarships, and research grants); professional development; skilful teaching; understanding administration, policy, and processes in higher education; supervisory resources; and networking opportunities.

2025 Growth: During the reporting year, Thuso Resources demonstrated continued expansion, registering 825 users across all 26 South African public universities, national research councils, and other higher education-affiliated entities. These users regularly access materials and tools to support research development and academic practice. Since its launch in 2023, the platform has recorded 10,000 sustained visits, indicating robust and growing engagement with its resources. The platform's user base reflects national reach, with participation from all public universities, and we continue to build on user and stakeholder feedback to increase the platform's depth and utility.

Thuso Connect: A National Mentorship Platform

Thuso Connect is a national platform that links South African researchers and scholars to an interactive mentorship programme. Through this platform, individuals seeking mentorship and those willing to offer it meet ethically and practically to establish partnership agreements. The pairing of mentors and mentees is determined primarily by interests and factors beyond academia, rather than by disciplines or institutions. A distinctive feature of Thuso Connect is its commitment to building lasting connections beyond the stipulated one-year mentorship partnership.

2025 Growth: Since the platform's inception in 2023, Thuso Connect has registered 88 mentors, many of whom support multiple mentees, and 222 mentees, resulting in 315 established mentorship relationships. This represents a significant expansion of the national mentorship network available to early-career academics.

The value of Thuso Connect extends beyond the direct mentorship relationship between individual mentors and mentees. The platform has cultivated a broader community of practice that generates systemic benefits for the higher education sector. In 2025, mentor masterclasses explored topics including effective mentorship practices, mentoring frameworks, and mentoring for emerging academic leadership, thereby building sector-wide mentorship capacity that benefits all participants, not merely those formally paired. In addition, a Gala Dinner and a Workshop were held, bringing together mentors, mentees, Programme Advisory Committee members, institutional Champions, and strategic partners to celebrate progress and co-create the 2026 programme direction. Thus, Thuso Connect functions not only as a matching platform but as an ecosystem that institutionalises mentorship as a professional practice, builds cross-institutional networks of support, and strengthens the research culture of the South African university system.

"During the reporting year, Thuso Resources demonstrated continued expansion, registering 825 users across all 26 South African public universities, national research councils, and other higher education-affiliated entities.

1.2.4. LEADERSHIP DEVELOPMENT: HIGHER EDUCATION LEADERSHIP AND MANAGEMENT (HELM)

The Higher Education Leadership and Management (HELM) programme has continued to deliver transformative leadership development initiatives across the university sector. During the reporting year, HELM delivered its Executive Leadership Programme to senior administrators at selected institutions, including two universities of technology, thereby contributing to the professionalisation of university leadership across institutional types.

Women in Leadership (WiL) Programme

Under its Women in Leadership (WiL) programme, HELM supported the sixth cohort of 28 female leaders from 19 universities, who completed training that culminated in an in-person retreat on 6–7 November 2025. Since its inception in 2020, the WiL programme has benefited 190 women in middle and senior leadership roles, building on earlier leadership development efforts from 2002 to 2017, when HELM was reconfigured into its current form.

The WiL programme's impact extends beyond individual participants to institutional transformation. As evidenced by the September 2025 graduation ceremony, the programme has evolved into a movement, a network of women reshaping institutional cultures across the sector. The programme is now in its sixth cohort, and recruitment for the next cohort is already underway. The programme has been instrumental in advancing gender equity, transformation, and empowerment in current and future institutional leadership.

Student Affairs and Student Success (SASS) Programme

Alongside WiL, 46 Student Affairs practitioners completed the annual 10-module Student Affairs and Student Success (SASS) training programme in 2025, achieving a remarkable 100% completion rate. The programme, now in its third year since its 2023 launch, has trained 140 practitioners.

The SASS programme is strategically designed to confront the multifaceted issues that hinder student success, addressing systemic challenges including rising levels of student mental health distress, the widening gap between student under-preparedness and academic demands, financial pressures that compromise student persistence, and the risk that digital transformation deepens exclusion. The programme's foundation is built on a holistic understanding of the student life cycle, extending beyond graduation rates to encompass everything from enrolment through to the student's post-university impact on society as a responsible citizen. The programme is certified as a Short Learning Programme by the University of the Free State, enabling participants to advance their careers in higher education. This initiative demonstrates USAf's sustained contribution to the professionalisation of student affairs as a discipline within higher education.

1.2.5. ENTREPRENEURSHIP DEVELOPMENT IN HIGHER EDUCATION (EDHE) PROGRAMME

The Entrepreneurship Development in Higher Education (EDHE) Programme has achieved remarkable milestones during 2025, positioning South Africa's universities as engines of economic transformation and placing student entrepreneurship at the centre of efforts to address the country's most pressing challenges.

Strategic Partnerships and Resource Mobilisation

- USAf formalised an R5.5 million partnership with Absa Bank to create a vibrant entrepreneurial ecosystem across South Africa's 26 public universities. The partnership encompasses the capacity development initiatives for students, staff, and pre-service school teachers.

Building on this momentum, USAf signed a Memorandum of Understanding with the Momentum Group Foundation on 8 October 2025, establishing a strategic partnership to strengthen the EDHE programme. The partnership grants university students nationwide access to Momentum's Consumer Financial Education programmes, Motheo Financial Dialogues and Savvy Starters, at no cost, equipping young people and aspiring entrepreneurs with the financial skills needed to navigate adult life and business ownership.

1.2.6. INTERNATIONALISATION AND SYSTEM-TO-SYSTEM COLLABORATION

Internationalisation remains a cornerstone of USAf's strategic approach to driving system-to-system collaboration in research and knowledge sharing, enabling societal and global problem-solving. During 2025, a system-to-system collaboration framework was developed and formally adopted by USAf, providing a structured mechanism for international partnerships.

In April 2025, a South African delegation comprising primarily Vice-Chancellors visited Hungary, where they toured seven universities to familiarise themselves with study programmes and research focus areas. This visit culminated in the signing of a Memorandum of Understanding (MoU) with Hungarian universities to collaborate on research, faculty and student exchanges, and academic events such as conferences and workshops. The two systems further agreed to share best governance and administrative practices and to recognise qualifications conferred at participating universities, where suitable. The Hungarian Rectors Conference, USAf's counterpart in Hungary, organised this historic visit, underscoring the strength of our international partnerships.

1.2.7. RESOURCE MOBILISATION AND FINANCIAL SUSTAINABILITY

USAf has intensified its engagement with diverse stakeholders to mobilise resources and secure additional partners for sector support programmes. This strategic focus has yielded substantial results, with USAf securing over R179 million in funding to advance entrepreneurship, bursary funding, and various projects. The funding sources encompassed government departments and entities, Sector Education and Training Authorities (SETAs), and the private sector.

1.2.8. REGULATORY ADVOCACY AND SECTORAL INFLUENCE

Fully recognising our regulatory environment as a key strategic driver and operational enabler, USAf has continued to steer its advocacy efforts to generate value for member universities and to respond appropriately to misconceptions identified as potential threats to our system.

A notable achievement in this regard was USAf's participation in the Ministerial Task Team established in the first quarter of 2025 to determine tuition fee increases for 2026 and beyond. A nine-member team, drawn from the Funding Strategy Group, Chief Financial Officers, and other senior executives in member institutions, was nominated by USAf to represent the sector's interests. It guaranteed that the Higher Education Price Index was considered alongside the Consumer Price Index when determining the formula for tuition fee increases for 2026 and 2027.

In addition to an inaugural thought leadership event on post-school pathways, to strengthen public trust in universities and safeguard the USAf's reputation, the organisation responded proactively to several media articles addressing issues such as Vice-Chancellor salaries, recruitment of foreign-national academics, universities' responsiveness to the labour market, perceptions of corruption and maladministration, and the Parliamentary Portfolio Committee's behaviour towards university leadership. These interventions have been critical in ensuring balanced public discourse and protecting the integrity of our higher education system.

1.2.9. CONCLUSION

The year 2025 has been one of significant achievements and strategic consolidation for Universities South Africa. Our organisation has demonstrated its capacity to navigate complex challenges, forge meaningful partnerships, and deliver impactful programmes that strengthen the South African university system.

I extend my sincere appreciation to the USAf Board for their guidance and commitment, and the USAf staff, whose dedication and professionalism have been instrumental in realising our strategic objectives. I am grateful to our member institutions for their continued trust and engagement, and to our partners in government, industry, and civil society for their collaborative spirit.

As we look to 2026, we remain resolute in our mission to advocate for a transformed, sustainable, and responsive university system that serves the needs of our students, our communities, and our nation. With the right talent, the right partners, and an unwavering commitment to excellence, USAf stands poised to achieve even greater impact in the years ahead.

Dr Phethiwe Matutu

Chief Executive Officer
Universities South Africa

“The Higher Education Leadership and Management (HELM) programme has continued to deliver transformative leadership development initiatives across the university sector.”

PART TWO

PERFORMANCE ON THE 2025 OPERATIONAL PLAN

2.1. INTRODUCTION

Part Two of Universities South Africa's Annual Report is the cornerstone of this report. It reflects the core of what was achieved by the USAf Office to fulfil the organisation's mission of strengthening the South African university system through advocacy, building capacity, and advancing collaboration with local and international partners and society. USAf's mission and strategic objectives inform the annual operational plan and, by extension, the reporting framework.

By virtue of overseeing USAf operations, the Directorate: Operations and Sector Support in the USAf Office leads the organisation's annual reporting. This directorate leads the development of the annual operational plan encompassing the projects and activities of USAf structures, namely six Strategy Groups and 14 active Communities of Practice. It also oversees the work of USAf's flagship programmes, outlined later in this section.

It is in this Directorate that the convenors of strategy groups and communities of practice reside, alongside USAf's flagship programmes, which provide the central support USAf provides to universities. Much more support for the universities is also coordinated by the Office of the CEO, particularly in advocacy, policy influence, and engagement with priority stakeholders. This chapter, therefore, reports largely on the milestones and achievements of strategy groups, the communities of practice, USAf programmes (unpacked further on in the chapter), and the Office of the CEO, in that order.

It is worth noting that the performance of USAf on its operational plan is firmly rooted in stakeholder engagement. Engagement enables the identification of emerging challenges, the development of collective and sustainable solutions, and the advocacy for policy reforms that create an enabling environment in which universities can thrive.

This report should therefore be read and understood within the context of mission-inspired, outcomes-driven engagement.

2.1.1. STRATEGY GROUPS

Strategy groups were established to determine and execute strategies within their designated focus areas, such as higher education funding, teaching and learning, and transformation. Constituted from experts drawn from the university sector and USAf's partner organisations across the wider higher education landscape, the groups are all chaired by Vice-Chancellors.

USAf operates through six strategy groups, namely the:

1. Funding Strategy Group (FSG)
2. Leadership and Management Strategy Group (LMSG)
3. Research and Innovation Strategy Group (RISG)
4. Teaching and Learning Strategy Group (TLSG)
5. Transformation Strategy Group (TSG)
6. World of Work Strategy Group (WSG)

Strategy groups are mandated to:

- Conceptualise specific projects on behalf of the Board;
- Present regular reports to the USAf Board of Directors for discussion and adoption;
- Support the Executive Committee (EXCO) with advocacy and related work, particularly on matters of interest to their specific portfolios; and
- Deal with any other matters referred by the Board or EXCO (including commissioning research studies on agreed priority issues to inform strategic decisions).

These groups meet three times a year. In this chapter, we give an account of how they all performed against their priorities for the year under review.

2.1.1.1. The Funding Strategy Group (FSG)

The role of the Funding Strategy Group is to influence favourable funding policy for public universities, to campaign for adequate higher education funding, including sufficient and sustainable student funding, and to identify other issues of mutual interest or concern for universities.

During 2025, the FSG played a pivotal role in advancing the financial sustainability, regulatory engagement, and operational efficiency of the South African higher education sector. Through robust advocacy, evidence-based research, and strategic stakeholder engagement, the FSG delivered several significant outcomes that strengthened the sector's position amid ongoing fiscal and regulatory pressures.

a. Development and advocacy on the Higher Education Price Index (HEPI)

In 2025, the FSG contributed to the development and sectoral positioning of the Higher Education Price Index (HEPI) using data from 2022–2024. The index remains a key tool for understanding university cost drivers relative to subsidies and fees. The FSG actively engaged the Department of Higher Education and Training (DHET) on methodological issues, particularly the weighting of administrative salaries and bonuses. Through sustained advocacy, the FSG ensured HEPI remained on the national agenda, strengthening its role as a sector-sensitive inflation measure for future fee determinations.

b. Contribution to Guidelines for Tuition Fee Increases

The refinement of HEPI for 2022–2024 played a key role in shaping the 2026 fee increase guidelines. Through workshops and engagements with DHET, the National Student Financial Aid Scheme (NSFAS), and the Finance Executives' Forum (FEF), the FSG positioned the HEPI as a credible, evidence-based tool for discussions on tuition fees and funding policies. This culminated in the Minister's Circular No. 1/2025, which confirmed a blended CPI–HEPI formula for determining fee increases for the 2026/27 academic year. This development signalled a significant victory for USAf, given that advocacy for HEPI dates back to 2014.

c. Participation in Ministerial Task Teams

Throughout 2025, some members of the FSG actively participated in the Ministerial Task Teams and national policy processes relating to higher education funding and financial sustainability. Through this participation, the FSG ensured that institutional finance perspectives and sector-generated evidence were reflected in policy deliberations.

Members of the FSG who participated in the Ministerial Task Team are:

1. Professor Bismark Tyobeka (Chairperson of the Funding Strategy Group)
2. Mr Pieter du Plessis (Executive Director: Finance, University of Zululand and Deputy Chairperson of the FEF)
3. Ms Nolwazi Mamorare (Chief Financial Officer: University of Johannesburg and Chairperson of the FEF)

d. Intervention on AGSA Financial Reporting Deadlines

During the reporting period, the Auditor-General of South Africa (AGSA) issued a directive requiring public universities to submit final draft financial statements within two months of the financial year-end, with material post-submission adjustments posing a risk of adverse audit findings. The FSG raised concerns about the feasibility of this requirement, particularly given resource constraints and competing priorities during the peak registration period, which coincides with the financial close-out phase.

In response, the FSG submitted a formal motivation, through the USAf CEO's office, outlining the operational challenges and advocating for greater flexibility in audit timelines. This proactive intervention contributed to subsequent engagements through which the DHET proposed revised submission deadlines: for universities to submit a) annual financial statements to external auditors by 30 April, and b) audited financial statements and annual reports to the Department by 31 June, effective for the 2025 financial year. No formal acceptance of this proposal was received from the AGSA.

e. Advancement of the cybersecurity Shared Services platform

In line with its 2025 priorities, the FSG advanced work on shared services platforms as a mechanism to improve efficiencies and contain costs across the higher education sector. A key outcome of the year was the agreement to proceed with work on a shared cybersecurity services platform.

The FSG identified cybersecurity as a strategic area of high cost and systemic risk, where collaborative approaches could yield significant efficiencies, strengthen institutional resilience and improve sector-wide risk management. This marked a transition from conceptual exploration to structured planning. Thus, a procurement request was circulated towards the end of the year to kick-start strategic engagements with potential collaborators, such as the Tertiary Education and Research Network of South Africa (TENET) and Higher Education Information Technology South Africa (HEITSA). Cybersecurity is already a shared priority for both TENET and HEITSA. The FSG will continue engaging with TENET towards the implementation of this project.

f. Collaboration with Sector Forums and Communities of Practice

Due to their common interest in the sustainability of public universities, the FSG maintained strong working relationships with key sector structures, notably the Finance Executives' Forum (FEF), the Higher Education Sustainability Community of Practice (HESCoP), and the emerging University Commercial Officers CoP (UniCoP), whose focus is on so called third, fourth, and further income streams, emanating from sources such as conference facilities, property leasing, and other commercial activities of public universities.

2.1.1.2. The Leadership and Management Strategy Group (LMSG)

The Leadership and Management Strategy Group (LMSG) is a strategically significant advisory and oversight structure established to strengthen governance, leadership, and management capacity across the higher education sector. The LMSG provides sector-wide strategic advice to the USAf Board and exercises stewardship over the Higher Education Leadership and Management (HELM) programme--the primary leadership development vehicle.

South African higher education faces persistent and emerging challenges, including leadership succession risks, governance instability, increasing fiscal pressure, transformation imperatives, and heightened accountability expectations. In this context, the LMSG plays a critical system-level role: it provides foresight, coherence, and strategic direction to leadership and management development, thereby contributing to institutional performance, sector stability, and long-term sustainability.

The year 2025 began with significant shifts in the higher education environment, including the withdrawal of certain United States government funding for South Africa, which affected some US-supported projects in the sector. This also had implications for the LMSG priority on global engagement, particularly the Texas International Education Consortium (TIEC) initiative.

In response to these changes and other developments in the sector, the LMSG reviewed its priorities during

2025. The finalisation of the revised priorities was a key milestone, culminating in the USAf Board approval of the same at their October 2025 sitting. The revised priorities are presented below:

a. Evidence-based reviews to enhance leadership and governance in universities

As part of this priority, USAf undertook a request from the Tertiary Education Network of South Africa (THENSA), which recommended that USAf conduct a baseline review of university governance practices to identify strengths, gaps, and capacity-building opportunities, particularly in sustainability, accountability, and stakeholder engagement.

Recognising that the Council on Higher Education (CHE) had already initiated a national governance research project, USAf engaged the CHE to avoid duplication and to ensure alignment, with particular emphasis on governance at the university council level.

Early engagement, including discussions between representatives from HELM leadership and Council for Higher Education, confirmed shared priorities and highlighted the importance of expanding attention to councils alongside existing leadership and management development work.

Overall, the initiative has progressed from strategic resolution to active partnership, positioning the sector to generate robust, coordinated evidence to enhance governance effectiveness, particularly at the council level, while strengthening coherence across national higher education leadership and oversight initiatives.

b. Strengthening the Higher Education sector through leadership dialogue

The LMSG supports high-level leadership engagement platforms, particularly through the annual Retreat. These dialogues aim to align sector priorities, address governance challenges, and strengthen trust between universities, government, and society.

Vice-Chancellors attending the VCs' Retreat in 2025.

The 2025 USAf Vice-Chancellors' Retreat was held at the Capital Zimbali Resort in Ballito, Durban, from 11–12 December 2025. As a key platform for reflection, strategic alignment and candid engagement, the Retreat upheld its foundational principles by facilitating open and forward-looking discussions on the evolving higher education landscape, both nationally and globally, while promoting innovative approaches to leadership, academic excellence and societal engagement.

A former Vice-Chancellor and Principal of Sol Plaatje University, Professor Yunus Ballim, facilitated the deliberations, which were centred on three concept papers:

- The Social Legitimacy of Universities and Amplifying the Voice and Visibility of USAf, presented by the HELM Director, Professor. Peter Mbati;
- A Framework for Institutional Collaborations, presented by the Director: Operations and Sector Support, Mr Mahlubi Mabizela; and
- Guidance on USAf's Engagement with Issues Affecting Individual Institutions, also presented by Professor Peter Mbati.

Deliberations addressed systemic pressures confronting universities and Vice-Chancellors, including political and business influences that may undermine institutional legitimacy; concerns about public trust in universities; strengthening support structures for institutions and executive leadership; and deepening engagement with political, business, and sector partners. The Retreat underscored the importance of proactive communication, transparent messaging, and robust support mechanisms in shaping public perceptions of higher education. It generated a set of strategic recommendations that are currently being progressed through USAf structures.

c. University Chancellors' Thought Leadership event: Enhancing Public Trust in Higher Education

As one of the key priorities of the LMSG, USAf advanced preparations for a University Chancellors' Thought Leadership Event under the theme "Restoring Public Trust in Higher Education: The Role of Chancellors." The initiative responds to calls from Chancellors to revive sector-wide engagement and to strengthen their contribution to institutional and system renewal. The event is intended to provide a platform for reflection, dialogue, and collaboration, recognising the unique moral authority, public visibility, and convening power of Chancellors in fostering partnerships and rebuilding trust between universities and society.

The concept document concerning the event was approved by the USAf Board in October 2025, confirming institutional support for its implementation. The programme will bring together Chancellors and Vice-Chancellors for keynote reflections, plenary discussions, and networking, culminating in a communiqué outlining key insights and areas for follow-up. The event is scheduled as part of ongoing efforts to strengthen sector leadership and promote the long-term sustainability of higher education.

d. Hosting dialogues/seminars on topical Higher Education issues

As part of its strategic priorities, the LMSG approved a concept note for a sector engagement webinar on institutional governance, titled "Institutional Governance: Mitigating the Risks of Institutional Capture." The initiative aims to address growing concerns about governance vulnerabilities in higher education, deepen understanding of institutional capture, foster dialogue among sector stakeholders, and identify practical measures to reinforce ethical leadership, accountability, and institutional integrity. The webinar is designed to bring together university leadership, governance structures, staff, students, and broader stakeholders to examine systemic risks and develop sector-wide responses.

The webinar forms part of ongoing efforts to support robust institutional governance and safeguard the autonomy, credibility, and public trust of South Africa's higher education system. The webinar is scheduled for quarter one of 2026.

2.1.1.3. The Research and Innovation Strategy Group (RISG)

The Research and Innovation Strategy Group (RISG) progressed its work across its four priority areas of innovation, research and innovation impact, cooperation and collaboration, and internationalisation. We unpack the milestones realised in the reporting year, below.

a. Innovation

In the area of innovation, the Strategy Group continued its engagement with Technology Transfer Offices across universities. Members participated in sector events, including the Conference of Entrepreneurial and Innovative Universities in South Africa (CENEMA), a national innovation- and TTO-focused platform. They also initiated an information-gathering process better to understand institutional approaches to innovation and technology transfer.

This work is intended to inform the development of a more coordinated sector approach to innovation in 2026. The RISG also supported the planning of a dedicated engagement with Technology Transfer Office Directors, scheduled for 2026, to further consolidate this work.

a. Research and innovation impact

In this context, the RISG issued a second national call for societal impact case studies in 2025 and hosted an online seminar to guide institutional submissions. A total of 19 case studies from 13 universities were received and compiled into a repository hosted on the USAf website. The RISG agreed that this initiative should continue as an annual activity and that further dissemination mechanisms, including conference sessions and publications, should be pursued to increase visibility and uptake.

a. Cooperation and collaboration

Among other projects, the RISG completed the second phase of the research project mapping South African universities' contributions to the Sustainable Development Goals.

The study identified areas of institutional strength and potential collaboration, with a particular focus on Historically Disadvantaged Institutions, Universities of Technology and the new universities. The findings were shared with Deputy Vice-Chancellors for Research and will inform further engagement and potential funding and partnership initiatives.

The RISG also supported the development and dissemination of a position paper on system-to-system collaboration, which was presented in a sector-wide webinar and generated discussion on national and continental collaboration models.

In the area of Open Access, USAf coordinated a series of webinars during International Open Access Week (October 2025) in collaboration with sector partners, including the Department of Science, Technology and Innovation (DSTI), the National Research Foundation (NRF), the Academy of Science of South Africa (ASSAf), the South African National Library and Information Consortium (SANLiC), the Committee of Higher Education Libraries in South Africa (CHELSA) and the Tertiary Education and Research Network of South Africa (TENET). The webinars addressed issues such as governance, funding models and institutional approaches to Open Access. They formed part of a broader implementation plan that includes a mapping of Open Access initiatives across the sector. USAf also developed an Open Access information portal on its website to serve as a shared resource for institutions.

b. Internationalisation

Internationalisation activities included continued engagement with the South Africa–Canada Universities Forum (SACUN). Preparations for the NRF funding call and ongoing collaboration with the Hungarian Rectors Conference (HRC) followed the April 2025 study visit to Hungary.

The Director: Operations and Sector Support at Universities South Africa, Mr Mahlubi Mabizela (far right), presented an overview of South Africa's higher education system to the Hungarian Rectors' Conference (HRC) in Budapest. Mabizela was joined by a 27-member delegation comprising SA universities' vice-chancellors; their deputies; senior directors, including heads of internalisation programmes; a representative of the Department of Science, Technology and Innovation and the National Research Foundation, and a Project Manager from USAf.

Professor Francis Petersen (right in the photo), Chair of USAf and Vice-Chancellor and Principal of the University of Pretoria, together with Professor Dr László Borhy, President of the Hungarian Rector's Conference and Rector of Eötvös Loránd University, signed a Memorandum of Understanding laying the ground for joint research projects, faculty exchanges, and collaborative academic programmes. Signed during the SA delegation's inaugural meeting with the HRC at Semmelweis University in Budapest, the MoU also stated a mutual intention to explore funding opportunities for research collaboration between South African and Hungarian universities.

Furthermore, the Canadian International Development Scholarships programme progressed, with a workshop held in October 2025 to prepare participating institutions for the first cohort of students expected in 2026.

Beyond the agreed priority focus areas, the RISG monitored and engaged on a few cross-cutting issues affecting the sector. These included the termination of United States government-funded research programmes, which had a significant impact on some universities, and required engagement with government stakeholders on possible mitigation measures. The RISG also received updates on sector responses to artificial intelligence, including the IBM Impact Accelerator project, The IBM Impact Accelerator is a social innovation program that supports communities facing environmental and economic stress around the world, through technologies like AI and an ecosystem of experts, and proposed sector engagements with Elsevier.

2.1.1.4. Teaching and Learning Strategy Group (TLSG)

The Teaching and Learning Strategy Group (TLSG) progressed its work across its four priority areas:

a. Curriculum transformation

In collaboration with the Council on Higher Education (CHE), the TLSG commissioned and completed a baseline study on conceptions of curriculum transformation across South African universities. The study drew on institutional audit data and was formally launched in June 2025. Following the completion of the study, TLSG considered proposals for further work, including developing a position paper, a webinar series, and a repository of curriculum transformation practices.

b. Digital technologies

Work on digital technologies was advanced through the Digital Education, Learning and Teaching Community of Practice, which hosted a series of "Lunch and Learn" seminars on topics such as artificial intelligence, digital literacies and institutional policies. The seminars were well attended and provided a platform for sharing practices across institutions. The Community of Practice also continued to maintain an open bibliography of digital resources and initiated discussions on a possible awards process to recognise innovation in teaching and learning.

c. Artificial intelligence

The TLSG also continued to engage with issues relating to artificial intelligence in teaching and learning, including discussions on institutional policies, academic integrity, and the implications of AI for assessment and curriculum design. This work was supported by collaborations with national and international initiatives, as well as an IBM-supported project focused on AI readiness and capacity in the sector.

d. Multilingualism

Regarding multilingualism, the TLSG commissioned a benchmarking study, led by Rhodes University, to investigate institutional approaches to multilingual teaching and learning, including policies, strategies, and funding mechanisms. While progress on the study was affected by delays in ethical clearance and limited institutional participation, data collection and literature review work continued during the year. The Community of Practice for the Teaching and Learning of African Languages also progressed its work, focusing on language policy implementation, collaboration and research.

Additional TLSG activities included ongoing engagement with the CHE on quality assurance developments, including implementing the Quality Assurance Framework and reviewing modes of provision, as well as participation in national initiatives, such as the National University Teaching Awards. Communities of Practice in the teaching of mathematics and African languages continued to provide platforms for collaboration and knowledge sharing across institutions.

2.1.1.5. Transformation Strategy Group (TSG)

In 2025, the Transformation Strategy Group (TSG) provided system-level leadership on transformation priorities, aligning policy direction with USAf Board-approved objectives. Below is an account of the milestones in response to the year's priorities.

a. Digital transformation and social justice

Recognising that digitalisation can either mitigate or deepen existing inequalities, the TSG adopted a research led approach to examine how digital technologies intersect with culture and social inclusion. This work emphasised the distinction between digital inclusion and digital equity, highlighting the need for intentional design, governance, and policy coherence to ensure that digital transformation supports rather than undermines transformation objectives.

The TSG positioned this priority as a medium to long-term intervention, intended to inform future sector guidelines, transformation frameworks, and system-wide initiatives. The TSG has developed a plan to take this work forward. The activities will include a literature review as the foundation for a formal research report.

b. Student success and throughput: sustainable food systems

The TSG elevated student food insecurity as a strategic transformation and public health issue with direct implications for student success, retention and throughput. A national approach was adopted to move beyond fragmented, institution level interventions. Key milestones included the establishment of a task team, approval of a sector wide survey across all 26 public universities, and the development of a national engagement programme. The survey was circulated in December, with a completion date envisaged in the first quarter of 2026.

c. Internationalisation and Employment Equity

Significant progress was made towards finalising a position paper on internationalisation and employment equity. The TSG oversaw the integration of empirical data and provided strategic guidance to ensure the paper addresses constitutional imperatives, sector transformation goals and public discourse. The work contributes a nuanced, evidence based sector position and supports a more coherent response to external scrutiny and policy debate. A report is envisaged in the first quarter of 2026.

d. Gender Based Violence and Campus Safety Study

In this additional focus area, the TSG provided strategic oversight on the conceptualisation of a sector wide study addressing gender based violence (GBV) within the broader context of campus safety and student wellbeing. Following extensive engagement with national stakeholders and practitioners, and in recognition of the substantial body of existing GBV research, the TSG resolved to refocus the proposed study on the determinants of campus safety and holistic student wellbeing rather than duplicating previous studies. This reframing aims to generate actionable, evidence based insights into the structural, institutional and sociocultural factors that enable or undermine safe learning environments. The study is intended to strengthen system level understanding, inform policy alignment, and support more effective, coordinated institutional responses across the higher education sector. It is anticipated that this study will commence in the second quarter of 2026.

1.1.1.6. The World of Work Strategy Group (WSG)

Following the stepping down of its previous Chairperson, Mthembu, the World of Work Strategy Group (WSG) underwent a leadership transition during the year.

Professor Letlhokwa Mpedi *Professor Nokuthula Sibiya*

The Group welcomed Professor Letlhokwa Mpedi as the new Chair, Vice-Chancellor and Principal of the University of Johannesburg, who had previously deputised for Professor Mthembu.

Professor Nokuthula Sibiya (right, above), Vice-Chancellor and Principal of the Mangosuthu University of Technology, was appointed as the new Deputy Chairperson.

Throughout 2025, the WSG made significant strides within the four strategic priority areas approved by the USAf Board in 2024. The highlights and strategic milestones on those priorities are outlined below.

a. Work-Integrated Learning (WIL):

Under the stewardship of the Learning in Practice Community of Practice (LiPCoP), which reports directly to the WSG, a national WIL policy was developed, and the draft policy is currently in progress with substantial input received from universities, the TVET sector, and private institutions of higher learning. This input has been submitted to and consolidated by LiPCoP and will be shared with the Department of Higher Education and Training.

b. Institutionalising Entrepreneurship Development (EDHE):

Through the oversight of the Entrepreneurship Development in Higher Education (EDHE) programme, a comprehensive strategic roadmap for Phase III was drafted and successfully implemented throughout 2025. A priority shift in Phase III was a deliberate move to diversify funding sources and reduce reliance on DHET support, towards EDHE structures and initiatives.

Through the work of the Community of Practice for Teaching and Learning, a publishing agreement was secured with Springer Nature, leading to the publication of an anthology titled Innovative Pedagogies for Entrepreneurship Education: Insights and Reflections from South Africa, which was published open access. The book is available at https://link.springer.com/book/10.1007/978-3-032-07204-7.

c. Graduate Tracer Study:

Appointment, contracting, and preparatory discussions were in progress with the appointed implementer, the Human Sciences Research Council (HSRC), and the funder, the Education, Training and Development Practices (ETDP) Sector Education and Training Authority (SETA).

d. Environmental Scan for the Fourth Industrial Revolution (4IR) and World of Work:

An environmental scan on the implications of the Fourth Industrial Revolution (4IR) for the world of work was undertaken to analyse the skills and competencies required in the digital age. The findings of the study were subsequently presented at the USAf 4IR Colloquium held in June, which brought together 124 stakeholders from academia, government, and industry, including WSG members and representatives from universities.

Some of the delegates who gathered to engage with the findings of the 4IR Study report in July 2025.

The colloquium provided a platform for engagement with the study's findings. It generated recommendations to strengthen the curriculum and advance pedagogical innovation, including embedding 4IR skills and competencies across disciplines, promoting active and experiential learning methodologies, and developing communities of practice among educators.

2.1.2. COMMUNITIES OF PRACTICE

2.1.2.1. Community of Practice for the Teaching and Learning of African Languages (CoPAL)

The Community of Practice for the Teaching and Learning of African Languages (CoPAL) continued to support sector-wide collaboration on multilingualism and language development in higher education. The CoP focused on areas including the implementation of institutional language policies, the development of a national multilingual framework, and engagement on funding for research in African languages.

Discussions also included collaboration with regional and international partners, such as implementing mother tongue-based bilingual education within the school system. Through its meetings and ongoing engagements, the CoP provided a platform for sharing institutional practices, supporting curriculum alignment, and strengthening collaboration across universities in the teaching and learning of African languages.

2.1.2.2. Community of Practice for the Teaching and Learning of Mathematics (TLM CoP)

The Community of Practice for the Teaching and Learning of Mathematics (TLM CoP) focused on strengthening collaboration across institutions and broadening participation in sector discussions on mathematics teaching and learning.

The CoP also contributed to national initiatives, including participation in the mathematics teaching conference, and continued to provide a platform for engagement on key issues such as student retention and progression in mathematics.

2.1.2.3. Community of Practice on Postgraduate Education and Scholarship (CoP PGES)

During the year under review, the Community of Practice on Postgraduate Education and Scholarship (CoP PGES) facilitated sector-wide engagement on key issues affecting postgraduate education, research development and scholarly practice.

A key part of the year's programme was the hosting of a webinar in October 2025 on Open Access publishing, which brought together stakeholders from across the research and publishing ecosystem to guide postgraduate students and emerging researchers on publishing practices, funding requirements, and open scholarship. The session addressed practical questions about publishing processes and expectations, contributing to a better understanding of the research dissemination landscape.

Through its engagements, the CoP PGES continued to provide a platform for sharing institutional practices and supporting capacity development in postgraduate education, with a focus on strengthening research training, supervision and scholarly output across the sector.

2.1.2.4. Community of Practice on Digital Education, Learning and Teaching (The DELT CoP)

In 2025, the Community of Practice on Digital Education, Learning and Teaching (DELT CoP) established itself as a central platform for sector-wide engagement on digital teaching and learning. Its activities were structured primarily around a national Lunch and Learn webinar series held between April and November 2025, often co-hosted with partner organisations such as Higher Education Learning and Teaching Association of Southern Africa (HELTASA) and Southern African Institutional Research Association (SAIIR), and focused on topics including artificial intelligence, digital literacies, institutional AI policies, and learning analytics.

These sessions enabled institutions to share practices and approaches in response to rapidly evolving digital environments. The DELT CoP also continued to develop and maintain an open-access bibliography of digital education resources, including locally produced materials and curated international resources, to support teaching and learning across the sector. Through these activities, the CoP contributed to building a collaborative peer-learning network and reducing duplication of effort across institutions, while supporting engagement on policy, practice and innovation in digital education.

2.1.2.5. Education Deans' Forum (EDF)

The Education Deans' Forum (EDF) continued to play a pivotal role in strengthening South Africa's teacher education system during 2025, under the leadership of Professor Mbulungeni Madiba of Stellenbosch University — advancing sector collaboration, policy engagement, and innovation in Initial Teacher Education (ITE).

During the year under review, the EDF convened three full forum meetings and engaged extensively with national departments, statutory bodies, international partners and sector-focused research groups to align teacher education with national priorities and global developments.

Some members of the Education Deans' Forum who attended the 20 November Colloquium hosted from the East Rand in Gauteng in 2025. Professor Mbulungeni Madiba (far left, seated), Chairperson of the EDF, is the Dean of Education at Stellenbosch University.

In 2025, the EDF pursued the following activities:

a. Engagement with the Education, Training and Development Practices (ETDP) SETA on the national bursary programme

The Forum successfully lobbied for the continuation of bursary support for the postgraduate certification in education (PGCE) and B.Ed students, with a particular focus on "missing-middle" students, resulting in the SETA confirming the allocation of approximately 750 bursaries to public universities. The EDF engaged the ETDP SETA collectively to streamline bursary funding flows, address renewal processes, and ensure alignment with university registration cycles.

b. Input on National Teacher Development frameworks

The EDF contributed to the revision of the Integrated Strategic Planning Framework for Teacher Education and Development (ISPFTED) and the National Policy Framework for Teacher Education and Development (NPTED). Key changes included integrating AI and digital competencies, strengthening mother tongue based bilingual education, and reconfiguring governance structures for teacher development.

c. Advancing African Languages and Multilingualism in Education

Through the Community of Practice for African Languages (CoPAL), the EDF prioritised the revival and strengthening of Centres for African Language Teaching (CALTs). A sector wide survey revealed that only four universities had operational centres, with most struggling due to limited funding and capacity.

d. Sector Collaboration on Digital Transformation and AI in Teacher Education

The 2025 EDF Colloquium, themed Digital Transformation and Inclusivity in Initial Teacher Development, further deepened sector dialogue and produced commitments to strengthen digital literacy, academic integrity in the AI era, and pedagogical innovation. The event attracted 17 abstracts, of which 14 were presented.

e. Strategic Stakeholder Engagements

The EDF hosted several external stakeholders whose contributions shaped national teacher education discourse.

- **UMALUSI:** Delivered a comprehensive briefing on quality assurance of school assessment, revised qualifications, standardisation processes, and the implications for teacher preparation, including subject combinations for the NSC.
- **Council on Higher Education:** Presented the national review requirements for B.Ed and PGCE qualifications, including site visits, panel criteria, timelines and the need for detailed self evaluation reports.
- **South African Centre for Digital Language Resources (SADiLaR):** Addressed the risk of "digital language death" and the need for digital corpora, NLP tools and multilingual digital infrastructure for all South African languages.
- **Department of Basic Education (DBE) – G20 Education Working Group:** The EDF contributed to national consultations on foundational learning, teacher professional development, and global qualification

recognition under South Africa's 2025 G20 Presidency. EDF members were nominated as expert presenters and facilitators for provincial G20 workshops.

- **Entrepreneurship Development in Higher Education (EDHE) programme leaders:** on embedding entrepreneurship competencies in teacher education, drawing from multi year studies, national and continental samples, and validated competency frameworks.

The EDF enters 2026 well-positioned to drive deeper collaboration, innovation, and sector-wide policy alignment to strengthen the future of the teaching profession.

2.1.2.6. The Finance Executives' Forum (FEF)

In 2025, the Finance Executives' Forum (FEF), a Community of Practice of universities' Chief Financial Officers, continued to serve as a critical platform for collaboration among finance leaders across public universities. This contributed to USAf's efforts to strengthen financial sustainability, governance and sector wide coordination in an increasingly constrained funding environment.

Some members of the Finance Executives Forum at their 27 November 2025 meeting on the East Rand in Gauteng. Mrs Nolwazi Mamorare (seated in the middle of the front row), the Chief Financial Officer at the University of Johannesburg, is the Chairperson of the FEF.

A key focus during the year was sustained engagement with strategic stakeholders, notably NSFAS, DHET and AGSA.

a. Engagements with NSFAS

The FEF coordinated sector responses to challenges arising from:

- delayed NSFAS payments,
- student accommodation funding constraints,
- audit and reporting requirements, and
- emerging funding and policy shifts.

Where necessary, the Forum supported escalation of unresolved issues to the ministerial level.

b. Engagements with AGSA

The Forum's task teams delivered targeted technical support during the year, including:

- guidance on tax compliance,
- VAT rulings,
- audit related costs,
- internal audit standards and
- risk management practices.

Dedicated engagements with AGSA improved clarity on audit expectations, reporting timelines and governance requirements, supporting greater consistency across institutions. The FEF also proactively identified emerging risks, and evolving funding models, ensuring these matters were considered in a coordinated and evidence based manner.

2.1.2.7. Higher Education Sustainability Community of Practice (HESCOP)

The Higher Education Sustainability Community of Practice (HESCoP) has the potential to strengthen the sector's contribution to South Africa's achievement of specific Sustainable Development Goals, while supporting the broader mandate of Universities South Africa.

In 2025, the HESCoP continued to advance USAf's sustainability agenda by fostering cross-institutional collaboration, strengthening sector-wide sustainability practices, and supporting evidence-based engagement with government and external stakeholders. HESCoP's work during the year focused on environmental sustainability and collaboration with sector partners, and positioning higher education institutions as credible contributors to South Africa's sustainability and climate commitments.

a. Governance and community engagement

HESCoP maintained active governance and engagement structures throughout 2025. From its Annual General Meeting of December 2024, HESCoP set the direction for work undertaken during this reporting year. This included deliberately shifting focus in 2025 from in-person convenings to investing in sector-wide sustainability infrastructure, reflecting a strategic use of USAf's limited operational resources, which were earmarked for meetings and projects.

Sub-committees within HESCoP continued to function throughout the year, ensuring continuity of work and sustained collaboration among institutions with diverse sustainability mandates and capacities.

b. Development of a sector-wide carbon reporting tool

In 2025, HESCoP made progress toward developing a national carbon footprint reporting tool for South African universities. Tool specifications were finalised, and quotations were sought from service providers, with implementation planned as a phased, long-term initiative, subject to available resources. Once implemented, the tool is intended to support standardised carbon emissions reporting via the USAf website, enhancing transparency, comparability and alignment with national environmental objectives.

c. Collaboration and partnerships

During 2025, HESCoP advanced inter-sectoral collaboration through formal partnerships. A Memorandum of Understanding (MoU) was signed with the Higher Education Facilities Management Association (HEFMA), establishing a framework for cooperation on environmental sustainability, infrastructure, and organisational culture. This partnership strengthens alignment between sustainability strategy and facilities management, recognising the central role of infrastructure and operations in achieving sustainability outcomes in higher education institutions.

HESCoP was also invited to participate in sector engagement opportunities, including sustainability-related conferences, further extending its influence and reinforcing shared learning across institutions.

2.1.2.8. The Human Resources Directors' Forum

During the 2025 reporting period, the Human Resource Directors' (HRD) Forum continued to serve as a strategic Community of Practice, supporting collaboration, policy alignment, and shared learning across South Africa's public universities. The Forum provided a structured platform for HR leadership to engage on sector wide workforce challenges, while strengthening the strategic contribution of human resources to institutional sustainability and transformation.

Some members of the HR Directors' Forum at their 23-24 October meeting, which was hosted at the University of KwaZulu-Natal. The HRD Forum is chaired by Mrs Susan Robertson, Director: People & Culture from Rhodes University (far left in the seated row).

a. Talent Management Framework:

Significant progress was recorded in the development and consolidation of sector-wide HR frameworks. The Integrated Talent Management Framework (ITMF) was finalised and formally presented to the Forum, providing a structured, principles-based approach to talent identification, succession planning, mobility, and performance management across academic, leadership, and professional staff categories. The framework promotes courageous decision-making, decentralised accountability, and alignment between institutional strategy and human capital investment. While recognising capacity constraints at the institutional level, the Forum endorsed the ITMF as a critical strategic tool for strengthening talent pipelines across the sector.

b. Stakeholder engagement and intergovernmental collaboration

A key achievement of the HRD Forum during the year was the sustained emphasis on strategic conversation and reflective practice. The Forum successfully facilitated high level engagements with Vice Chancellors and external stakeholders, reinforcing the importance of HR as a strategic partner rather than a purely operational function.

Notably, the HRD Forum hosted substantive engagements with:

- **Professor Sizwe Mabizela**, Vice Chancellor of Rhodes University, addressed critical issues relating to transformation, internationalisation, talent retention, and financial sustainability in the sector.
- Senior officials from the **Department of Justice and Constitutional Development**, strengthening institutional understanding of statutory obligations related to the National Register for Sex Offenders.
- The **Department of Home Affairs** is yielding concrete progress on reducing visa backlogs and preparing the sector for the introduction of the Electronic Travel Authorisation (ETA) system.
- **Employee Relations Forum**, which addressed rising trends in misconduct, Commission for Conciliation, Mediation and Arbitration (CCMA) disputes, essential services compliance, and legislative developments affecting institutions.
- **Employee Health and Wellness Forum**, which progressed towards the development of a sector wide framework and planned a national summit to advance employee wellbeing practices.
- **Employment Equity Managers' Forum**, which successfully engaged the Department of Employment and Labour on revised sectoral targets and initiated deeper analysis of structural barriers to transformation.

These engagements enhanced the Forum's visibility and credibility as a trusted advisory body on complex HR and regulatory matters affecting public universities.

2.1.2.9. The Learning in Practice Community of Practice (LiP CoP)

The Learning in Practice Community of Practice (LiPCoP) continued to play a strategic role in advancing Work-Integrated Learning (WIL) during 2025.

During the year, a dedicated sector workshop was convened to deliberate on and refine the national policy framework, culminating in the policy's finalisation. This milestone represents an important step in strengthening coherence, quality assurance, and institutional alignment in WIL implementation across the higher education sector. This work supports USAf's broader mandate to enhance student success, strengthen university-industry partnerships, and ensure that graduates are equipped with the relevant skills, practical exposure, and adaptive capabilities required for meaningful participation in the economy.

2.1.2.10. The Registrars' Forum

In 2025, the Registrars' Forum focused on four priorities:

a. Reconceptualising the Forum's role

The Registrars agreed to revisit the role and function of the Registrars' Forum and investigate ways to professionalise and restructure the Forum in line with the wide-ranging responsibilities of the Registrars at institutions. These revisions will include the format and name of the annual Registrar's Imbizo. A working group consisting of Dr Lulamile Ntonzima (Walter Sisulu University, as Convenor), Dr Joel Baloyi (University of Venda), Mr Nikile Ntsababa (University of the Free State), Dr Sally Dzingwa (Central University of Technology) and Ms Nokukhanya Shongwe (University of Mpumalanga) was appointed to take the matter forward. At the annual Imbizo, the working group presented its vision, and, following robust discussions, undertook to prepare a refined discussion document for consideration at the 2026 Registrars' Imbizo.

b. Developing a database of transferring students

Many institutions find themselves in a difficult position each year when students apply to study with them and then misrepresent their prior studies. Institutions then evaluate the applicants based on their historical grade 12 results and do not consider their results from other institutions. In many such cases, these applicants have been academically excluded from another institution for poor performance. A working group consisting of Dr Ahmed Shaikjee (University of the Western Cape), Ms Farah Fredericks (Stellenbosch University), Dr Tinus van Zyl (University of Johannesburg) and Mr Anban Naidoo (University of the Free State) was tasked to develop specifications for developing a web service that would allow institutions to identify applicants transferring with previous studies from other institutions without declaring. This is work in progress. The working group was requested to refine the project proposals to include the project's financial implications and sustainability before universities could commit to funding it, especially given declining university funding. It is envisaged that a decision on the way forward will be taken in 2026.

c. Advocating for the earlier release of NSC results

Since the COVID-19 pandemic, the embargoed National School Certificate (NSC) results were progressively released later in January. This very short turnaround time between the embargoed release to universities and the public release to learners created several operational challenges. During 2025, the Registrars focused on enhancing security and tightening processes around the NSC results data. This included measures such as independent audit reports on the security and submission of security plans. The Department of Basic Education (DBE) established a task team explore ways to secure an earlier release of the NSC results, with representation from USAf, TVET colleges, DHET and DBE. The activities of this task team will commence in 2026.

d. Building registrar capacity

Following the publication of "A Registrar's Handbook" (Dr N Lawton-Misraalso to investigate et al) in 2022, the Registrars' Registrars' Forum agreed to continue updating the contents of the handbook and also to investigate other ways to capacitate newly-appointed and aspiring Registrars. This is a work in progress and will again be a priority in 2026.

Two formal virtual meetings and a hybrid Imbizo, hosted by Stellenbosch University, were held.

The Registrars who attended the annual in-person 2025 Imbizo at Stellenbosch University included USAf officials.

At the Imbizo, the following transpired:

- Dr Mimmy Gondwe, Deputy Minister of Higher Education and Training, spoke on Opportunities for further engagement. Matters such as an induction and training programme for university council members, ministerial appointments to university councils, university safety and security policy submissions and the role of the Portfolio Committee were discussed. The meeting also identified a need for quarterly meetings with registrars to improve communication and feedback loops.

- Ms Nadia Starr, CEO of the South African Qualifications Authority (SAQA), presented on Fraudulent qualifications, refugee admissions, and qualification registration. She touched on issues such as the comments invited on the National Qualifications Framework (NQF) amendment Bill, the establishment of a dedicated email inbox for enquiries regarding evaluations of qualifications for Refugees and asylum seekers. She also requested that all concerns regarding fraudulent qualifications be forwarded to SAQA for inclusion on their register.

A panel discussion covered the following topics:

- Digital Transformation as a Strategic Imperative
- Artificial Intelligence in Academic Administration
- Governance and Efficiency Tools
- Institutional Innovation and Roadmaps
- Change Management and Human Factors
- Security, Compliance, and Governance
- Collaboration Over Competition

Professor Cheryl Foxcroft (Nelson Mandela University) presented on a research project commissioned by USAf's Admissions Committee titled Admission Practices in Higher Education Institutions. Registrars were provided with a specific set of questions to gather their input on the research project. They were also requested to take part in the project, which will commence in 2026in 2027 with a guideline document.

The Imbizo also discussed the proposed amendments to the Higher Education Act (Act 101 of 1997) and reached a consensus that a coordinated response from USAf to the amendments would be preferable. This is an ongoing process.

The Registrars also addressed ongoing issues related to NSFAS and campus stability, with a strong focus on enhancing the security of NSC results data.

In 2026, the Matriculation Board and its associated committees will continue to advance regulatory reforms, strengthen admission practices, and support national efforts to streamline university access. Emphasis will remain on improving data security, professionalising registrar functions, and ensuring that governance structures are responsive to the evolving higher education landscape.

2.1.2.11. The Skills Development Facilitators' Forum (SDF)

In 2025, the Skills Development Forum (SDF) continued to support coordination, capacity building, and strategic alignment on skills development within the USAf constituency. A key highlight was the SDF Forum Workshop and Meeting held on 30–31 July 2025, which combined professional development with structured stakeholder engagement. The workshop enhanced SDF capabilities through knowledge-sharing on emerging learning and development trends, leadership agility, and the effective use of technology, including AI.

The forum facilitated engagement with the ETDP SETA and other national structures, providing updates on grants, compliance requirements, and policy priorities. Overall, the SDF Forum strengthened professional capacity, improved alignment with national skills development processes, and reinforced collaborative approaches across the sector.

2.1.2.12. South African Council of Medical Deans (SACOMD)

In 2025, the South African Council of Medical Deans (SACOMD) continued to coordinate engagement among medical schools, focusing on medical education, clinical training and health system alignment. Key activities included ongoing engagement with the National Department of Health and other stakeholders on issues affecting clinical training platforms, such as student placement capacity, resource constraints, and the functioning of academic health complexes.

SACOMD also facilitated a discussion on curriculum alignment and reforms in medical education, particularly in response to evolving health system needs and workforce demands. The structure provided input into national processes relating to health professions education and contributed to discussions on strengthening the pipeline of medical graduates and specialists.

In addition, SACOMD facilitated the sharing of institutional practices and challenges, including those related to accreditation requirements, infrastructure pressures, and the integration of training across universities and health facilities, thereby supporting greater coordination among medical schools.

A significant strategic milestone for SACOMD has been the advancement of a work-based assessment platform. SACOMD undertook a structured process to interview and shortlist potential service providers to develop this platform. The SACOMD Steering Committee on Work-Based Assessment secured funding for the initiative through the DHET's University Capacity Development Programme.

In addition, through Universities South Africa (USAf), SACOMD supported engagements with relevant structures to facilitate the appointment of USAf representatives to the Health Professions Council of South Africa (HPCSA). These representatives will help strengthen the link among professional regulatory frameworks, training needs, and ongoing professional development in the health sector.

2.1.2.13. Transformation Managers' Forum (TMF)

During the year in review, the Transformation Managers' Forum (TMF) continued to serve as a key sectoral platform for advancing transformation, equity and social inclusion across South Africa's public universities. The Forum enabled institutional transformation leaders to engage on shared challenges, exchange practice and contribute to coordinated sector responses.

Members of the Transformation Managers' Forum and the Transformation Strategy Group at their joint meeting of 15 September 2025 on the East Rand, outside Johannesburg.

Community of Practice provides a structured platform for institutions to share best practices, explore efficiencies, and improve financial sustainability through optimised use of institutional resources.

UniCo CoP focuses specifically on so called third-, fourth-, and further-income streams, such as conference facilities, property leasing, and other commercial activities, rather than academic or research commercialisation, which is addressed through other sector structures.

The UniCo CoP held its inaugural meeting on 26 August 2025, bringing together senior university leaders and commercial practitioners to share best practice in areas such as conference facilities, property leasing, and the structuring of commercial units. This diversity reflected the varied institutional approaches to commercialisation and underscored the need for a coordinated forum to share experiences and practical solutions. Despite early challenges in participation, efforts continue to broaden representation.

As part of its 2026 work programme, the CoP aims to develop a best practice blueprint to support more effective, efficient, and compliant management of university commercial operations.

2.1.3. USAF PROGRAMMES

USAf undertakes the following programmes:

- The Entrepreneurship Development in Higher Education (EDHE) programme, headed by a director;
- The Higher Education Leadership and Management (HELM) programme, also led by a director;
- The Matriculation Board, led by a Senior Manager;
- The Project Office administering student bursaries, managed by a Project Manager; and
- The Advancing Early Career Researchers and Scholars (AECRS) programme, also overseen by a Project Manager.

2.1.3.1. Entrepreneurship Development in Higher Education (EDHE) programme

The Entrepreneurship Development in Higher Education (EDHE) programme has reached a stage of increasing institutional stability, supported by a growing team and strengthened operational capacity. The programme continues to advance its vision of serving as a national catalyst for entrepreneurship within the higher education sector. EDHE's mandate is to capacitate and strengthen entrepreneurship development across universities through student entrepreneurship development, staff capacity development in entrepreneurship teaching and learning, and the institutionalisation of entrepreneurship through innovation, curriculum and policy development.

In 2025, the programme continued its work under the theme **Entrepreneurship4Sustainability**, with a focus on strengthening programme, financial, and impact sustainability. Progress during the year was evidenced through strengthened governance and programme structures, the expansion of strategic partnerships, and the continued implementation of staff development workshops and national student entrepreneurship initiatives.

We present programme achievements and strategic highlights below.

a. Leadership Development and Institutional Engagement

- **Annual CoP Chairpersons and Economic Activation Office (EAO) Workshop:** This strategic workshop convened the 12 Community of Practice (CoP) Chairs and Deputy Chairs (below) across five thematic areas to strengthen leadership capacity and align CoP activities with EDHE's strategic priorities.

EDHE CoPs' Chairpersons at the Economic Activation Offices' workshop early in 2025.

The two-day engagement produced leadership action plans for each CoP, practical stakeholder engagement tools, and implementation priorities for 2025 projects, including the conceptualisation of the Lekgotla and Studentpreneurs Indaba 2025.

The EAO workshop, themed "Activating and shaping entrepreneurial universities for economic impact," welcomed a new cohort of 16 universities and deepened understanding of the role of Economic Activation Offices in advancing entrepreneurial universities. Participants engaged with and provided inputs to the draft EAO Guidebook, contributing to the development of a shared framework to guide EAO implementation across institutions.

- **Embedding Entrepreneurship into the Curriculum Framework:** The University Staff Capacity Development Programme, supported by Absa Bank and the Department of Science, Technology and Innovation and implemented in collaboration with the US Embassy to South Africa through the Fulbright Specialist Programme, strengthened the capacity of academic and support staff to embed entrepreneurship in university curricula.

Fulbright Specialist: Emeritus Professor Paul Miesing.

Six regional workshops held from May to July, facilitated by Emeritus Professor Paul Miesing, focused on curriculum integration, pedagogical transformation, institutional support mechanisms, and ecosystem alignment, positioning entrepreneurship as a cross-cutting graduate attribute linked to employability and innovation.

Some of the academics who participated in the Embedding Entrepreneurship into the Curriculum Framework workshop for the Northern Region, which was hosted at the University of Mpumalanga.

The intellectual foundations of this work have been consolidated into a peer-reviewed book chapter co-authored by Professor Paul Miesing and Dr Edwell Gumbo, titled Embedding Entrepreneurship in Higher Education: *Lessons from a South African Curriculum Transformation Initiative,* accepted for publication in The Palgrave Handbook of Entrepreneurship and Youth Employment, scheduled for release in May 2026.

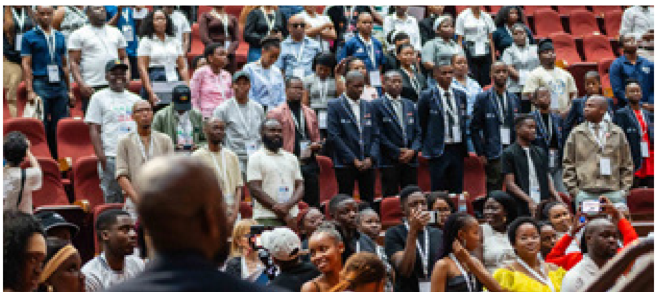
- **Biennial EDHE Lekgotla:** The 7th EDHE Lekgotla was held on 8–9 October 2025 at the University of South Africa (UNISA), in partnership with the Alliance for Entrepreneurial Universities in Africa (AEUA) and the United Nations Commission for Africa (UNECA).

Minister Nomusa Dube-Ncube (middle) delivered the Lekgotla 2025 opening address. She is photographed here with the senior dignitaries attending the opening address, including the USAf CEO, a vice-chancellor, deputy vice-chancellors and senior academics immersed in entrepreneurship development at their institutions.

The biennial conference attracted 396 participants from 120 institutions across academia, government, and industry. The opening plenary was addressed by the Deputy Minister of Higher Education and Training, Ms Nomusa Dube-Ncube, MP, alongside senior university leadership and industry representatives. The Lekgotla reinforced EDHE's role as a national convenor advancing entrepreneurial universities and sustainability-focused innovation.

b. Student Entrepreneurship and National Campaigns

- EDHE Studentpreneurs Indaba: The 8th annual EDHE Studentpreneurs Indaba, co-hosted by UNISA, empowered by Absa, and convened in partnership with the United Nations Economic Commission for Africa (UNECA) through the Alliance for Entrepreneurial Universities in Africa (AEUA), was held on 6–7 October 2025.



The 2025 Studentpreneurship Indaba, hosted at the University of South Africa in Pretoria in October 2025, was one of the most attended events in EDHE's history since 2018.

The Indaba attracted 466 participants, with 84% representing South Africa's public universities, alongside growing participation from TVET colleges. The event also reflected increasing continental engagement, with participants and speakers from Lesotho, Kenya, Tanzania, and Zambia. The programme featured high-level plenaries, parallel sessions, a student venture exhibition, and curated visits to the entrepreneurial ecosystem, facilitated by the Tshwane Economic Development Agency. A virtual 24-hour hackathon preceding the Indaba brought together students from Kenya and South Africa to develop solutions focused on SME financing and energy, climate, and the arts. Collectively, the Indaba strengthened the national student entrepreneurship pipeline while positioning South Africa within a broader African entrepreneurial university network.

- **Student Women Economic Empowerment Programme (SWEEP):** The SWEEP programme continued to expand across the higher education sector. Seven new SWEEP chapters were established across five additional universities, namely the University of Zululand (UNIZULU), the University of the Western Cape (UWC), UNISA, UJ, and the University of the Free State (UFS), and at two new campuses at the University of KwaZulu-Natal (UKZN), bringing the total to 26 chapters across 22 universities.

c. Recognition and Awards

- **Entrepreneurship Learning and Teaching Excellence Awards 2025:** These awards recognise academics and support professionals advancing entrepreneurship education through innovative, credit-bearing modules, programmes, and initiatives.

The Learning and Teaching Excellence Award.

The UFS (above) received the 2025 top award for its work in enhancing graduate employability through integrated entrepreneurship education. Second place was awarded to the University of Venda (UNIVEN) for fostering an entrepreneurial mindset through learning dialogues. In contrast, third place went to UNIZULU for embedding entrepreneurship education within the institutional curriculum.

- **EDHE Champion Award 2025:** The EDHE Champion Award, introduced in 2025 to replace the previous DVC of the Year Award, recognises institutional teams driving entrepreneurship development within universities.

The EDHE Champion Award 2025.

The inaugural award was presented (as shown above) to the Nelson Mandela University Africa Hub (MUAH), in recognition of its leadership in advancing entrepreneurship initiatives within the university ecosystem.

- **Entrepreneurship Intervarsity Awards 2025:** The EDHE Intervarsity Awards continued to grow as the flagship national student entrepreneurship competition, attracting 1,553 registrations and 799 qualifying submissions from across 26 universities, with women representing 32% of participants.

Studentpreneur of the Year 2025: Mr Zanodumo Golimpi.

The Studentpreneur of the Year was awarded to Mr Zanodumo Godlimpi of Walter Sisulu University (above), who received R120 000 for his research commercialisation innovation involving a cost-effective pneumatic prosthetic foot.

> "The EAO workshop, themed "Activating and shaping entrepreneurial universities for economic impact,"

Ms Amohetsoe Shale: Top Student Womanpreneur.

Ms Amohetsoe Shale, from Stellenbosch University, was recognised as Top Student Womanpreneur, winning R25 000 for her company Navu, which develops accessible assistive technologies, beginning with a passive polycentric prosthetic knee.

- **EDHE Absa Innovation Challenge:** The EDHE Absa Innovation Challenge received 2,417 applications, resulting in 644 qualifying submissions from student innovators across the sector. The top 20 teams participated in a bootcamp and mentorship programme ahead of the national finals. Female student innovators dominated the results, securing the top five positions and seven of the top ten places.

Ms Mpho Kotlolo, winner of the ABSA Innovation Challenge R500,000.

The winner of the Student Innovator of the Year Award, prized R500 000 in the ABSA Innovation Challenge, was Ms Mpho Kotlolo (above), from the Tshwane University of Technology. This was for developing age-appropriate antiretroviral (ARV) treatment for children living with HIV/AIDS, thus improving treatment adherence and drug administration.

d. Stakeholder and Partnership Engagements

- **Absa Bank:** EDHE received R5.5 million in funding from Absa to support four strategic initiatives advancing entrepreneurship within the higher education sector: the Studentpreneurs Indaba, the EDHE Absa Innovation Challenge (with a total prize pool of R1.05 million, including R500 000 for the Student Innovator of the Year), the University Staff Capacity Development Programme implemented with the US Embassy through the Fulbright Specialist Programme, and the Entrepreneurship Education in Schools Initiative.

Ms Nonhlanhla Magagula, Head of Corporate Citizenship Programmes at ABSA Bank, has become the face of ABSA in this blossoming partnership. She is pictured here with the USAf CEO, Dr Phethiwe Matutu, at the ABSA Innovation Challenge launch at the Mangosuthu University of Technology in July 2025.

- **EDHE Impact Report Launch:** In March 2025, EDHE published and launched its first Annual Impact Report, highlighting programme progress and key milestones achieved in 2024.

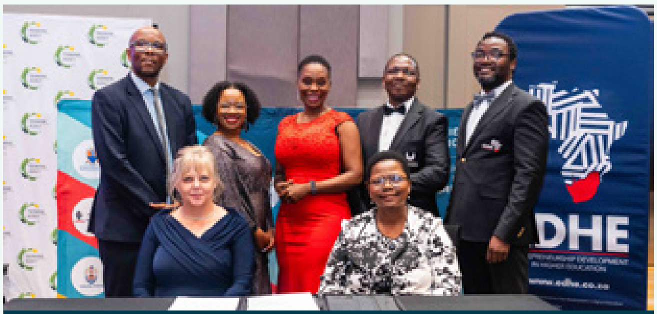
Dr Edwell Gumbo, Director-Entrepreneurship, launching the EDHE Impact Report in 2025

The report provides a consolidated account of EDHE's activities, outcomes, and sector-wide impact, demonstrating the programme's continued contribution to strengthening entrepreneurship development within South African higher education.

- **British Council South Africa Partnership:** EDHE continued to strengthen its long-standing partnership with the British Council South Africa, which has supported entrepreneurship development initiatives within the higher education sector for over six years. The collaboration focuses on advancing entrepreneurial capacity, knowledge exchange, and ecosystem development across universities. In November 2025, the British Council extended a grant funding of R1.8m to EDHE for the SWEEP Programme.

At the official launch of the EDHE 2024 Impact Report in March 2025, Ms Linda Khumalo (left, above), Deputy Country Director, British Council South Africa and Mr Willem van der Spuy (right), Acting Deputy Director-General: Exports in the Department of Trade, Industry, and Competition, delivered messages of support. Between them is the USAf CEO, Dr Phethiwe Matutu, who highlighted the urgency of the entrepreneurship programme in South Africa, given the high youth unemployment rate. The event, hosted in the East Rand in Gauteng, also served to cement strategic collaborations among the EDHE programme, the British Council South Africa, and the DTIC.

- **Department of Trade, Industry and Competition (DTIC):** EDHE formalised a partnership with the Department of Trade, Industry and Competition (DTIC) through a Memorandum of Understanding aimed at strengthening entrepreneurship and export readiness among youth-owned businesses within the higher education sector. As part of this collaboration, 20 student-owned enterprises participated in the Next-Gen Exporter Incubation Programme, an initiative designed to nurture a new generation of globally competitive exporters and enhance South export capacity. The programme exposes participating entrepreneurs to export readiness assessments, skills training sessions, bootcamps, and trade and industry engagements, linking them to global networks and equipping them with the market insights needed to access international markets.
- **French Embassy Partnership – AI and Blue Tech Incubation Programme:** Following the launch of the AI and Blue Tech Innovation Challenge in December 2024, four student innovators participated in a five-month incubation programme hosted by the Stellenbosch LaunchLab. The programme supported students in developing early-stage ventures in artificial intelligence and blue technologies, while providing opportunities to showcase their innovations at EDHE platforms throughout the year.
- **Momentum Group Foundation:** A partnership announced at the EDHE Lekgotla Gala Dinner aims to strengthen financial literacy among students and student entrepreneurs through the Motheo and Savvy programmes, scheduled for implementation in 2026.



The Momentum-USAf team.

Ms Onthatile Ditshego of SAB Foundation.

- **Department of Science, Technology and Innovation (DSTI):** A grant of R340 000 from the DSTI supported student participation in United Nations Economic Commission for Africa (UNECA) engagements, learning exchanges and other initiatives aimed at strengthening entrepreneurial capabilities in student innovators.
- **Standard Bank:** Standard Bank provided R300 000 to support Economic Activation Offices (EAOs) across universities, enabling institutions to implement entrepreneurship development initiatives.
- **THENSA:** In February 2025, USAf signed a Memorandum of Understanding with the Technological Higher Education Network South Africa (THENSA) to collaborate on entrepreneurship-related activities.

e. Research Initiatives

- **Entrepreneurship Education in Schools Initiative:** This initiative, launched in August 2025, aims to develop a framework for integrating entrepreneurship education into the training of pre-service teachers, laying the foundation for entrepreneurial mindsets at the basic education level. The project team, led by Professor Melodi Botha (University of Pretoria), is developing a framework to guide cultivate entrepreneurial thinking, creativity, opportunity recognition, and problem-solving capabilities among learners from the early stages of schooling. The framework is expected to be completed in June 2026.

Innovative Pedagogies book

The publication represents a significant milestone in documenting and advancing scholarship and practice in entrepreneurship education within South Africa's higher education system. It provides an evidence-based resource for academics, practitioners, and policymakers seeking to institutionalise entrepreneurship as a core dimension of teaching and learning.

f. Looking Ahead

Building on the progress achieved in 2025, the EDHE programme will continue to strengthen its role as a national catalyst for entrepreneurship within the higher education sector. In 2026, the programme will focus on consolidating gains made during Phase III while deepening system-wide collaboration, knowledge generation, and the institutionalisation of entrepreneurship across universities.

Key priorities for 2026 include:

- **Strengthening entrepreneurial universities:** Supporting universities to further institutionalise entrepreneurship through the work of Economic Activation Offices (EAOs) and by advancing frameworks that integrate entrepreneurship into teaching, learning, and institutional strategy.
- **Expanding student entrepreneurship platforms:** Scaling participation and impact through national initiatives such as the Studentpreneurs Indaba, the SWEEP programme, and a new integrated national student innovation and entrepreneurship challenge, which will combine the previous EDHE Intervarsity Competition and the Absa Innovation Challenge into a single flagship platform to support student innovators from ideation to venture creation.
- **Advancing research, policy, and knowledge leadership:** Undertaking a national entrepreneurship policy scan across universities to map existing institutional policies and identify gaps in the integration of entrepreneurship within higher education. Insights from this work will inform the development of a sector-wide policy framework to guide universities in embedding entrepreneurship across teaching, research, and institutional strategy.
- **Deepening strategic partnerships:** Expanding collaboration with government, industry, and international partners to mobilise resources, strengthen innovation pipelines, and create new opportunities for student entrepreneurs and university-based innovation.
- **Strengthening entrepreneurship across the education pipeline:** Advancing the Entrepreneurship Education in Schools Initiative, which seeks to embed entrepreneurial thinking within teacher training and contribute to developing an entrepreneurial mindset among learners from an early stage.

As EDHE enters the next phase of its development, the programme remains committed to strengthening entrepreneurship within the higher education sector and positioning universities as key drivers of innovation, enterprise development, and inclusive economic growth in South Africa.

For more information, visit: www.edhe.co.za

2.1.3.2. Higher Education Leadership and Management (HELM) programme

The Higher Education Leadership and Management (HELM) programme offers contextual and bespoke leadership and management programmes for emerging, middle, and senior university managers and leaders. These programmes support work performance, professional development, and career advancement, and contribute to the universities' effective organisational performance.

a. HELM aims to:

- Enhance the leadership capability and capacity of lecturers and emerging, middle and senior managers in the Higher Education (HE) sector.
- Expand the pool from which middle and senior academic leaders and managers in the HE sector may be drawn.
- Contribute to the stability and effectiveness of institutional leadership and management in the HE sectors.
- Promote inter-institutional collaborations and partnerships between USAf, HELM and local and international HE institutions; and
- Contribute to the realisation of the National Development Plan 2030 by advancing skilled, efficient, and effective leadership in the HE sectors, which drives economic and social development.
- In fulfilling these objectives, HELM contributes to:
- individual enablement and work success,
- institutional empowerment and improved efficiencies, and
- greater sectoral accountability to its key role-players and stakeholders.

Initially launched in 2002 to offer universities' executive leadership strategic insights into leading in the complex university environment, HELM was reconfigured in 2016/17 and extended to include middle-management capacity development at the levels of Heads of School (HoS) and Heads of Department (HoD).

HELM's interventions are, therefore, focused on creating and expanding a pipeline of university leadership and advancing and supporting executives, senior and middle managers, to lead and manage change in a complex higher education context. The Programme prepares university leaders and managers for a world where balancing paradoxical demands, engaging with pressing student and public voices, and synthesising global and local imperatives in sustainable ways are viewed as opportunities to shape this context into an environment in which they succeed and thrive.

b. HELM Programmes

The section below provides an overview of selected activities undertaken within the HELM flagship programmes, highlighting key areas of focus and impact.

- **Executive Leadership Programme**

  The Executive Leadership Programme, with its focus on top administrators in selected universities, continued with the executive team at Central University of Technology and commenced at Vaal University of Technology.

- **Women in Leadership Programme**

  The Women in Leadership (WiL) programme commenced its 6th cohort of 28 participants, representing 19 universities, with an in-person retreat on 6-7 November 2025. WiL continues to be a vehicle for gender equity, transformation, and empowerment in current and future leadership positions. Nelson Mandela University continues to certify WiL as a short learning programme.

Attendees at the opening session of the 2025 Women in Leadership (WiL) programme on 6 November 2025.

- **The Student Affairs and Student Success (SASS) programme**

  The Student Affairs and Student Success (SASS) programme was delivered to the third cohort of 46 participants from 19 universities between October and December 2025. USAf agreed with the UFS in 2024 to certify SASS as a short learning programme. All the 2025 participants met the completion criteria and were certified by the UFS, our certifying partner university. The SASS programme culminated in a colloquium held on 8 December 2025, at which participants showcased their research projects.

Attendees at the November AECRS Colloquium.

- **Foundations of Leadership Programme**

The Foundations of Leadership (FoL) training events were delivered online to a total of 104 Heads of Schools and Academic Departments and University Managers across all 26 universities.

c. HELM Leadership

The HELM programme experienced a leadership transition at the beginning of 2025 following the retirement of its previous Director, Dr Oliver Seale (left, below). Given capacity constraints during this period, USAf appointed Dr Clifford Nxomani (right, below) on a consultancy basis from March to May 2025 to provide strategic support and oversight while the incoming Director was being recruited.

Dr Oliver Seale

Dr Clifford Nxomani

Dr Nxomani was appointed in recognition of his extensive experience in higher education spanning more than three decades, including programme management, institutional leadership, and senior managerial and executive roles across the national science system, notably with the

National Research Foundation (NRF). His expertise was particularly valuable in supporting the HELM Programme's work in the service of the higher education sector.

HELM extends its appreciation to Dr Nxomani for his dedicated support and collegial contribution during this transition period.

- **Professor Peter Mbati assumes HELM Leadership**

Professor Peter Mbati joined Universities South Africa (USAf) on 02 June 2025 as the Director of HELM. He brings a distinguished track record of executive leadership, governance expertise and academic excellence within the higher education and science sectors.

Professor Mbati (left) has held several senior leadership roles, including serving as Vice-Chancellor at both Sefako Makgatho Health Sciences University and the University of Venda. His extensive leadership portfolio also includes positions such as Deputy Pro Vice Chancellor: Academic at Botho University (Gaborone, Botswana), Group Executive: Livestock Business Division at the Agricultural Research Council, and Campus Principal of the QwaQwa Campus of the University of the Free State (UFS). He has additionally served as Vice-Dean and Acting Executive Director: Academics within the Faculty of Natural and Agricultural Sciences at UFS QwaQwa campus, as well as Senior Researcher and Acting Director of Biomedical Sciences Research at the Kenya Medical Research Institute.

An accomplished scientist, Professor Mbati holds a PhD in Parasitology from Kenyatta University, complemented by post doctoral training in Molecular Parasitology from Obihiro University in Japan. He was an NRF rated researcher for more than 15 years and has made significant scholarly contributions through numerous peer reviewed publications, conference presentations, and the supervision of several honours, master's and doctoral students. His research has been particularly influential in parasitology and diagnostic science.

Professor Mbati has received multiple national, continental, and international accolades. Among these is the prestigious RUFORUM IMPRESSA Award (2017, Lilongwe, Malawi), recognising his excellence in research, institutional transformation and capacity development in Africa.

2.1.3.3. The Matriculation Board

The Matriculation Board is a body appointed by the Vice-Chancellors of public universities, constituted as the Committee of the University Principals (CUP) in terms of Section 74 of the Higher Education Act, 101 of 1997. The Matriculation Board sets the minimum university admission requirements — commonly known as matriculation endorsements — published in the Government Gazette.

During 2025, the Matriculation Board processed 14,757 applications for matriculation exemption from non-traditional, mature-age, and foreign school-leaving applicants. Of these, 8,551 resulted in exemption certificates. The Board's services extended to the 26 public universities and 30 affiliated private higher education institutions, underscoring its national reach and impact.

2.1.3.4. The Advancing Early Career Researchers and Scholars

The AECRS programme continued to implement activities early-career researchers and strengthening the academic pipeline. The Thuso Connect mentorship platform facilitated over 100 mentorship partnerships across institutions, while a series of Mentor Masterclasses provided opportunities for professional development and engagement. The Thuso Resources platform continued to expand, registering 825 users across all 26 South African public universities, national research councils, and other higher education-affiliated entities, supporting research development and academic practice.

In November 2025, the AECRS programme hosted its annual celebration event, which brought together early-career researchers, mentors and institutional representatives (below) from across the sector to recognise participation in the programme and share experiences and lessons emerging from the year's activities.

Group of attendees at the November AECRS Colloquium.

The event showcased the work of early-career researchers involved in the programme, highlighting mentorship engagements under the Thuso Connect initiative, and reflecting on the outcomes of the Mentor Masterclasses.

High-performing mentors (in the back row) were honoured with certificates of recognition during the Colloquium Gala Dinner. They are photographed with some members of the AECRS Programme Advisory Committee, and programme staff, the Deputy Vice-Chancellor: Research, Innovation and Engagement at the Tshwane University of Technology, Professor Vathiswa Papu-Zamxaka (seated, left), and the USAf CEO, Dr Phethiwe Matutu (seated, right).

Participants engaged in discussions on academic career development, research progression, and institutional support mechanisms, while also identifying areas to strengthen the programme going forward.

The November Colloquium also introduced AECRS champions (above), a new group of individuals tasked with promoting AECRS activities at their respective institutions.

The event formed part of the programme's ongoing efforts to build a community of practice among early career researchers and to support continued engagement across institutions.

- The programme also progressed work on the development of the Thuso Monitoring platform, which is intended to support tracking and reporting of programme activities. However, implementation is dependent on the completion of ethical clearance processes.
- Overall, the activities undertaken by RISG, TLSG and the AECRS programme during 2025 reflect continued sector-level coordination and engagement across key areas of research, teaching and learning, and academic development, with a focus on supporting institutional collaboration, sharing of practice, and responsiveness to emerging challenges and opportunities in the higher education system.

2.1.4. USAF PERFORMANCE ON TRANSVERSAL PROJECTS

2.1.4.1. The Project Office

The USAf Project Office, responsible for administering student bursaries, awarded financial support to 4,503 students in 2025, disbursing a total of R119,884,309.99 to universities. Of this amount, R2,376,000.00 covered stipends for 36 graduate interns placed in university Financial Aid offices to gain workplace experience. The remaining R117,508,309.99 was used to fund bursaries for 4,467 undergraduate and postgraduate students. Notably, R9,891,544.21 was allocated to settle the historical debt of 283 students, enabling them to graduate without financial barriers.

> "The AECRS programme continued to implement activities early-career researchers and strengthening the academic pipeline. The Thuso Connect mentorship platform facilitated over 100 mentorship partnerships across institutions"

Table 1. Bursaries breakdown by grant source

YEAR	Funder	Project Description	Number of beneficiaries per project	Amount disbursed by fund type			
				Total disbursed to Universities	Historical debt	Bursaries	Graduate interns
2025	Food Bev SETA	Pure bursaries	195	-	-	195	-
2025	Bank SETA	Historical debt	238	R8 278 469,41	238,00		-
2025	Insurance SETA	Bursary Award for Unemployed Students	13	R665 000,00		13	
2025	SASSETA internship	internship Project	16	R1 056 000,00	-	-	16
2025	SASSETA internship	internship Project	20	R1 320 000,00	--	-	20
2025	ETDP SETA	Bursaries for Bachelor of Education students	80	R1 938 137,53		80	-
2025	ETDP PG	Bursaries for postgraduate studies	102	R1 432 772,19	-	102	-
2025	ETDP HISTORICAL	Bursaries clearing historical debt	45	R1 613 074,80	45,00	-	-
2025	ETDP UG	Bursaries for undergraduate studies	3 034	R65 578 378,64	-	3 034	-
2025	SERVICES SETA	Bursaries for postgraduate studies	579	R25 197 287,12	-	579	-
2025	SASSETA 2024	Bursaries for postgraduate studies	71	R4 720 549,99		71	-
2025	SASSETA 2025	Bursaries for postgraduate studies	73	R3 132 376,36	-	73	-
2025	IDC 2025	Bursaries for postgraduate studies	37	R4 952 263,95	-	37	-
TOTAL					**283,00**	**4184**	**36**
	Total		**4503**	**R119 884 309,99**	**R9 891 544,21**	**R107 616 765,78**	**R 2 376 000,00**

National Equity targets

Among students who participated in the programme, 68.8% did not specify their gender, while 18.6% identified as female and 9.9% as male. Only 0.4% of bursary recipients were persons with disabilities (PWD). However, uptake among PWDs increased in 2025 compared to 2024, largely due to the Independent Development Corporation's (IDC) targeted recruitment efforts. As a result, 19 of the 37 IDC-sponsored students were PWD.

By race, 76% of bursary recipients did not disclose their racial identity of those who did, 19% identified as black African, while 1% identified as coloured and 1% as white. No students reported being of Indian origin.

2.1.4.2. Work coordinated from the CEO's Office

a. Stakeholder engagement

Stakeholder engagement was, as always, central to USAf's advocacy programme in 2025. Engagements targeted, in the main, the Department of Higher Education and Training (DHET), the Portfolio Committee on Higher Education, and the National Student Financial Aid Scheme (NSFAS).

- **Engagements with the Ministry of Higher Education and Training**

Throughout the year, USAf maintained robust and constructive engagements with the Ministry and the DHET to address pressing challenges facing the higher education sector.

Key areas of discussion included capacity constraints, policy developments, financial pressures, safety and security issues, and strengthening legislative frameworks and governance arrangements, with particular emphasis on the importance of timely ministerial appointments to university councils to ensure effective institutional leadership and operational continuity.

The sudden termination of US aid created significant financial pressure, resulting in a cumulative funding shortfall of approximately R4.6 billion across nine universities from 2025 to 2028. This disruption affected institutional financial planning and posed risks to ongoing research initiatives reliant on international collaboration. In response, USAf developed emergency funding proposals for submission to the National Treasury through the DHET and engaged in high-level discussions to mitigate the impact of the shortfall. At year-end, USAf was awaiting feedback on the outcome of these submissions.

- **The DHET on NSFAS**

USAf continued its active engagement with the DHET on NSFAS-related challenges, particularly the anticipated funding shortfall for the 2025 academic year. A multi-departmental working group was convened and met weekly to explore mitigation strategies, including identifying potential savings and additional funding sources. The need for coordinated and proactive interventions to address operational challenges was emphasised. Typical delays were identified in the processing of student appeals and accommodation payments. These engagements aimed to support NSFAS sustainability, ensure timely student funding, and safeguard institutional financial stability.

- **The Parliamentary Portfolio Committee on Higher Education, Science and Innovation**

On behalf of the USAf Board of Directors, and by invitation, the CEO presented to the Parliamentary Portfolio Committee on Higher Education in February 2025. The presentation addressed the impact of student protests at the beginning of the academic year, financial relief measures to support vulnerable students, and interventions to address student accommodation challenges. USAf was also invited to brief the Committee during its strategic planning workshop in September on key sectoral issues, including student debt levels, universities' withholding of academic certificates, and mitigation strategies; institutional accountability and its implications for parliamentary oversight; and the management of infrastructure development projects, including the Capital Infrastructure Efficiency Grant.

In addition, USAf continued to engage constructively with the Committee on strengthening communication and collaboration between parliamentary structures and university leadership. These efforts, mandated by the USAf Board, aim to enhance mutual understanding, improve coordination, and strengthen respectful and effective engagement within the higher education system.

- **The Department of Basic Education**

During the reporting period, USAf engaged with the Department of Basic Education regarding the early release of NSC results to support effective university admissions planning. Despite extensive engagement, including proposals to strengthen security protocols and Ministerial discussions, the request was not granted due to concerns regarding data security and system integrity.

- **The Department of Home Affairs**

Other engagement continued with the Department of Home Affairs (DHA) to improve visa and permit processes for international students and staff. Emerging from these engagements, the DHA developed a self-service visa processing platform for public universities, intended to improve efficiency and responsiveness in support of the internationalisation agenda. The facility is expected to be operational by April 2026.

- **Sector Education and Training Authorities (SETA) MoAs**

During the period under review, USAf continued to strengthen its collaboration with Sector Education and Training Authorities (SETAs) in support of skills development and student access to higher education, particularly for “missing-middle” students.

Partnerships were sealed through memoranda of agreement (MoAs) and related addenda between SETAs and member institutions to facilitate the disbursement of grants and other funding support. These interventions enhanced resource mobilisation for student support initiatives and strengthened alignment between the post-school education and training system and industry-funded skills development priorities.

The outcomes of these agreements and related initiatives are detailed in the Project Office report (see the preceding section).

b. Policy positions

In line with its mandate, USAf continued to represent the collective interests of South Africa’s 26 public universities in key national policy and legislative processes. The organisation coordinated sector-wide input on regulatory proposals and draft frameworks affecting institutional sustainability, funding, and governance.

Key engagements included collaboration with the DHET on the deferred proposal of a 0% tuition fee increase for the 2025 academic year. This process culminated in the establishment of a multi-stakeholder ministerial task team to develop long-term financial sustainability strategies for the sector beyond 2025. A notable outcome was the adoption of a revised fee regulation model based on a weighted HEPI-CPI formula for the period 2025 to 2027.

In addition, USAf participated in a multi-stakeholder NSFAS workshop and submitted written inputs on NSFAS eligibility criteria for 2026. USAf was also invited to provide comments on proposed amendments to several pieces of legislation, including the Higher Education Act, NSFAS reporting regulations, the National Qualifications Framework Further Amendment Bill, and the Post-School Education and Training Central Application Service Bill.

“Partnerships were sealed through memoranda of agreement (MoAs) and related addenda between SETAs and member institutions to facilitate the disbursement of grants and other funding support.”

PART THREE
THE GOVERNANCE FRAMEWORK

3.1. THE BOARD OF DIRECTORS

The Vice-Chancellors of all 26 public universities make up the Board of Directors of USAf. As custodians of the USAf strategy, performance, and business continuity, the Board has put in place mechanisms to ensure sufficient oversight on the financial management, reporting, internal financial controls, and risk management. They have also implemented measures to prevent fraud and other related risks.

The USAf Board meets three times a year, in March, June, and October. The Board performs its oversight functions through six governance committees, which we unpack further below, but not before reporting on the Board milestones from 2025.

3.1.1. BOARD DECISIONS FROM THE 2025 AGM

During the year under review, the Board made numerous decisions concerning governance and USAf operations. Below, we cite some of the Board, starting with those made at the Annual General Meeting (AGM).

3.1.1.1. Appointment of new Directors to the USAf Board

At the AGM of USAf last June, the following vice-chancellors were officially appointed as Directors on the USAf Board as provided for in Section 15 of the company's Memorandum of Incorporation:

Professor Nokuthula Sibiya (left), Vice-Chancellor and Principal of Mangosuthu University of Technology, effective 1 August 2024. Professor Mosa Moshabela (right), Vice-Chancellor and Principal of the University of Cape Town, Cape Town, also from 1 August 2024.

Professor Hester Klopper (left), Vice-Chancellor and Principal of the University of the Free State, as of 1 February 2025. Professor Robert Balfour (right), Vice-Chancellor and Principal of the University of Western Cape, as of 1 January 2025.

Professor Deresh Ramjugernath (left), Vice-Chancellor and Principal of Stellenbosch University, as of 1 April 2025. Professor Tandi Matsha-Erasmus, Vice-Chancellor and Principal of Sefako Makgatho Health Sciences University, effective 1 June 2025.

3.1.1.2. Audited Annual Financial Statements for 2025

The Board approved the audited Annual Financial Statements of the USAf Group of companies for 2025, and the re-appointment of BDO as the external auditor of USAf for the 2026/27 financial auditing rounds.

3.1.1.3. Terms of Reference of governance committees

Still at the USAf AGM, the Board approved the (unchanged) Terms of Reference of the Audit and Risk, the Finance and Investment and the Human Resources and Remuneration Committees.

3.1.2. DECISIONS MADE AT ORDINARY MEETINGS OF THE BOARD

3.1.2.1. Office bearers

Professor Francis Petersen   Professor Pamela Dube

The Board approved the re-appointment of Professor Francis Petersen, to the Chairpersonship of the USAf Board for another two-year term effective from 1 January 2026 to 31 December 2027. Professor Pamela Dube, Vice-Chancellor and Principal of the Central University of Technology, was also appointed to serve as the Vice-Chairperson of the USAf Board for a two-year term effective from 1 January 2026 to 31 December 2027.

3.1.2.2. USAF Budget for 2026

The Board approved the USAf Operational budget for 2026 as well as the office Operational Plan for 2026.

3.1.2.3. Priority focus areas of five strategy groups

The Board approved the priority focus areas of all strategy groups, except the Leadership and Management Strategy Group, whose priorities for 2026 would be presented to the first Board sitting of 2026 in March.

3.1.2.4. Nominations to various USAf groups

As tenures of some members of strategy groups expired, the Board approved the nomination of various individuals to serve on these groups as recommended. These culminated in the appointments of:

- Professor Fulufhelo Nemavhola, DVC Research, Innovation and Engagement at the Durban University of Technology, to serve as a member of the RISG for a three-year term, from 1 September 2025 until 31 December 2028.
- Professor Nokuthula Kunene, then the Deputy Vice Chancellor for Research and Innovation at the University of Zululand, as a member of the World of Work Strategic Group (WSG) for a three-year term, with immediate effect until 30 June 2028, replacing Prof Sibusiso Moyo.
- Professor Hester Klopper, Vice-Chancellor and Principal of the University of the Free State, to serve as Vice-Chairperson of the Transformation Strategy Group, for a three-year term with effect from 1 November 2025 to 31 October 2028.
- Professor Tandi Matsha-Erasmus, Vice-Chancellor and Principal of Sefako Makgatho Health Sciences University, to serve as the Vice-Chairperson of the Teaching and Learning Strategy Group.
- Professor Nana Poku (re-appointed) as the Chairperson of the Leadership and Management Strategy Group (LMSG) for another three-year term with immediate effect until 30 October 2028.
- Professor Thenjiwe Meyiwa, Vice-Chancellor and Principal of the University of Mpumalanga, as a member of the LMSG.
- Professor A. Rhoda (DVC: Academic at the UFS) to fill the position of DVC: Teaching and Learning (Academic) in the LMSG.
- Mr B. Kraziya (CFO at UNIVEN) to fill the position of DVC/Executive Director Operations in the LMSG; and
- Professor Thomas M Mogale as a co-opted member of the LMSG.
- Dr Nita Lawton-Misra (Registrar: University of the Western Cape), Dr Joel Baloyi (Registrar: University of Venda), Dr Lulamile Ntonzima (Registrar: Walter Sisulu University), and Professor Bettine Jansen van Vuuren (Registrar: University of Johannesburg), to serve on the Admissions Committee as co-opted members.
- Professor Sarah Howie (University of Stellenbosch) to serve as Chairperson of the Exemptions Committee, replacing Mr Hugh Amoore, who is stepping down as the Chairperson, but will remain a member of the Exemptions Committee, and Dr Nita Lawton Misra as a member of the Exemptions Committee.

3.1.2.5. USAf input to the DHET's Fee Regulation Framework

On the recommendation of the USAf Executive Committee (EXCO), the Board approved the Funding Strategy Group's counter proposal to the DHET's Tuition Fee Regulation Framework at its June sitting. Prepared as the USAf input to the

Ministerial Task Team on Tuition Fee Increases, the Board endorsed the recommendation for a blended Consumer Price Index (CPI)-Higher Education Price Index (HEPI) model on a 70:30 ratio in considering tuition fees and Higher Education funding decisions. The Board also expressed a wish to see NSFAS annual funding increases determined on that blended inflation basis. Considering that the FSG's proposal successfully influenced Government's decision to combine the CPI with the HEPI in determining fee increases for the 2026/27 academic year (as published in the Minister's Circular No.1/2025), the FSG secured a victory for USAf in this regard.

3.1.2.6. Appointment of a service provider to conduct the National Graduate Destination Study (NGDS)

The USAf Board approved the appointment of the Human Sciences Research Council (HSRC) as the service provider to conduct the National Graduate Destination Study, aimed at determining where university graduates end up, after qualifying. The study would be carried out at a total cost of R 4,568,276.00.

Further to the decisions outlined above, the Board approved various management policies and operational procedures, details of which are unpacked in the relevant committee reports further below.

3.2. THE EXECUTIVE COMMITTEE (EXCO)

The USAf Executive Committee (EXCO) is a 10-member structure that maintains general oversight of the organisation's business between meetings of the Board of Directors. The Chairperson and his deputy, Chairs of USAf's six strategy groups, the Chair of the Finance and Investment Committee, and the Chief Executive Officer, constitute EXCO.

On 31 December 2025, EXCO was made up of the following members:

Name	Capacity	Institution
Professor Francis Petersen	**Chairperson**	VC & Principal,
Professor Rushiella Songca	**Vice-Chairperson**	VC & Principal, Walter Sisulu University
Professor Bismark Tyobeka	**Chairperson** of the Funding Strategy Group	VC & Principal, North-West University
Professor Bernard Nthambeleni		VC & Principal, University of Venda
Professor Andrew Crouch	**Chairperson** of the Research and Innovation Strategy Group	VC & Principal, Sol Plaatje University
Professor Pamela Dube	**Chairperson** of the Teaching and Learning Strategy Group	VC & Principal, Central University of Technology
Professor Nana Poku	**Chairperson** of the Transformation Strategy Group	VC & Principal, University of KwaZulu-Natal
Professor Letlhokwa Mpedi	**Chairperson** of the Leadership and Management Strategy Group	VC & Principal, University of Johannesburg
Professor Chris Nhlapo	**Chairperson** of the World of Work Strategy Group	VC & Principal, Cape Peninsula University of Technology
Dr Phethiwe Matutu	**Chairperson** of the Finance and Investment Committee	Universities South Africa

3.2.1. EXCO DECISIONS DURING 2025

During the course of 2025, EXCO facilitated decision-making on numerous matters including but not limited to:

3.2.1.1. Ministerial Task Team on Tuition Fee Increases

On invitation of the Minister of Higher Education and Training, the EXCO approved USAf nominees to the Ministerial Task Team that would deliberate on the long-term sustainability of the South African public university sector and tuition fees beyond the 2025 academic year. In the main, the nominees comprised chief financial officers of five institutions; two vice-chancellors, one of whom was Professor Francis Petersen, Chairperson of the USAf Board, and Professor Bismark Tyobeka, Chairperson of the Funding Strategy Group. A Senior Director: Institutional Planning at one public institution was also included, as was the Dean of Economic and Management Sciences at another institution. The term of office of the Ministerial Task Team was, however, not specified.

3.2.1.2. Fee Regulation Framework

As part of USAf's response to the DHET's Higher Education Fee Regulation Framework published in the first quarter of 2025, EXCO supported the proposal from the Funding Strategy Group (FSG) Task Team:

- to develop a counter proposal concerning what would work for universities, for engagement with the DHET towards finalising the framework, taking into consideration the individual financial circumstances of universities;
- that a survey be conducted on the minimum fee increases for each university and the reasons thereof; and
- that an interim Consumer Price Index (CPI) related compact be considered for the next three years while deliberating on the framework.

3.2.1.3. Appointment of Board Members: Higher Health Board

The EXCO recommended to the USAf Board, the appointment of two USAf Directors to serve on the Higher Health Board, as successors to Professor Wim de Villiers and Professor Thoko Mayekiso, both of whom had retired. This resulted in the appointment of Professor Deresh Ramjugernath, Vice-Chancellor at Stellenbosch University, as the Chairperson of the Higher Health Board, and Professor Nokuthula Sibiya, Vice-Chancellor at Mangosuthu University of Technology, as a member of the Board, for a four-year term.

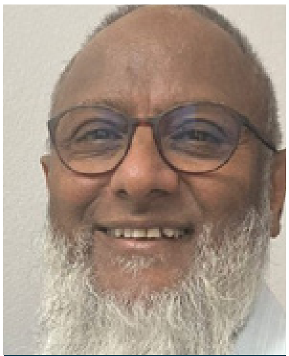
3.2.1.4. Appointment of the Director: Higher Education and Leadership Management (HELM) programme

The EXCO also ratified its decision to appoint Professor Peter Mbati, the retired former VC of Sefako Makgatho to head up HELM, with a start date of 1 June 2025.

3.3. THE AUDIT AND RISK COMMITTEE

This committee reviews the integrity of all major risks and internal control systems at the USAf Office. It oversees financial reporting, systems of internal control and management of financial risk, audit processes and monitors compliance with financial laws and regulations.

Members of the Audit and Risk Committee during 2025 were:



Mr Saleem Kharwa remained the Chair of the Audit and Risk Committee during 2025.

- Mr Saleem Kharwa – Chairperson, Independent
- Ms Faiza Majiet – An independent member
- Mr Shai Makgoba – University of Cape Town
- Mr Sizwe Nyenyiso – Nelson Mandela University until 30 June 2025
- Ms Lerato Riba – University of Johannesburg (replaced Mr Nyenyiso) from 1 July 2025
- Professor Chris Nhlapo – Cape Peninsula University of Technology

During 2025, the Audit and Risk Committee achieved numerous milestones within its governance mandate. The Committee:

a. Reviewed and approved progress reports on internal audits for 2025.
b. Reviewed progress on engagement with the Receiver of Revenue (SARS) relating to VAT matter.

c. Reviewed and endorsed the audited annual financial statements for 2025.

d. Approved USAf's audit report for 2025.

e. Reviewed and recommended the reappointment of BDO as the external auditor of USAf for the 2026 auditing round to the USAf Board.

f. Reviewed reports on fraud management at USAf.

g. Reviewed and endorsed USAf's strategic and operational risks registers for 2026.

h. Reviewed and endorsed the risk management procedure.

i. Reviewed and endorsed the Risk Policy document, which is USAf's attempt to strike an appropriate balance between realising potential opportunities while minimising adverse effects. The Risk Policy guides USAf and its senior management in systematically managing activities that involve a material degree of risk of loss or other damage to Universities South Africa. It provides for the establishment of an appropriate governance infrastructure and culture and applying logical and sympathetic methods for establishing the context, identification, analysis, treatment, monitoring and communication of risks. The purpose is to ensure that USAf incorporates these activities into its management processes.

j. Reviewed and endorsed the Terms of Reference of the Audit and Risk Committee.

3.4. THE FINANCE AND INVESTMENT COMMITTEE


Professor Chris Nhlapo was the Chair of the Finance and Investment Committee in 2025.

This committee oversees Universities South Africa's financial strategy and policy and the establishment and performance of internal controls at the office's operational level. It also ensures overall compliance with the investment strategy as approved by the Board.

Members of the Finance and Investment Committee in 2025 were:

- Professor Chris Nhlapo – **Chairperson**, Cape Peninsula University of Technology
- Mr Eminos Manyawi – Sefako Makgatho Health Sciences University
- Ms Elmarie de Beer – North-West University
- Dr Reshma Mathura – University of South Africa
- Dr Phethiwe Matutu – the USAf CEO, as an ex officio member

In 2025, the Finance and Investment Committee also realised numerous milestones pertinent to its oversight of internal controls at USAf. The Committee:

a. Reviewed and approved investment reports on investments managed by Investec. Essentially, the investments were showing steady and consistent growth since Investec was appointed as the fund manager in February 2016.

b. Reviewed annual financial statements for 2025 and recommended them to the Audit and Risk Committee for endorsement.

c. Reviewed the progress report on the Matriculation Board on the measures being taken to mitigate the effects of operational losses, declining bank balances, and diminishing operating reserves stemming from a continued decline in the number of applications for exemption certificates.

d. Approved the financial report for the period ended 31 March 2026.

e. Reviewed and endorsed proposed guidelines on deviation from competitive procurement processes, which the USAf Board went on to approve policies. The Deviation from Competitive Procurement Policy was put in place to clarify conditions under which such deviation is permissible, and to indicate how and when such deviations should be made. The Policy also provides for improved transparency and accountability while facilitating smooth procurement processes.

f. Reviewed and endorsed the Terms of Reference of the Finance and Investment Committee, which remained unchanged.

g. Reviewed and endorsed the proposed the operational budget of USAf for 2026.

h. Approved the financial report for the period ended 31 July 2026.

i. Reviewed and endorsed the proposed Contract Management Policy, which provides for provide a transparent, systematic, and standardised approach to administering and executing contracts for goods and services purchased from suppliers. It applies to applies to all employees, suppliers, and other stakeholders involved in the management of the supplier contracts on behalf of USAf.

j. Reviewed and endorsed the proposal on Financial Management Policies and Procedures, which regulate USAf's financial systems and accountability by governing:

- the delegation of powers and financial authority;
- general procurement of goods and services;
- the USAf bank account and all banking activity related to it including the annual external audit
- Travel and subsistence allowances for staff and
- Travel and subsistence allowances for USAf Committee members

New additions to the Financial Management Policies and Procedures in 2025 were policies governing deviation from competitive procurement, and general procurement processes.

3.5. THE HUMAN RESOURCES AND REMUNERATION COMMITTEE

Professor Robert Balfour was the Chair of the HR and Remuneration Committee in 2025.

This committee oversees USAf's Human Resources strategy and policy pertaining to staff management at the USAf Office. Its responsibilities are to:

- Establish and maintain policy for competitive, fair, equitable and market-related compensation policies;
- Plan to attract, motivate and retain talent;
- Review annual remuneration packages of USAf employees and recommend adjustments where necessary; and
- Advise the Board on any human resources-related matters within the USAf Office.

3.5.1. MEMBERS OF THE HR AND REMUNERATION COMMITTEE IN 2025

- The CEO, Dr Phethiwe Matutu is also an ex officio member of the HR and Remuneration
- Professor Robert Balfour – **Chairperson**, University of the Western Cape
- Mr Victor Mothobi – Stellenbosch University
- Dr Vuyo Mthethwa – Durban University of Technology
- Ms Nandipha Sishuba – Nelson Mandela University
- Advocate Paul Finden – University of KwaZulu-Natal

During the year under review, the HR and Remuneration Committee approved the following HR related policy revisions:

3.5.1.1. The Secondment Policy

The Secondment Policy provides for the temporary assignment of a USAf employee to a position equal to or higher than their own, within or outside the organization, to facilitate career pathing, career growth, succession planning, or to provide experiential exposure for employees. This policy provides a clear framework for secondments to meet organisational needs, support employee development and regulate eligibility, duration, secondment allowance conditions and payment.

3.5.1.2. The Intellectual Rights Policy

This policy outlines USAf's approach to ensuring the protection and proper use of all USAf tangible and intangible assets recognised as intellectual property, and to legally protect USAf's rights. It defines intellectual property and regulates how intellectual property is managed when it is created during employment with USAf and in instances where it was created before joining USAf. It also provides mechanisms to timeously and effectively manage and protect USAf's intellectual property. USAf's intellectual property rights apply to work created by its employees in the course of their employment. This includes, but is not limited to, patents, copyright, database rights, registered designs, trademarks, processes, methods, inventions, general guidance notes, articles, reports, and surveys.

3.5.1.3. Conflict of Interest Policy

The Conflict-of-Interest Policy was adopted to ensure transparency, integrity, and accountability in decision-making and operations by identifying, disclosing, and managing actual, potential, or perceived conflicts of interest among employees. It aims to regulate and mitigate perceived, potential and actual conflicts of interest that arise in the course of employees discharging their contractual and fiduciary obligations to USAf. It also seeks to mitigate any adverse impact on contractual obligations of employees to USAf's reputation arising from any special relationships between employees and potential candidates for recruitment, employees and vendors, and employees and other external organisations.

3.5.1.4. Relocation policy

This policy instrument makes provision for USAf to compensate selected employees, in part, for the financial expenses they incur when relocating their permanent residence to within daily commuting distance of USAf offices, provided that the employee's original home address is more than 100km from the USAf workplace.

3.5.1.5. USAf Property Use Policy

This policy establishes clear guidelines for the responsible use of USAf property by employees. It ensures compliance with legal, financial, and ethical standards. The policy applies to all property and consumables, including items and objects owned, leased, or rented by USAf. It also provides for measures including disciplinary action, up to and including termination of employment, and/or legal proceedings where applicable.

3.5.1.6. The Disciplinary Code and Grievance Procedure

This tool establishes a uniform disciplinary code for USAf ensuring that all employees are treated with fairness, consistency and respect when disciplinary action becomes necessary. This code serves as a shared framework and guideline for both employees and management, promoting a common understanding of disciplinary principles and procedures within the organisation. Maintaining discipline is a core responsibility of management. This Code affirms the right and duty of management to initiate disciplinary measures against any employee

3.5.1.7. Standard Operating Procedures for Termination of Employment; Minimum Standards

The policy outlines the procedures and legal requirements for terminating employment at USAf, ensuring compliance with the Basic Conditions of Employment Act 75 of 1997 (BCEA), as amended, and the Labour Relations Act 66 of 1995 (LRA), as amended, and promoting fairness and transparency. The procedure applies to all employees, regardless of their employment type (permanent, fixed-term, or temporary), and covers all forms of termination, whether initiated by the employer or the employee, on any grounds for termination.

3.5.2. JOINT ADMISSIONS & MATRICULATION BOARD COMMITTEE

This is the only committee with a statutory function. It advises not only the Board but also the Minister of Higher Education and Training on the regulation of minimum requirements for admission into higher education. Its responsibilities also include:

- Developing and maintaining optimal strategies of minimum admissions regulations between the pre-2008 Senior Certificate, the current National Senior Certificate as well as international qualifications;
- Monitoring and reporting on system readiness, enrolment trends, policies and 'best practice' benchmarking and equivalence setting activities;
- Approving the budget and annual financial statements of the USAf Higher Education Enrolment Programme (the Matriculation Board); and
- Recommending exemption application fees to the Board for approval.

The Admissions Committee receives operational support from the Matriculation Board staff within the USAf Office.

3.5.2.1. Members in 2025

Professor Sizwe Mabizela was the Chair of the Joint Admissions Committee in 2025.

- Professor Sizwe Mabizela – **Chairperson** of the Admissions Committee and Vice-Chancellor and Principal, Rhodes University
- Mr Hugh Amoore – Acting Chairperson of the Matriculation Board
- Ms Carol Crosley – Chairperson of the Registrars' Forum and Registrar: University of the Witwatersrand
- Professor Cheryl Foxcroft -- Emeritus Professor at Nelson Mandela University
- Professor Kwena Masha – Registrar at the University of Limpopo
- Professor Bettine Jansen van Vuuren – Registrar at the University of Johannesburg
- Dr Nita Lawton-Misra – Registrar at the University of the Western Cape
- Dr Lulamile Ntonzima – Registrar at Walter Sisulu University
- Dr Joel Baloyi -- Registrar at the University of Venda
- Dr Ronel Retief -- Registrar at Stellenbosch University
- Dr Abbey Mathekga -- Director: Enrolment and Student Administration at the University of Pretoria
- Dr Michael Mushaatoni – Observer, Technological Higher Education Network South Africa (THENSA) and Registrar at the Tshwane University of Technology
- Ms Shirley Ferndale – Observer, SA Private Higher Education (SAPHE) and Registrar at the Independent Institute of Education (IIE)
- Dr Mafu Rakometsi – Observer and CEO of Umalusi
- Mr Mahlubi Chief Mabizela — ex officio member and Director: Operations and Sector Support, USAf
- Ms Annie Viljoen – Convenor and Acting Senior Manager: Matriculation Board, USAf

During the reporting year, the Joint Admissions and Matriculation Board Committee addressed key matters including:

a. Continued collaboration with the DHET on the Central Applications Service (CAS) Project and ongoing engagement with the Department of Basic Education to secure the earlier annual release of National Senior Certificate (NSC) results. These efforts aim to improve administrative efficiency, reduce student anxiety, and strengthen data security.

b. Continuing consultations with the DHET on dissolving the Committee of University Principals (CUP), the Committee of Technikon Principals (CTP), and the Matriculation Board, under Section 74 of the Higher Education Act. Although a call for public comment was issued in November 2020 and updated in Government Gazette No. 44173 (23 February 2021), the matter remained unresolved in 2025. Further correspondence with the DHET is ongoing.

c. Initiating steps to administer dormant national prizes, bursaries, and scholarships held in trust by USAf. Following unsuccessful attempts to appoint a host institution, legal counsel was instructed to prepare a High Court submission to remove unconstitutional conditions attached to certain bequests. This process will continue in 2026.

d. A task team led by Mr Hugh Amoore, Professor Cheryl Foxcroft, and Ms Shirley Ferndale — supported by Ms Annie Viljoen and Mr Clayton Lesufi — continued revising regulations governing alternative access. These revisions, based on USAf-approved principles, include proposals for mature-age admission for NSC candidates. A further draft will be circulated to registrars and admissions offices for comment in 2026.

3.6. LEGAL ADVISORY COMMITTEE (LAC)

In addition to the above Governance Committees, the Board constituted a Legal Advisory Committee whose purpose it is to provide legal advice and/or input to Universities South Africa to respond to legislation, regulations and policies affecting the university sector. The Committee reviews the legislation and policies with implications for the universities sector, and provides inputs and comments to the organisation in order to enable the latter to effectively promote the interests of the sector and fulfill advocacy and related responsibilities.

3.6.1. MEMBERS OF THE LAC IN 2025

Professor Rushiella Songca was the Chair of the Legal Advisory Committee in 2025.

- Professor Rushiella Songca – **Chairperson,** Walter Sisulu University
- Mr Dries Pretorius – University of Johannesburg
- Ms Sue Smailes – Rhodes University, representing the Legal Practitioners' Forum
- Dr Nita Lawton-Misra – University of the Western Cape
- Mr Hugh Amoore – Retired Registrar
- Mr Shervaan Rajie – University of the Western Cape
- Professor Caroline Nicholson – University of Pretoria
- Mr Edgar de Koker – Nelson Mandela University
- Mr Deochund Mothilall – University of Zululand
- Mr James Botha – North-West University
- Dr Phethiwe Matutu – CEO of USAf (ex-officio member)
- Ms Thulisile Dladla – Secretary

In the year under review, the LAC continued with its regular engagements to consider a range of sector-wide legal, governance, and regulatory matters affecting the higher education landscape. Key points of focus were:

3.6.1.1. Oversight challenges

The Committee highlighted ongoing challenges relating to governance oversight and institutional autonomy, particularly regarding evolving engagement dynamics between universities, the Parliamentary Portfolio Committee, and the Department of Higher Education and Training (DHET).

The Committee emphasised the need for clear and structured rules of engagement to strengthen sectoral coherence while preserving institutional independence.

3.6.1.2. Policy and Regulatory developments

Key legislative developments considered included proposed amendments to the Construction Industry Development Board (CIDB) Act and the National Qualifications Framework Amendment Bill. The Committee assessed the potential implications of these developments and considered appropriate legal and procedural responses, including coordinated institutional submissions and, where necessary, formal objections.

Progress on key policy and structural reforms was also reviewed, including the delayed transfer of Matriculation Board functions to UMALUSI and developments relating to the recognition of private institutions as universities. The Committee underscored the importance of sustained stakeholder engagement to ensure clarity, alignment, and regulatory certainty in these processes.

In addition, the Committee considered broader governance matters, including the Section 74 process, potential amendments to the Higher Education Act, and emerging approaches to student debt relief. These discussions reflected a continued commitment to collaborative problem-solving and coordinated sector responses to systemic challenges.

Overall, the Legal Advisory Committee continued to provide strategic legal guidance, facilitate structured stakeholder engagement, and support coordinated institutional responses to legislative and regulatory developments affecting the higher education sector in South Africa.

PART FOUR

ADMINISTRATION AT THE USAF OFFICE

The USAf Office operates from Hadefields Office Park in Hatfield, Pretoria, where it occupies Blocks D and E, respectively.

4.1. STAFFING

The total staff complement as at 31 December 2025 stood at 55. The table below breaks down staff demographics by race and seniority as at 31 December 2025.

Occupational levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	**2**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**3**
Senior management	**1**	**0**	**0**	**0**	**2**	**0**	**0**	**2**	**2**	**0**	**7**
Professionally qualified and experienced specialists and mid-management	**0**	**0**	**0**	**0**	**5**	**0**		**2**		**0**	**7**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	**5**	**0**	**0**	**0**	**10**	**1**	**0**	**2**	**0**	**0**	**18**
Semi-skilled and discretionary decision-making	**5**	**0**	**0**	**0**	**9**	**1**	**0**	**0**	**0**	**0**	**15**
TOTAL PERMANENT	**13**	**0**	**0**	**0**	**27**	**2**	**0**	**6**	**2**	**0**	**50**
Temporary employees	1	0	0	0	4	0	0	0	0	0	5
GRAND TOTAL	**14**	**0**	**0**	**0**	**31**	**2**	**0**	**6**	**2**	**0**	**55**

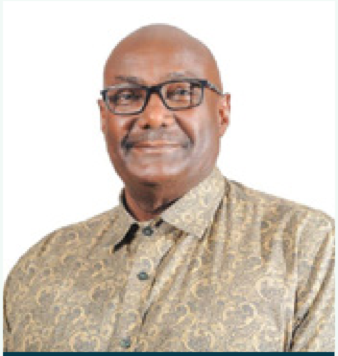
4.1.1. NEW APPOINTMENTS

During 2025, the USAf Office acquired five new staff members including two at senior managerial level and two administrator interns. In the same year, the Office lost three employees to natural turnover, including an intern who secured another internship opportunity elsewhere. Staff movements included a promotion of one employee in one of USAf's flagship programmes from a junior Administrative Assistant position to Project Coordinator.

4.1.1.1. Professor Peter Mbati

Professor Peter Mbati was appointed Director of HELM in June 2025. HELM is USAf's flagship leadership development initiative aimed at strengthening leadership, governance, and management capacity across South Africa's public universities

In this role, Professor Mbati (right) provides strategic leadership for the design and implementation of programmes that support the development of current and emerging higher education leaders, while fostering institutional effectiveness, transformation, and sustainability across the sector.



Professor Peter Mbati

Professor Mbati brings to HELM more than three decades of experience in higher education leadership, governance, research, and institutional transformation. Prior to joining USAf, he served as Vice-Chancellor and Principal of the University of Venda (2008–2018) and Vice-Chancellor of Sefako Makgatho Health Sciences University (2020–2025), where he led major institutional transformation initiatives, strategic planning processes, infrastructure development programmes, governance reforms, and research growth agendas.

He also served as Deputy Pro Vice-Chancellor at Botho University in Botswana and held several senior executive positions within South African higher education and research institutions, including as the first Campus Principal of the QwaQwa Campus of the University of the Free State between 2003–2006.

His appointment to HELM represents a return to a programme with which he has a longstanding association, having previously served as Chair of the HESA Higher Education Leadership and Management Programme and as a Director on the Boards of both HESA and USAf.

Throughout his career, Professor Mbati has championed leadership development, institutional excellence, good governance, and capacity building within higher education. His extensive experience at institutional, national, regional, and international levels positions him well to advance HELM's mission of developing capable, ethical, and transformative leaders for South Africa's higher education sector.

4.1.1.2. Ms Ntsiki Mkhize

Ms Ntsiki Mkhize

On Monday, 5 May 2025, Ms Ntsiki Mkhize (left) commenced her tenure as Stakeholder and Partnerships Manager for USAf's EDHE Programme.

She is no stranger to EDHE, having previously directed numerous events, including the annual Entrepreneurship Intervarsity, facilitated workshops, and contributed to the establishment of the Student Women Economic Empowerment Programme (SWEEP).

From the outset, Ms Mkhize aspired to bridge the gaps between industry, investors, government, and universities – a complex challenge given the defined mandates of banks and investors. One year on, her efforts have borne fruit: successful partnerships with the Mr Price Foundation and Momentum Foundation promise to strengthen EDHE's footing as we enter 2026. Details of these collaborations will be shared in due course.

Looking ahead, Ms Mkhize hopes to be recognised among those who challenged traditional thinking and reshaped entrepreneurship in higher education–creating opportunities, driving social impact, and opening access for female founders and marginalised communities.

"When people look back, they need to see what we did for youth, women, and black people: enabling opportunities for their sustenance and communities' advancement," she reflects.

Ms Mkhize holds a Master's degree in Social Innovation, awarded in 2020 by Glasgow Caledonian University in Scotland.

Ms Gillian Pilusa

4.1.1.3. Ms Gillian Pilusa

On 14 July 2025, Ms Gillian Pilusa (left) was appointed Junior Project Administrator within the EDHE Programme. In this role, she supports initiatives that strengthen entrepreneurial ecosystems and institutional capacity across South African universities. Her responsibilities include coordinating procurement and logistics for national programmes and events, managing supplier and contract administration, supporting project planning and implementation, facilitating stakeholder engagement across public universities, and providing administrative, reporting, and governance support to ensure effective delivery of EDHE initiatives.

Prior to this appointment, Ms Pilusa served as a Research Intern in USAf's Directorate: Operations and Sector Support from 5 August 2024, supported in part by the Safety and Security Sector Education & Training Authority (SASSETA). During this period, she gained valuable experience in project coordination, stakeholder engagement, and higher education research. She also temporarily undertook receptionist duties while regularly assisting the Project Office with the administration of student bursaries.

Ms Pilusa holds a Bachelor of Administration and a Bachelor of Administration Honours in Public Administration from the University of Limpopo. She is currently pursuing a Master's in Public Administration and Management.

4.1.1.4. Ms Milisa Sijentu

Ms Milisa Sijentu is a Project Administrator: Intern for the EDHE programme. She joined USAf on 25 August 2025, on a one-year SASSETA-supported internship programme. She provides administrative support for key EDHE projects including the Entrepreneurship Intervarsity, the EDHE Absa Innovation Challenge, the Studentpreneurs Indaba and the EDHE Lekgotla. She also renders extensive support in EDHE's procurement processes and in the management of EDHE supplier relationships, on a contract ending on 25 August 2026.

4.1.1.5. Ms Oratile Nduli

Ms Oratile Nduli also joined USAf on SASSETA-sponsored internship ticket, serving as a Marketing Administrator: Intern. She renders administrative and media support, working alongside EDHE's Marketing and Media Officer.

4.1.2. DEPARTURES

4.1.2.1. Ms Zamaswazi Shabalala on 30 June 2025

After a decade of exceptional service, beginning on 1 June 2015, Ms Zamaswazi Shabalala bid farewell to USAf in June 2025. She had served as Administrator for the former Higher Education HIV and AIDS (HEAIDS) programme, which transitioned from USAf in 2017 to become the independent subsidiary, Higher Health. Ms Shabalala concluded her tenure on 30 June, leaving on a high note to pursue new opportunities within a statutory body.

4.1.2.2. Ms Kekiya Madihlaba on 31 October 2025

Ms Kekiya Madihlaba joined USAf on 1 September 2024 as Administrator and Personal Assistant to the Director: EDHE. She departed on 31 October 2025 to take up a role as faculty administrator at one of USAf's member institutions. During her time, she served with diligence, providing administrative support to the Director, coordinating events, and assisting with stakeholder engagement.

4.1.2.3. Ms Philasande Nduna on 28 November 2025

Ms Philasande Nduna served USAf as Administrator: Intern until her departure on 28 November 2025. She had joined in August 2024 as part of the SASSETA sponsored group. During her tenure, she contributed to monitoring and evaluating HELM projects such as Women in Leadership and Foundations of Leadership, and supported workshops and seminars. Her responsibilities included designing and administering survey questionnaires, identifying fundraising opportunities, and vetting potential partner organisations.

Ms Nduna holds a Diploma in Public Management, an Advanced Diploma in Public Management and Administration, and an Honours in Public Administration, all from Nelson Mandela University. At the time of her departure, she was pursuing a Master's in Public Administration.

4.1.3. PROMOTION

4.1.3.1. Ms Lerato Makgonyane - Project Coordinator

Ms Lerato Makgonyane

After five years and one month of service as Administrative Assistant to the Director: EDHE, Ms Lerato Makgonyane was promoted to Project Coordinator on 1 October 2025.

Her portfolio has expanded beyond coordinating meetings and events, supporting stakeholder groups, and managing administrative functions. She now leads the coordination and management of strategic EDHE projects, overseeing implementation and reporting, and facilitating stakeholder engagement across universities and partner organisations.

In her new role, Ms Makgonyane also coordinates workshops and training programmes, monitors project deliverables and timelines, and supports procurement administration, budgeting, and other project management functions – all contributing to the achievement of EDHE's strategic objectives.

PART FIVE

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 2025

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

Formerly Higher Education South Africa NPC

(Registration number 2005/013211/08)

Trading as Universities South Africa

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2025

These consolidated and separate annual financial statements were prepared by: Emert Nkhatu

Director: Finance and Administration

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Carrying on public benefit activity of education and development
Directors	Prof Nkongwane Stoffel Nhlapo Prof Letlhokwa George Mpedi Prof Thandwa Zizwe Mthembu Prof Pamela Zibuyile Dube Prof Sibongile Muthwa Prof Bismark Tyobeka Prof Stephen Khehla Ndlovu Prof Sizwe Mabizela Prof Deresh Ramjugernath Prof Samuel Maluleke Prof Maureen Nokuthula Sibiya Prof Nana Poku Prof Puleng LenkaBula Prof Francis William Petersen Prof Debra Meyer Prof Hester Catharina Klopper Prof Robert John Balfour Prof Matlagolo Mosa Moshabela Dr Jeffrey Mabelebele Prof Thenjiwa Sindiswa Meyiwa Prof Thandiswa Mgwebi Prof Nokuthula Kunene
Registered office	Hadefields Office Park, 1st Floor, Block D 1267 Pretorius Street Hatfield, Pretoria 0083
Banker	ABSA Bank Limited
Auditor	BDO South Africa Incorporated Chartered Accountant (SA) Registered Auditor
Level of assurance	These consolidated and separate annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The consolidated and separate annual financial statements were internally compiled by: Emert Nkhatu Director: Finance and Administration
Issued	25 June 2026

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

INDEX

The reports and statements set out below comprise the consolidated annual financial statements presented to the board members:

The following supplementary information does not form part of the consolidated annual financial statements and is unaudited:

AUDIT AND RISK COMMITTEE REPORT

This report is provided by the Audit and Risk Committee appointed in respect of the 2025 financial year of Public Universities South Africa NPC.

1. MEMBERS OF THE AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee are all independent non-executive directors of the group and include:

Name	Position
Ms Faiza Majiet	Member
Mr Shai Makgoba	Member
Ms Lerato Riba	Member
Prof Chris Nhlapo	Member
Mr Saleem Kharwa	Chairperson

2. MEETINGS HELD BY THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee performs the duties laid upon it by Section 94(7) of the Companies Act of South Africa by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditor.

3. EXTERNAL AUDITOR

The Committee satisfied itself through enquiry that the external auditor is independent as defined by the Companies Act of South Africa and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the Companies Act of South Africa that internal governance processes within the firm support and demonstrate the claim to independence.

The Audit and Risk Committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope

4. CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

Following the review of the consolidated and separate annual financial statements the Audit and Risk Committee recommends board approval thereof.

5. EFFECTIVENESS OF INTERNAL CONTROL

The system of internal control applied by the entity over financial reporting and risk management is effective, efficient and transparent. From the audit report on the financial statements and the management report of the external auditor, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations therefrom. The Audit and Risk Committee can report that the system of internal control over financial reporting for the period under review was efficient and effective

SKharwa

Mr Saleem Kharwa
Chairperson: Audit and Risk Committee
Pretoria
25 June 2026

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements fairly present the state of affairs of the group 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 . The external auditor is engaged to express an independent opinion on the consolidated annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are 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 and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the year to 31 December 2026 and, in light of this review and the current financial position, they are satisfied that the group has or had 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 group's consolidated annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditor and their report is presented on pages 5 to 6.

The consolidated and separate annual financial statements set out on pages 10 to 45, which have been prepared on the going concern basis, were approved by the board on 25 June 2026 and were signed on their behalf by:

Chairperson
Prof Francis Petersen
Pretoria
25 June 2026

Chief Executive Officer
Dr Petiwe Matutu
Pretoria
25 June 2026

Independent Auditor's Report
To the members of
Public Universities South Africa NPC

OPINION

We have audited the consolidated and separate financial statements of Public Universities South Africa NPC (the group and company) set out on pages 10 to 45, which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Public Universities NPC as at 31 December 2025 , and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group and company 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). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Public Universities NPC Annual Consolidated and Separate financial statements for the year ended 31 December 2025", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and / or the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report
To the members of
Public Universities South Africa NPC

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and / or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

BDO South Africa Inc

BDO South Africa Incorporated
Registered Auditors

TE Mogano
Director Registered Auditor

02 July 2026

Building 5, Summit Place Office Park 221

Garsfontein Road

Menlyn, 0181

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Public Universities South Africa NPC and the group for the year ended 31 December 2025.

1. NATURE OF BUSINESS

Public Universities South Africa NPC is a non-profit company incorporated in South Africa on 9 May 2005 and started operations on 01 June 2005. The principal nature of its business is the carrying on public benefit activity of education and development. On 23 July 2015 the directors changed the name of the company from Higher Education South Africa to Public Universities South Africa, trading as Universities South Africa.

On 1 June 2005, the Committee of University Principals (CUP), operating as the South African Universities' Vice Chancellors' Association (SAUVCA), and the Committee of Technikon Principals (CTP) entered into an agreement with Public Universities South Africa NPC, in terms of which Public Universities South Africa NPC assumed the non-statutory responsibilities as well as the administration of the statutory affairs of CUP and CTP, pending the dissolution of these two entities. CUP and CTP are the two entities established in terms of the Universities Act. There have been no material changes to the nature of the group's business from the prior year.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The consolidated and separate annual financial statements have been prepared in accordance with and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated and separate annual financial statements.

3. DIRECTORATE

The directors in office at the date of this report are as follows:

Directors	University	Changes
Prof Nkongwane Stoffel Nhlapo	Cape Peninsula University of Technology	
Prof Letlhokwa George Mpedi	University of Johannesburg	
Prof Pamela Zibuyile Dube	Central University of Technology	
Prof Sibongile Muthwa	Nelson Mandela University	
Prof Bismark Tyobeka	North-West University	
Prof Stephen Khehla Ndlovu	Vaal University of Technology	
Prof Sizwe Mabizela	Rhodes University	
Prof Peter Amunga Mbati	Sefako Makgatho Health Sciences University	Resigned 31 May 2025
Prof Martin Andrew Crouch	Sol Plaatje University	Resigned 31 December 2025
Prof Willem de Villiers	Stellenbosch University	Resigned 01 April 2025
Prof Deresh Ramjugernath	Stellenbosch University	Appointed 01 April 2025
Prof Samuel Maluleke	Tshwane University of Technology	
Prof Maureen Nokuthula Sibiya	Mangosuthu University of Technology	
Prof Nana Poku	University of KwaZulu-Natal	
Prof Nehemiah Mokgalong	University of Limpopo	Resigned 31 December 2025
Prof Thokozile Mayekiso	University of Mpumalanga	Resigned 31 October 2025

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTORS' REPORT

Directors	University	Changes
Prof Tandi Matsha-Eramus	Sefako Makgatho Health Sciences University	Deceased 17 June 2026
Prof Puleng LenkaBula	University of South Africa	
Prof Sakhela Buhlungu	University of Fort Hare	
Prof Rushiella Songca	Walter Sisulu University	Resigned 31 December 2025
Prof Zabulon Vilakazi	University of Witwatersrand	
Prof Bernard Nthambeleni	University of Venda	
Prof Xoliswa Mtose	University of Zululand	Resigned 31 March 2026
Prof Debra Meyer	Sol Plaatje University	Appointed 01 January 2026
Dr Jeffery Mabelebele	University of Limpopo	Appointed 01 January 2026
Prof Thenjiwa Sindiswa Meyiwa	University of Mpumalanga	Appointed 01 October 2025
Prof Thandiswa Mgwebi	Walter Sisulu University	Appointed 01 January 2026
Prof Francis William Peteresen	University of Pretoria	
Prof Matlogolo Mosa Moshabela	University of Cape Town	
Prof Hester Catharina Klopper	University of the Free State	
Robert John Balfour	University of the Western Cape	Appointed 01 January 2025
Prof Nokuthula Kunene	University of Zululand	Appointed 01 April 2026
Dr Precious Petiwe Matutu	Public Universities South Africa Chief Executive Officer	

4. DIRECTORS' INTERESTS IN CONTRACTS

During the financial year, no contracts were entered into which directors or officers of the group had an interest and which significantly affected the business of the group.

5. PROPERTY, PLANT AND EQUIPMENT

There was no change in the nature of the property, plant and equipment of the group or in the policy regarding their use.

6. EVENTS AFTER THE REPORTING PERIOD

The VAT ruling relating to VDP submitted for the funds received from SETAs was finalised on 15 April 2026 by SARS. SARS granted a relief from understatement penalties and administrative non-compliance penalties in terms of the VDP. SARS raised a liability of R5,377,611.02 comprising of VAT liability of R3,991,096.97 and interest on this liability of R 1,386,514.05,

This liability has been recognised in the statement of financial position as at 31 December 2025 with the corresponding expense recognised in profit or loss.

There are no remaining material uncertainties relating to the VAT treatment of the SETA funding as at the reporting date.

7. GOING CONCERN

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

DIRECTORS' REPORT

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated and separate annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

8. AUDITOR

BDO South Africa Incorporated continued in office as auditor for the company and its controlled entities for 2025.

9. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The consolidated and separate annual financial statements have been authorised for issue by the directors on 25 June 2026. No authority was given to anyone to amend the consolidated and separate annual financial statements after the date of issue.

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

		Group		Company	
Figures in Rand	**Note(s)**	**2025**	**2024**	**2025**	**2024**
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	2,392,974	2,200,329	1,676,793	1,256,825
Right-of-use assets	5	5,046,148	6,628,364	2,009,891	2,724,954
Intangible assets	6	364,556	398,085	357,650	301,455
Other financial assets	9	183,698,654	156,668,992	5,604,647	5,086,354
		191,502,332	**165,895,770**	**9,648,981**	**9,369,588**
Current Assets					
South African Revenue Service - Value Added Tax		-	-	2,669,164	2,461,066
Related party receivables	8	3,003,421	85,327,885	2,951,395	85,203,875
Trade and other receivables	10	361,761	446,953	361,761	446,953
Cash and cash equivalents	11	130,605,987	115,005,730	123,171,236	105,217,961
		133,971,169	**200,780,568**	**129,153,556**	**193,329,855**
Total Assets		**325,473,501**	**366,676,338**	**138,802,537**	**202,699,443**
EQUITY AND LIABILITIES					
EQUITY					
Investment reserve		99,886,653	85,340,125	-	-
Bursaries and prizes		67,569,237	57,729,298	-	-
Retained income		55,286,250	53,495,791	46,615,155	42,522,360
		222,742,140	**196,565,214**	**46,615,155**	**42,522,360**
LIABILITIES					
Non-Current Liabilities					
Lease liabilities	5	4,164,461	5,969,923	1,730,680	2,451,707
Current Liabilities					
Trade and other payables	13	13,407,587	4,979,226	12,406,211	4,015,298
Lease liabilities	5	1,732,644	1,428,991	721,028	596,738
Deferred income	12	83,426,669	157,732,984	77,329,463	153,113,340
		98,566,900	**164,141,201**	**90,456,702**	**157,725,376**
Total Liabilities		**102,731,361**	**170,111,124**	**92,187,382**	**160,177,083**
Total Equity and Liabilities		**325,473,501**	**366,676,338**	**138,802,537**	**202,699,443**

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Group		Company	
Figures in Rand	**Note(s)**	**2025**	**2024**	**2025**	**2024**
Revenue	14	128,923,393	148,575,280	121,392,245	141,469,591
Other operating income		196	301,342	196	301,342
Operating expenses		(89,108,550)	(110,285,234)	(89,108,550)	(110,285,234)
Grants expended		(26,621,958)	(26,347,062)	(18,752,660)	(18,791,321)
Staff costs		(17,071,025)	(15,918,782)	(12,823,005)	(11,738,822)
Operating (deficit) / surplus	16	**(3,877,944)**	**(3,674,456)**	**708,226**	**955,556**
Investment income	17	3,876,078	3,923,174	3,251,281	3,034,957
Unrealised profit on investments	19	27,029,662	15,184,765	518,293	450,583
Finance costs	18	(789,143)	(936,555)	(329,537)	(382,872)
Profit (loss) on exchange differences		-	(9,544)	-	(6,755)
Include in Other operating gains (losses)		6,972	16,494	6,030	(5,611)
Surplus for the year		**26,245,625**	**14,503,878**	**4,154,293**	**4,045,858**
Other comprehensive income		-	-	-	-
Total comprehensive income (loss) for the year		**26,245,625**	**14,503,878**	**4,154,293**	**4,045,858**

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Investment reserve	Bursaries and prizes	Retained income	Total equity
Group				
Balance at 01 January 2024	**77,190,827**	**52,216,738**	**52,653,771**	**182,061,336**
Surplus for the year	-	-	14,503,878	14,503,878
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**14,503,878**	**14,503,878**
Transfer between reserves	8,149,298	5,512,560	(13,661,858)	-
Total transfer between reserves	**8,149,298**	**5,512,560**	**(13,661,858)**	**-**
Balance at 01 January 2025	85,340,125	57,729,298	53,427,092	196,496,515
Surplus for the year	-	-	26,245,625	26,245,625
Other comprehensive income	**-**	**-**	**-**	**-**
Total comprehensive income for the year	-	-	**26,245,625**	**26,245,625**
Transfer between reserves	14,546,528	9,839,939	(24,386,467)	-
Total transfer between reserves	**14,546,528**	**9,839,939**	**(24,386,467)**	**-**
Balance at 31 December 2025	**99,886,653**	**67,569,237**	**55,286,250**	**222,742,140**
Total transfer between reserves	**8,149,298**	**5,512,560**	**(13,661,858)**	**-**
Balance at 31 December 2024	**85,340,125**	**57,729,298**	**53,495,791**	**196,565,214**
Company				
Balance at 01 January 2024	**77,190,827**	**52,216,738**	**52,653,771**	**182,061,336**
Surplus for the year	-	-	14,503,878	14,503,878
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**14,503,878**	**14,503,878**
Transfer between reserves	8,149,298	5,512,560	(13,661,858)	-
Total transfer between reserves	8,149,298	5,512,560	(13,661,858)	-
Balance at 01 January 2025	**85,340,125**	**57,729,298**	**53,427,092**	**196,496,515**
Surplus for the year	**-**	**-**	**26,245,625**	**26,245,625**
Other comprehensive income	-	-	-	-

STATEMENTS OF CASH FLOWS

		Group		Company	
Figures in Rand	Note(s)	2025	2024	2025	2024
Cash flows from operating activities					
Cash receipts from members, customers and donors		142,437,775	231,968,214	131,262,646	222,994,944
Cash paid to institutions, suppliers and employees Cash used in operations		(127,654,575)	(286,741,750)(	(114,628,797)	(274,216,335)
Cash used in operations	20	14,783,200	(54,773,536)	16,633,849	(51,221,391)
Net cash from operating activities		14,783,200	(54,773,536)	16,633,849	(51,221,391)
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(751,341)	(691,226)	(718,760)	(277,315)
Proceeds from sale of property, plant and equipment	4	19,898	74,531	18,908	27,377
Purchases of intangible assets	6	(97,629)	(198,260)	(97,629)	(198,260)
Cash advanced in loans to group companies	8	-	-	(208,098)	(390,197)
Cash receipts on repayments of loans to group companies	8	3,866,017	3,914,131	3,251,281	3,034,957
Interest income	17	10,061	9,043	-	-
Dividends received	17	3,047,006	3,108,219	2,245,702	2,196,562
Net cash from investing activities		**3,108,219**	**3,044,043**	**2,196,562**	**2,227,121**
Cash flows from financing activities					
Cash repayments on lease liabilities	5	(2,229,949)	(2,015,642)	(926,276)	(805,155)
Total cash and cash equivalents movement for the year		**15,600,257**	**(53,680,959)**	**17,953,275**	**(49,829,984)**
Cash and cash equivalents at the beginning of the year		115,005,730	168,686,689	105,217,961	155,047,945
Total cash and cash equivalents at the end of the year	11	**130,605,987**	**115,005,730**	**123,171,236**	**105,217,961**

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

Public Universities South Africa NPC is a non-profit company incorporated and domiciled in South Africa.

The consolidated and separate annual financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 25 June 2026.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The consolidated and separate consolidated annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these consolidated and separate annual financial statements and the Companies Act of South Africa as amended.

The consolidated and separate consolidated annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The consolidated and separate annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the group and company's functional currency.

These accounting policies are consistent with the previous period.

1.2 CONSOLIDATION BASIS OF CONSOLIDATION

The consolidated and separate annual financial statements incorporate the annual financial statements of the company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the group.

The group 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 of its power over the entity.

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

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

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.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the company.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

1.3 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of consolidated and separate annual financial statements in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board 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.

Key sources of estimation uncertainty

Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

Fair value estimations are classified into the following hierarchies, based on the method used to determine fair value:

Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 - valuation techniques using inputs other than quoted prices included within level 1. These inputs are observable for the asset or liability either directly (as prices in the market) or indirectly (derived from prices in the market).

Level 3 - valuation techniques using inputs that are not observable in the market for the asset or liability.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current price bid. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using appropriate valuation techniques. These valuation techniques maximise the use of observable market data if available and rely as little as possible on entity specific estimates. If all significant inputs are observable, the instrument is included in level 2. If one or more significant input is not based on observable market data, then the instrument is included in level 3. Valuation techniques include the discounted cash flow method with assumptions that are based on market conditions existing at each balance sheet date.

Impairment testing

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

1.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets which the group 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 is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

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 group 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.

Depreciation of an asset commences when the asset is available for use as intended by management. 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 group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. 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.

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	10 - 15 years
Motor vehicles	Straight line	4 years
Computer equipment	Straight line	3 - 4 years
Right-of-use assets	Straight line	Shorter of leases and useful life

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.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

Additions below R7 000 are expensed in the statement of comprehensive income in the year incurred.

1.5 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.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. Amortisation of intangible assets are included in operating expenses.

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.

1.5 INTANGIBLE ASSETS (CONTINUED)

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.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

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

Item	Depreciation method	Average useful life
Computer software, other	Straight line	4 - 7 years

1.6 FINANCIAL INSTRUMENTS

Financial instruments held by the group are initially recognised when the group becomes a party to a contractual provisions

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

of the instrument.

Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The classification depends on the purpose for which the financial assets were acquired and their contractual cash flows. Management determines the classification of its financial assets at initial recognition.

a. Fair value financial assets through profit and loss

The group classifies the financial assets as fair value through profit or loss, as the cash flows from the instruments are not solely payments of principal and interest. These are included in non-current assets.

Mandated external investment managers carry out the investment of the entity's funds. The funds are managed in three separate Balanced Fund Portfolios. The main objective of these portfolios is long term growth.

b. Financial assets carried at amortised cost

The group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model with the objective of collecting the contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

These are included in current assets because they are very short-term in nature and mature within 12 months.

Recognition and measurement

a. Fair value financial assets through profit and loss

Fair value financial assets measured through profit and loss are recognised on the trade date, which is the date

that the entity commits to purchase the asset. Fair value financial assets measured through profit and loss are initially recognised at fair value. Fair value movements are subsequently recognised in profit or loss. All transaction costs are expensed as incurred.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognised in other gains or losses in the statement of profit or loss and other comprehensive income as applicable.

The fair value of investments is based on quoted closing prices and other appropriate valuation methodologies as this is most representative of fair value in the circumstance.

Interest on investments are recognised in the statement of profit or loss and comprehensive income as part of income from investments when the entity's right to receive payments is established.

b. Financial assets carried at amortised cost

Financial assets measured at amortised cost are financial assets held within a business model aimed at holding the asset in order to collect contractual cash flows. Timing of these cash flows is determined in the contract and comprise solely

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.6 FINANCIAL INSTRUMENTS (CONTINUED)

payments of principle and interest. Assets measured at amortised cost are initially recognised at fair value plus any directly attributable transaction costs. For trade receivables, the transaction price is deemed to be equal to the fair value. Subsequently, these assets are carried at amortised cost using the effective interest method.

Impairment of financial assets

(a) Assets carried at amortised cost

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

The group determines the expected credit losses on financial assets using reasonable and supportable information as of the reporting date, which includes relevant historical data, present conditions, and forecasts of future economic developments.

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the entity, and a failure to make contractual payments resulting in a breach of contract.

Impairment losses on trade and other receivables are presented as net impairment losses within the statement of profit or loss and comprehensive income. When a trade or other receivable is uncollectible, it is written off against the provision for impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease is due to a change in assumption, the reversal of the previously recognised impairment loss is recognised in the statement of profit or loss and comprehensive income.

Derecognition

The group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party

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 10).

Recognition and measurement

Trade and other receivables are recognised when the group 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.

Impairment

The group 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 group measures the loss allowance for trade and other 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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Derecognition

1.6 FINANCIAL INSTRUMENTS (CONTINUED)

Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss in the derecognition gains (losses) on financial assets at amortised cost line item.

Loans to /(from) related parties Classification

Loans to / (from) related parties are classified as financial assets (or liabilities) at amortised cost.

Recognition and measurement

The loans to/ (from) related parties are recognised when the group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

Trade and other payables Classification

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

Recognition and measurement

They are recognised when the group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

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 of 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.

Derecognition

Any gains or losses arising on the derecognition of trade and other payables is included in the profit or loss in the derecognition gains or losses at amortised cost line item.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.7 PREPAYMENTS

Prepayments consist of various payments that have been made in advance for goods and services to be received in future. Prepayments are measured at amortised costs, and are recognised when the goods and services to which the prepayment relate have been received.

1.8 TAX

Income tax

Public Universities South Africa is an approved Public Benefit Organisation (PBO) in terms of section 30 of the Income Tax

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.8 TAX (CONTINUED)

Act (No.58 of 1962) and the receipts and accruals of Public Universities South Africa are exempt from income tax in terms of section 10(1)(cN) of the Act. CTP and CUP are exempt from paying tax in terms of section 10(1)(cA)(i). Public Universities South Africa is approved as a combination PBO that conducts both section 18A and non-section 18A public benefit activities. The section 18A(1)(b) approval was granted with retrospective effect, i.e. with effect from 25 October 2006.

Value added tax

In terms of a ruling received from the South African Revenue Service, in terms of section 72 of the Value Added Tax Act (No 89 of 1991), CUP is deemed entity not for gain and therefore donor income received is exempt from Value Added Tax. The Matriculation Board is also exempt from Value Added Tax.

1.9 LEASES

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee, except for short-term leases of 12 months or less, or leases of low value

assets. For these leases, the group recognises the lease payments as an operating expense (note 16) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the group has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the group is a lessee are presented in note 5 Leases (group as lessee).

Lease liability

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

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.9 LEASES (CONTINUED)

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

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

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 15).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 18).

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

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

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.9 LEASES (CONTINUED)

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

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

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

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. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.10 IMPAIRMENT OF ASSETS

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

Irrespective of whether there is any indication of impairment, the group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

1.10 IMPAIRMENT OF ASSETS (CONTINUED)

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.11 EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Bursaries and prizes are ring-fenced for future payment of bursaries and prizes. Investment reserves are ring-fenced to fund future operating activities.

1.12 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. Payments to the defined contribution benefit plan are charged as an expense as they fall due.

1.13 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.13 PROVISIONS AND CONTINGENCIES (CONTINUED)

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

1.14 DEFERRED INCOME

a. Grants received from non-governmental sources are initially recognised as deferred income when there is reasonable assurance that the group will comply with the conditions attaching to them and that the grants will be received.

   Deferred income is recognised in profit or loss on a systematic basis over the periods in which the group recognises as expenses the related costs that the grants are intended to compensate.

b. Grants received from governmental sources are recognised in accordance with the requirements of IAS 20. Government grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and that the grants will be received.

Government grants are initially recognised as deferred income in the statement of financial position. They are then recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Where a grant relates to the acquisition, construction, or other purchase of non-current assets, it is recognised as deferred income and released to profit or loss on a systematic basis over the useful lives of the related assets.

Grants that compensate for expenses already incurred or provide immediate financial support with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.15 REVENUE

The group recognises revenue from the following major sources:

a. Membership income

b. Exemption fees

In accordance with IFRS 15, revenue is measured based on the consideration to which the entity expects to be entitled in exchange for providing services to members, customers, donors, or other funding parties, excluding amounts collected on behalf of third parties.

a. Membership income

Membership income is recognised at a point in time, being the date on which universities are invoiced for membership fees, as this represents the point at which the entity has a right to consideration for services to be provided under the membership arrangement.

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.15 REVENUE (CONTINUED)

b. Exemption fees

Exemption fees are recognised at a point in time when the group has satisfied its performance obligation, being the review and approval of the exemption application. Where fees are received in advance of the service being rendered, they are recognised as deferred income and only recognised in profit or loss once the assessment process has been completed. Monies received for which the service is not yet rendered is recognised as deferred income until the service is rendered or after 5 years.

1.16 COMPARATIVE FIGURES

Comparative figures are restated in the event of a change in accounting policy, prior period error or reclassification.

1.17 RELATED PARTIES

Parties are considered to be related to the entity if the entity has the ability, directly or indirectly, to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the entity and the party are subject to common control. Related parties also include key management personnel which are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
Figures in Rand	2025	2024	2025	2024

2. CHANGES IN ACCOUNTING POLICY

The consolidated annual financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board on a basis consistent with the prior year except for the adoption of the following new or revised standards.

3. NEW STANDARDS AND INTERPRETATIONS

3.1 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Lack of exchangeability - amendments to IAS 21	01 January 2025	The impact of the amendment is not material.

3.2 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 January 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Impact is currently being assessed
• Amendments to IFRS 7 Financial Instruments: Disclosures	01 January 2026	Impact is currently being assessed
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Impact is currently being assessed
• Amendment to IFRS 9 and IFRS 7	01 January 2026	Impact is currently being assessed
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	01 January 2026	Impact is currently being assessed

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

4.PROPERTY, PLANT AND EQUIPMENT

	2025			2024		
Group	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	2,412,399	(1,029,425)	1,382,974	2,091,903	(910,546)	1,181,357
Motor vehicles	190,349	(156,509)	33,840	190,349	(143,819)	46,530
Computer equipment	3,059,163	(2,083,003)	976,160	2,727,418	(1,754,976)	972,442
Total	**5,661,911**	**(3,268,937)**	**2,392,974**	**5,009,670**	**(2,809,341)**	**2,200,329**

Company	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	1,832,890	(688,419)	1,144,471	1,511,676	(595,557)	916,119
Motor vehicles	190,349	(156,509)	33,840	190,349	(143,819)	46,530
Computer equipment	1,839,151	(1,340,669)	498,482	1,537,925	(1,243,749)	294,176
Total	**3,862,390**	**(2,185,597)**	**1,676,793**	**3,239,950**	**(1,983,125)**	**1,256,825**

Reconciliation of property, plant and equipment - Group - 2025	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	46,530	-	-	(12,690)	33,840
Motor vehicles	972,442	405,986	(1,620)	(400,648)	976,160
Computer equipment	2,200,329	751,341	(12,926)	(545,770)	2,392,974
	2,033,456	**691,114**	**(58,037)**	**(517,077)**	**2,200,329**

Reconciliation of property, plant and equipment - Company - 2024	Opening balance	Additions	Disposals	Depreciation	Impairment reversal	Total
Furniture and fixtures	1,175,521	93,496	(59)	(87,713)	112	1,181,357
Motor vehicles	-	-	-	(4,231)	50,761	46,530
Computer equipment	857,935	597,618	(57,978)	(425,133)	-	972,442
	2,033,456	**691,114**	**(58,037)**	**(517,077)**	**50,873**	**2,200,329**

Reconciliation of property, plant and equipment - Company - 2025	Opening balance	Additions	Disposals	Depreciation	Impairment reversal
Furniture and fixtures	916,119	345,355	(11,258)	(105,745)	1,144,471
Motor vehicles	46,530	-	-	(12,690)	33,840
Computer equipment	294,176	373,405	(1,620)	(167,479)	498,482
	1,256,825	**718,760**	**(12,878)**	**(285,914)**	**1,676,793**

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

4.PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2025			2024		
Reconciliation of property, plant and equipment - Company - 2024	**Opening balance**	**Additions**	**Disposals**	**Depreciation**	**Impairment reversal**	**Total**
Furniture and fixtures	917,366	93,496	(59)	(94,684)	-	916,119
Motor vehicles	-	-	-	(4,231)	50,761	46,530
Computer equipment	327,207	183,819	(32,929)	(183,921)	-	294,176
	1,244,573	**277,315**	**(32,988)**	**(282,836)**	**50,761**	**1,256,825**

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

5. RIGHT-OF-USE ASSETS (GROUP AS LESSEE)

Details pertaining to leasing arrangements, where the group is lessee are presented below:

	2025			2024		
Group	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**
Buildings	20,900,734	(16,111,886)	4,788,848	20,773,758	(14,513,435)	6,260,323
Office equipment	616,274	(358,974)	257,300	600,830	(232,789)	368,041
Total	**21,517,008**	**(16,470,860)**	**5,046,148**	**21,374,588**	**(14,746,224)**	**6,628,364**

Company	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**
Buildings	8,370,773	(6,505,996)	1,864,777	8,370,773	(5,866,644)	2,504,129
Office equipment	301,225	(156,111)	145,114	301,225	(80,400)	220,825
Total	**8,671,998**	**(6,662,107)**	**2,009,891**	**8,671,998**	**(5,947,044)**	**2,724,954**

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

	2025	**2024**	**2025**	**2024**
Buildings	4,788,848	6,260,323	1,864,777	2,504,129
Office equipment	257,300	368,041	145,114	220,825
	5,046,148	**6,628,364**	**2,009,891**	**2,724,954**

Additions to right-of-use assets

Office equipment	-	378,576	-	227,134

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 16), as well as depreciation which has been capitalised to the cost of other assets.

Buildings	1,620,754	1,598,381	639,352	639,352
Office equipment	134,243	59,910	75,711	22,774
	1,754,997	**1,658,291**	**715,063**	**662,126**

Other disclosures

Interest expense on lease liabilities	789,143	936,555	329,537	382,872
Expenses on short-term leases included in operating expenses	61,627	12,044	-	-
Total cash outflow from leases	2,229,949	2,015,642	926,276	805,155

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

5. RIGHT-OF-USE ASSETS (GROUP AS LESSEE) (CONTINUED)

Details pertaining to leasing arrangements, where the group is lessee are presented below:

	2025	2024	2025	2024
Lease liabilities				
The maturity analysis of lease liabilities is as follows:				
Within one year	1,732,644	1,428,991	721,028	596,738
Two to five years	4,237,280	5,969,923	1,730,680	2,451,707
	5,969,924	**7,398,914**	**2,451,708**	**3,048,445**
Non-current liabilities	4,164,461	7,008,723	2,451,707	2,810,998
Current liabilities	1,732,644	1,090,723	596,738	432,597
	5,897,105	**8,099,446**	**3,048,445**	**3,243,595**

6. Intangible assets

Group	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Computer software, other	2,189,967	(1,825,411)	364,556	2,092,338	(1,694,253)	398,085

Company	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Computer software, other	1,067,181	(709,531)	357,650	969,552	(668,097)	301,455

Reconciliation of intangible assets - Group - 2025

	Opening balance	Additions	Amortisation	Total
Computer software, other	398,085	97,629	(131,158)	364,556

Reconciliation of intangible assets - Group - 2025

Company	Opening balance	Additions	Other changes, movements	Amortisation	Impairment reversal	Total
Computer software, other	190,499	198,260	(935)	(114,439)	124,700	398,085

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

6. INTANGIBLE ASSETS

Details pertaining to leasing arrangements, where the group is lessee are presented below:

	2025	2024	2025	2025
Reconciliation of intangible assets - Company - 2025				
	Opening balance	Additions	Amortisation	Total
Computer software, other	301,455	97,629	(41,434)	357,650
Reconciliation of intangible assets - Company - 2024				
	Opening balance	Additions	Amortisation	Total
Computer software, other	189,564	198,260	(86,369)	301,455

7. INTERESTS IN SUBSIDIARIES INCLUDING CONSOLIDATED STRUCTURED ENTITIES

The following table lists the entities which are controlled by the group.

Company **Name of company**	Held by	% voting power 2024	% voting power 2023	Carrying amount 2024	Carrying amount 2023
Committee of Technikon Principals		100.00 %	100.00 %	-	-
Committee of University Principals		100.00 %	100.00 %	-	-
			-	-	-
				-	-

Restrictions relating to controlled entities

The Committee of University Principals (also known as South African Universities' Vice-Chancellors' Association) and the Committee of Technikon Principals were established in terms of the Higher Education Act and Public Universities South Africa is responsible for administering the two entities in terms of an agreement signed on 1 June 2005. Public Universities South Africa is restricted in the transfer of the assets of the two entities prior to the dissolution of the entities in terms of the Universities Act. An investment to the value of R67 569 237 (2024: R57 729 298) has been set aside for the payment of ring-fenced bursaries and prizes.

8. LOANS TO GROUP COMPANIES

Controlled entities

Committee of Technikon Principals The amount does not bear any interest. It is unsecured and has no fixed repayment terms.	-	-	**190,615**	**190,615**

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

9. OTHER FINANCIAL ASSETS

Investments held by the group which are measured at fair value, are as follows:

Committee of University Principals The loan does not bear any interest. It is unsecured and has no fixed repayment terms.	-	-	**2,478,549**	**2,270,451**
	-	-	**2,669,164**	**2,461,066**

Fair value of related party receivables

The fair value of group loans receivable approximates their carrying amounts.

	2025	2024	2025	2024
Designated at fair value through profit or loss:				
Investment in Sanlam	278,333	245,523	-	-
The investment consists of 2 826 shares in Sanlam Limited and is measured at fair value by reference to the stock exchange quoted prices				
Investment in Investec - Public Universities South Africa surplus funds.	5,604,647	5,086,354	5,604,647	5,086,354
Investment in Investec - CUP surplus funds	10,359,811	8,267,719	-	-
Investment in Investec - Pooled funds portfolio	167,455,863	143,069,396	-	-
The investment is made up of a portfolio with 30% invested offshore and 70% invested in a mixture of local equity, cash and high-income fund. Included in the investment is an unrealised profit of R24 386 467 (2024: R13 661 858).).				
	183,698,654	141,484,227	5,604,647	4,635,771
Non-current assets				
Non-current assets	183,698,654	156,668,992	5,604,647	5,086,354

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

9.OTHER FINANCIAL ASSETS (CONTINUED)

Fair value information

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

The group measures financial assets at fair value through profit or loss at the reporting date. Fair value is determined in accordance with IFRS 13 as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

At 31 December 2025, financial assets classified as Level 1 in the fair value hierarchy amounted to R150,438,014 including Collective investment schemes (unit trusts), Equity-based managed portfolio, Discretionary investment portfolios invested in quoted securities and listed securities

Financial assets classified as Level 2 amounted to R33,260,640. These comprise Structured notes,Autocall investments,Digital structured products and Equity-linked structured products. These instruments are valued based on net asset values provided by fund managers or valuation techniques incorporating observable market inputs such as interest rates, equity indices and foreign exchange rates.

The group did not hold any financial assets classified as Level 3 at the reporting date, as no valuations required the use of significant unobservable inputs.

Restrictions relating to controlled entities

The Committee of University Principals (also known as South African Universities' Vice-Chancellors' Association) and the Committee of Technikon Principals were established in terms of the Higher Education Act and Public Universities South Africa is responsible for administering the two entities in terms of an agreement signed on 1 June 2005. Public Universities South Africa is restricted in the transfer of the assets of the two entities prior to the dissolution of the entities in terms of the Universities Act. An investment to the value of R67 569 237 (2024: R57 729 298) has been set aside for the payment of ring-fenced bursaries and prizes.

Investments held by the group which are measured at fair value, are as follows:

10. TRADE AND OTHER RECEIVABLES

	2025	2024	2025	2024
Financial instruments:				
Sundry debtors				
Accrued income - Interest income	1,460,136	1,741,791	1,408,365	1,687,993
Trade receivables at amortised cost	1,609,273	1,893,864	1,557,502	1,840,066
Grant receivables	1,000,543	83,063,177	1,000,288	83,032,621
Non-financial instruments:	83,063,177	9,680,029	83,032,621	9,561,393
Prepayments	393,605	370,844	393,605	331,188
Total trade and other receivables	**3,003,421**	**85,327,885**	**2,951,395**	**85,203,875**

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	1,289	3,394	1,289	3,394
Bank balances	87,271,815	73,726,060	85,960,005	73,136,004
Short-term deposits	43,332,883	41,276,276	37,209,942	32,078,563
	130,605,987	**115,005,730**	**123,171,236**	**105,217,961**

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

	2025	2024	2025	2024
Credit rating				
AAA	130,605,987	115,005,730	123,171,236	105,217,961
Restricted funds				
Donor funds are restricted to project actvities as determined and agreed with the donor in the grant agreement. Refer to Appendix A	82,836,394	64,616,817	82,836,394	64,616,817
Total cash and cash equivalents pledged as security for contingent liabilities:	934,952	934,952	934,952	934,952

12. DEFERRED INCOME

Deferred income - grants (Appendix A)	77,329,463	153,113,340	77,329,463	153,113,340
Deferred income - exemption fees	6,097,206	4,619,644	-	-
	83,426,669	**157,732,984**	**77,329,463**	**153,113,340**
Deferred income consists of:				
Opening balance	158,625,484	137,236,842	154,005,840	132,835,297
Plus: Receipts	23,462,086	140,750,017	12,432,173	131,455,777
Less: Revenue	(98,660,901)	(119,906,755)	(89,108,550)	(110,285,234)
Closing balance	**83,426,669**	**158,080,104**	**77,329,463**	**154,005,840**
Current liabilities	83,426,669	157,732,984	77,329,463	153,113,340

Exemption fees received for which the services are not yet rendered are recognised as deferred income until the services are rendered or after five years. Grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate. The grants will be spent in the 2026 financial year.

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

13. TRADE AND OTHER PAYABLES

Trade payables	472,221	162,585	472,220	162,590
Accrued leave pay	3,506,330	2,923,029	3,049,807	2,413,657
Accrued expense	8,907,120	1,439,051	8,884,184	1,439,051
Other payables	521,916	454,561	-	-
	13,407,587	**4,979,226**	**12,406,211**	**4,015,298**

14. REVENUE

Administration fees	-	-	2,021,203	1,915,832
Grants received	89,108,550	110,285,234	89,108,550	110,285,234
Exemption fees	9,552,351	9,021,521	-	-
Membership fees	30,262,492	29,268,525	30,262,492	29,268,525
	128,923,393	**148,575,280**	**121,392,245**	**141,469,591**

Donor funds

A significant amount of donor funds is mainly attributable to the grant funds received from the SETAs. In terms of the grant agreements, Public Universities South Africa NPC, as a registered public benefit organisation, serves as a conduit of funds received from the SETAs to universities as grants to promote and advance education and development. In line with the accounting standards, Public Universities South Africa recognises grants as income over the periods necessary to match them with the related costs that they are intended to compensate.

	2025	2024	2025	2024
Rendering of services				
Administration and management fees received (over time)	-	-	2,021,203	1,915,832
Revenue				
Grants received	89,108,550	110,285,234	89,108,550	110,285,234
Exemption fees (over time)	9,552,351	9,021,521	-	-
Membership fees (over time)	30,262,492	29,268,525	30,262,492	29,268,525
	128,923,393	148,575,280	119,371,042	139,553,759
Total revenue	128,923,393	148,575,280	121,392,245	141,469,591

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

15. OTHER OPERATING GAINS (LOSSES)

Gains (losses) on disposals, scrappings and settlements					
Property, plant and equipment	4	6,972	16,494	6,030	(5,611)
Foreign exchange gains (losses)					
Net foreign exchange loss		-	(9,544)	-	(6,755)
Total other operating gains (losses)		6,972	6,950	6,030	(12,366)

16. OPERATING PROFIT (LOSS)

Operating (deficit) / surplus for the year is stated after charging (crediting) the following, amongst others:

	2025	2024	2025	2024
Auditor's remuneration - external				
Audit fees	727,882	711,410	423,400	349,583
Other consultation services	166,233	105,168	-	-
	894,115	**816,578**	**423,400**	**349,583**
Remuneration, other than to employees				
Administrative and managerial services	303,180	287,375	-	-
Consulting and professional services	4,505,032	3,685,590	4,505,032	3,683,146
	4,808,212	**3,972,965**	**4,505,032**	**3,683,146**
Employee costs				
Salaries, wages, bonuses and other benefits	26,621,958	26,347,062	18,752,660	18,791,321
Leases				
Operating lease charges	61,627	12,044	-	-
Depreciation and amortisation				
Depreciation of property, plant and equipment	545,770	517,077	285,914	282,836
Depreciation of right-of-use assets	1,754,997	1,658,291	715,063	662,126
Amortisation of intangible assets	131,158	114,439	41,434	86,369
Total depreciation and amortisation	**2,431,925**	**2,289,807**	**1,042,411**	**1,031,331**

Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

16. OPERATING PROFIT (LOSS) (CONTINUED)

Employee costs	26,621,958	26,347,062	18,752,660	18,791,321
Lease expenses	61,627	12,044	-	-
Depreciation, amortisation and impairment	2,431,925	2,289,807	1,042,411	1,031,331
Grants expenditure	89,108,550	110,285,234	89,108,550	110,285,234
Other operating expenses	14,872,886	13,616,931	11,780,594	10,707,491
Loss on disposal of assets	133,096,946	152,551,078	120,684,215	140,815,377
	152,551,078	**282,695,448**	**140,815,377**	**274,483,622**

17. INVESTMENT REVENUE

	2025	2024	2025	2024
Dividend income Group entities:				
Other financial assets	10,061	9,043	-	-
Interest income **Investments in financial assets:**				
Bank and other cash	3,866,017	3,914,131	3,251,281	3,034,957
Total investment income	3,876,078	3,923,174	3,251,281	3,034,957

Investment income on financial instruments which are available for sale or held to maturity are only presented for comparative purposes for financial instruments held in the prior reporting period but which were disposed of prior to the beginning current reporting period, which is the date of adoption of IFRS 9 Financial Instruments. Investment income on all other financial assets has been reclassified in compliance with IFRS 9.

18. FINANCE COSTS

Lease liabilities	789,143	936,555	329,537	382,872

19. OTHER NON-OPERATING GAINS (LOSSES)

Fair value gains (losses)				
Financial assets mandatorily at fair value through profit	32,810	39,790	-	-
or loss Unrealised profit on investments	26,996,852	15,144,975	518,293	450,583
	27,029,662	**15,184,765**	**518,293**	**450,583**

20. CASH GENERATED FROM/(USED IN) OPERATIONS

Profit (loss) before taxation	26,245,625	14,503,878	4,154,293	4,045,858
Adjustments for non-cash items:				
Depreciation, amortisation, impairments and reversals of impairments	2,401,564	2,289,807	1,042,411	1,031,331
(Gains) losses on sale of assets	(6,972)	(16,494)	(6,030)	5,611

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

20. CASH (USED IN)/GENERATED FROM OPERATIONS (CONTINUED)

Losses on exchange differences	-	6,755	-	6,755
Fair value gains	(27,029,662)	(15,184,765)	(518,293)	(450,583)
Other non-cash item - adjustment to retained income	(61,499)	(39,662)	(61,499)	466,460
Other non-cash item - impairment reversal on intangible assets	-	(174,638)	-	(50,761)
Other non-cash - lease adjustments	(210,619)	-	-	-
	2025	**2024**	**2025**	**2024**
Adjust for items which are presented separately:				
Interest income	(3,866,017)	(3,914,131)	(3,251,281)	(3,034,957)
Dividends received	(61,499)	(39,662)	(61,499)	466,460
Finance costs	789,143	936,555	329,537	382,872
Changes in working capital:				
(Increase) decrease in trade and other receivables	82,324,464	(73,423,304)	82,252,480	(73,495,255)
South African Revenue Service - VAT	85,192	1,259,420	85,195	1,259,420
Increase (decrease) in trade and other payables	8,428,361	(1,504,055)	8,390,913	(1,666,184)
Increase (decrease) in deferred income	(74,306,319)	20,496,129	(75,783,877)	20,278,042
	14,783,200	**(54,773,548)**	**16,633,849**	**(51,221,391)**

21. RELATED PARTIES

Relationships	
Controlled entities	Refer to note 7
Members of key management	Dr Petiwe Matutu Mr Emert Nkhatu Mr Mahlubi Mabizela Dr Edwell Gumbo Prof Peter Mbati

Related party balances				
Loan accounts - Owing (to) by related parties				
Committee of Technikon Principals	-	-	190,615	190,615
Committee of University Principals	-	-	2,270,451	1,880,254
Related party transactions				
Management fees received from related party				
Committee of University Principals	-	-	(1,915,832)	(1,815,954)

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

22. DIRECTORS' AND PRESCRIBED OFFICER'S EMOLUMENTS

Executive

No emoluments were paid to the directors or any individuals holding a prescribed office during the year, except for the Public Universities South Africa Chief Executive Officer.

2025

Directors' emoluments	Basic salary	Bonus	Other benefits	Total
Services as director or prescribed officer				
Dr Precious Petiwe Matutu	2,919,082	247,871	51,355	3,218,308

2024

Directors' emoluments	Basic salary	Bonus	Other benefits	Total
Services as director or prescribed officer				
Dr Precious Petiwe Matutu	2,719,017	229,420	64,297	3,012,734

Service contracts

One director, the Public Universities South Africa Chief Executive Officer, is subject to a written employment agreement. The employment agreement regulates duties, remuneration, allowances, restraints, leave and notice periods of this executive. This service contract does not exceed five years.

	2025	2024	2025	2024

Prescribed officers

2025

Directors' emoluments	Basic salary	Bonus	Other benefits	Total
Services as director or prescribed officer				
Mr Emert Nkhatu (Director: Finance and Administration)	1,891,550	164,374	16,798	2,072,722
Mr Mahlubi Mabizela (Director: Operations and Sector Support)	1,900,750	123,406	32,996	2,057,152
Dr Edwell Gumbo (Programme Director: EDHE)	1,253,005	117,473	77,147	1,447,625
Prof Peter Mbati (Programme Director: HELM) - Appointed 01 June 2025	1,071,524	45,258	10,364	1,127,146
	6,116,829	**450,511**	**137,305**	**6,704,645**

	2025	2024	2025	2024

2024

Directors' emoluments	Basic salary	Bonus	Other benefits	Total
Services as director or prescribed officer				
Mr Emert Nkhatu (Director: Finance and Administration)	1,642,078	161,177	16,371	1,819,626

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

22. DIRECTORS' AND PRESCRIBED OFFICER'S EMOLUMENTS (CONTINUED)

Mr Mahlubi Mabizela (Director: Operations and Sector Support)	1,742,084	147,565	27,118	1,916,767
Dr Edwell Gumbo (Programme Director: EDHE)	950,590	54,409	22,866	1,027,865
Dr Oliver Seale (Programme Director: HELM) - Resigned 31 July 2024	910,540	-	158,719	1,069,259
	5,245,292	363,151	225,074	5,833,517

Service contracts

23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial instruments

Categories of financial assets

Group - 2025

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total
Investments at fair value	9	183,420,321	-	183,420,321
Trade and other receivables	10	-	3,003,421	3,003,421
Cash and cash equivalents	11	-	130,605,987	130,605,987
		183,420,321	**133,609,408**	**317,029,729**

Group - 2024

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total
Investments at fair value	9	156,668,992	-	156,668,992
Trade and other receivables	10	-	85,327,885	85,327,885
Cash and cash equivalents	11	-	115,005,730	115,005,730
		156,668,992	**200,333,615**	**357,002,607**

	2025	2024	2025	2024

Company - 2025

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total
Investments at fair value	9	5,604,647	-	5,604,647

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Trade and other receivables	10	-	2,951,395	2,951,395
Cash and cash equivalents	11	-	123,171,236	123,171,236
		5,604,647	**126,122,631**	**131,727,278**

Company - 2024

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total
Investments at fair value	9	5,086,354	-	5,086,354
Trade and other receivables	10	-	85,203,875	85,203,875
Cash and cash equivalents	11	-	105,217,961	105,217,961
		5,086,354	**190,421,836**	**195,508,190**

Categories of financial liabilities

Group - 2025

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	13	9,901,257	-	9,901,257
Finance lease obligations	5	-	7,398,914	7,398,914
		9,901,257	**7,398,914**	**17,300,171**

Group - 2024

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	13	2,056,197	-	2,056,197
Finance lease obligations	5	-	9,455,111	9,455,111
		2,056,197	**9,455,111**	**11,511,308**

	2025	**2024**	**2025**	**2024**

Company - 2025

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	13	9,356,404	-	9,356,404
Finance lease obligations	5	-	2,451,707	2,451,707
		9,356,404	**2,451,707**	**11,808,111**

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Company - 2024

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	13	1,601,641	-	1,601,641
Finance lease obligations	5	-	3,048,446	3,048,446
		1,601,641	**3,048,446**	**4,650,087**

Capital risk management	Note(s)				
Lease liabilities		5,897,105	7,398,914	2,451,708	3,048,445
Trade and other payables	13	13,407,588	4,979,226	12,406,213	4,015,293
Total borrowings		**19,304,693**	**12,378,140**	**14,857,921**	**7,063,738**
Cash and cash equivalents	11	(30,605,987)	(15,005,730)	(23,171,236)	(05,217,961)
Net borrowings		**(11,301,294)**	**(02,627,590)**	**(08,313,315)**	**(98,154,223)**
Equity		22,742,139	96,565,210	46,615,153	42,522,361
Gearing ratio		(50)%	(52)%	(232)%	(231)%

Financial risk management

Overview

The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The group is exposed to credit risk primarily in respect of cash and cash equivalents and trade and other receivables. The group does not have significant credit risk exposure arising from equity investments, as these are subject to market price risk rather than counterparty default risk.

The maximum exposure to credit risk is presented in the table below:

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

		2025			2024		
Group	**Notes**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Trade and other receivables	10	3,003,421	-	3,003,421	85,327,885	-	85,327,885
Cash and cash equivalents	11	130,605,987	-	130,605,987	115,005,730	-	115,005,730
Total		**133,609,408**	**-**	**133,609,408**	**200,333,615**	**-**	**200,333,615**

Company	**Notes**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Loans to group companies	8	2,669,164	-	2,669,164	2,461,066	-	2,461,066
Trade and other receivables	10	2,951,395	-	2,951,395	85,203,875	-	85,203,875
Cash and cash equivalents	**11**	123,171,236	-	123,171,236	105,217,961	-	105,217,961
		128,791,795	**-**	**128,791,795**	**192,882,902**	**-**	**192,882,902**

Liquidity risk

The group is exposed to liquidity risk, which is the risk that the group will encounter difficulties in meeting its obligations as they become due.

The group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through cash generated from operations.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

	Note(s)	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**Total**	**Carrying amount**
Group - 2025						
Non-current liabilities						
Lease liabilities		-	2,881,497	1,282,964	4,164,461	4,164,461
Current liabilities						
Trade and other payables	13	13,407,588	-	-	13,407,588	13,407,588
Lease liabilities		1,732,644	-	-	1,732,644	1,732,644
		15,140,232	**2,881,497**	**1,282,964**	**19,304,693**	**19,304,693**

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

	Note(s)	Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Group - 2024						
Non-current liabilities						
Lease liabilities		-	1,732,644	4,237,279	5,969,923	5,969,923
Current liabilities						
Trade and other payables		4,979,226	-	-	4,979,226	4,979,226
Lease liabilities		1,428,991	-	-	1,428,991	1,428,991
		6,408,217	**1,732,644**	**4,237,279**	**12,378,140**	**12,378,140**
Company - 2025						
Non-current liabilities						
Lease liabilities		-	1,171,246	559,434	1,730,680	1,730,680
Current liabilities						
Trade and other payables		12,406,213	-	-	12,406,213	12,406,213
Loans from group companies		2,669,164	-	-	2,669,164	2,669,164
Lease liabilities		721,028	-	-	721,028	721,028
		15,796,405	**1,171,246**	**559,434**	**17,527,085**	**17,527,085**
Company - 2024						
Non-current liabilities						
Lease liabilities		-	721,028	1,730,679	2,451,707	2,810,998
Current liabilities						
Trade and other payables		4,015,293	-	-	4,015,293	4,015,293
Loans from group companies		2,461,066	-	-	2,461,066	2,461,066
Lease liabilities		596,738	-	-	596,738	596,738
		7,073,097	**721,028**	**1,730,679**	**9,524,804**	**9,524,804**

Foreign currency risk

The group is exposed to foreign currency risk arising from investments denominated in foreign currencies, primarily United States Dollars (USD) and British Pounds (GBP). At 31 December 2025, the carrying amount of USD-denominated monetary assets amounted to R39,756,270, while GBP-denominated monetary assets totalled R4,880,993, resulting in a combined foreign currency exposure of R44,637,263.

A reasonably possible change of 1% in the Rand against these currencies at the reporting date would result in a corresponding impact on profit or loss of approximately R446,373. A weakening of the Rand would increase profit by this amount, while a strengthening would decrease profit by the same amount. This sensitivity analysis assumes that all other variables remain

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

constant and reflects the exposure to foreign currency monetary assets at the reporting date.

Interest rate risk

The group is exposed to interest rate risk in respect of short-term deposits classified as cash and cash equivalents. These balances earn interest at variable rates linked to prevailing market conditions.

At 31 December 2025, interest-bearing balances exposed to interest rate risk amounted to R43,332,883. A reasonably possible change of 1% in interest rates at the reporting date would result in an increase or decrease in profit or loss of approximately R433,329, assuming all other variables remain constant.

Price risk

The group is not exposed to commodity price risk.

The group is exposed to price risk in respect of its investments in unitised funds, discretionary portfolios and structured investment products, including investments linked to various equity indices such as the S&P 500, Euro Stoxx 50, FTSE 100 and Nikkei 225. These instruments are subject to fluctuations in market prices.

The group's investments are diversified across domestic and offshore markets and are managed by external fund managers, which mitigates concentration risk but does not eliminate exposure to overall market movements.

At 31 December 2025, financial assets exposed to price risk amounted to R139,061,391. This excludes cash and cash equivalents, short-term deposits and foreign currency balances.

A reasonably possible change of 1% in market prices at the reporting date would result in an increase or decrease in profit or loss of approximately R1,390,614, assuming all other variables remain constant.

24. GOING CONCERN

The consolidated annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated annual financial statements have been prepared on a going concern basis. The directors have satisfied is that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors is not aware of any new material changes that may adversely impact the group. The directors is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

25. EVENTS AFTER THE REPORTING PERIOD

The VAT ruling relating to VDP submitted for the funds received from SETAs was finalised on 15 April 2026 by SARS. SARS granted a relief from understatement penalties and administrative non-compliance penalties in terms of the VDP.

SARS raised a liability of R5,377,611.02 comprising of VAT liability of R3,991,096.97 and interest on this liability of R 1,386,514.05,

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

This liability has been recognised in the statement of financial position as at 31 December 2025 with the corresponding expense recognised in profit or loss.

There are no remaining material uncertainties relating to the VAT treatment of the SETA funding as at the reporting date.

26. CONTINGENT LIABILITIES

Public Universities South Africa was admitted as an amicus curiae in 2013 in a legal case involving an applicant and one of the public universities. The matter has gone through various court processes over the years. The applicant has now applied to the Constitutional Court for leave to appeal the cost order granted against the applicant in the High Court of South Africa on 15 July 2021. Public Universities South Africa has filed an affidavit setting out ground for opposition. While the matter is still developing again, Public Universities South Africa is working closely with the legal teams and other respondents to defend the matter.

High Court of South Africa on 15 July 2021. Public Universities South Africa has filed an affidavit setting out ground for opposition. While the matter is still developing again, Public Universities South Africa is working closely with the legal teams and other respondents to defend the matter.

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

DETAILED INCOME STATEMENT

	Notes	2025	2024	2025	2024
Revenue					
Administration fees		-	-	2,021,203	1,915,832
Membership fees		30,262,492	29,268,525	30,262,492	29,268,525
Grants received		89,108,550	110,285,234	89,108,550	110,285,234
Exemption fees		9,552,351	9,021,521	-	-
	14	**128,923,393**	**148,575,280**	**121,392,245**	**141,469,591**
Other operating income					
Other income		196	301,342	196	301,342
Other operating gains (losses)					
Gains (losses) on disposal of assets		6,972	16,494	6,030	(5,611)
Foreign exchange losses		-	(9,544)	-	**(6,755)**
	15	**6,972**	**6,950**	**6,030**	**(12,366)**
Other operating expenses					
Administration and management fees		(303,180)	(287,375)	-	-
Amortisation		(131,158)	(114,439)	(41,434)	(86,369)
Auditor's remuneration - external audit	16	(894,115)	(816,578)	(423,400)	(349,583)
Bank charges		(87,332)	(89,069)	-	-
Grants expenditure		(89,108,550)	(110,285,234)	(89,108,550)	(110,285,234)
Consulting and professional fees - legal fees		-	(2,444)	-	-
Professional fees		(4,505,032)	(3,683,146)	(4,505,032)	(3,683,146)
Depreciation		(2,300,767)	(2,175,368)	(1,000,977)	(944,962)
Staff costs		(26,621,958)	(26,347,062)	(18,752,660)	(18,791,321)
Conference and seminars		(1,173,379)	(1,734,819)	(1,173,379)	(1,734,819)
Sundry expenses		(422,706)	(248,438)	-	-
IT expenses		(887,091)	(1,224,516)	-	-
Insurance and security		(454,174)	(355,484)	-	-
Other expenses		(5,368,894)	(4,513,392)	(5,368,894)	(4,513,392)
Postage		(40,616)	(107,929)	-	-
Printing and stationery		(37,579)	(17,516)	-	-
Repairs and maintenance		(348,659)	(477,117)	(309,889)	(426,551)
Telephone and fax		(54,716)	(59,108)	-	-
Variable lease payments		(61,627)	(12,044)	-	-

DETAILED INCOME STATEMENT

	Notes	2025	2024	2025	2024
		(132,801,533)	**(152,551,078)**	**(120,684,215)**	**(140,815,377)**
Operating (loss) profit	16	**(3,870,972)**	**(3,667,506)**	**714,256**	**943,190**
Investment income	17	3,876,078	3,923,174	3,251,281	3,034,957
Finance costs	18	(789,143)	(936,555)	(329,537)	(382,872)
Other non-operating gains					
Unrealised profit on investments		27,029,662	15,184,765	518,293	450,583
Surplus for the year		**26,245,625**	**14,503,878**	**4,154,293**	**4,045,858**

PUBLIC UNIVERSITIES SOUTH AFRICA NPC

(REGISTRATION NUMBER 2005/013211/08)

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

APPENDIX A

2024

Donor/Project Name	Total Income/ (Transfers) (R)	Total Expenditure (R)	Deferred Income Opening Balance (R)	Deferred Income
CHEC	-	-	207,240.02	226,744.83
DHET	16,583,452.23	16,583,452.23	29,122,772.43	33,567,869.99
DSI	2,420,399.94	2,420,399.94	4,682,647.19	2,708,895.47
British Council	1,430,673.56	1,430,673.56	594,563.00	743,797.31
IDC	2,444,115.12	2,444,115.12	628,061.03	3,713,664.12
Oppenheimer Memorial Trust	438,473.91	438,473.91	1,152,160.40	824,491.57
ETDP SETA	29,814,511.72	29,814,511.72	44,303,506.21	16,110,186.46
Services SETA	33,806,490.13	33,806,490.13	37,069,744.53	82,122,458.96
FASSET	14,441,624.09	14,441,624.09	1,747,428.27	2,766,751.35
BANKSETA	250,152.09	250,152.09	5,078,027.31	5,199,621.45
FoodBevSETA	1,955,211.20	1,955,211.20	1,242,021.07	97,214.52
W&RSETA	-	-	211,178.67	228,752.47
UNECA	-	-	216,585.00	216,585.00
Absa Bank	669,553.01	669,553.01	1,799,250.76	1,261,416.93
Standard Bank	1,300,000.00	1,300,000.00	1,276,144.60	66,894.80
Finance Executive Forum	969,673.45	969,673.45	298,842.60	633,516.95
SACOMD	393,117.70	393,117.70	13,096.03	-134,072.07
Lekgotla Bank Account -EDHE	1,491,605.99	1,491,605.99	-259,110.61	-323,067.17
HELM Fees Account	1,876,180.35	1,876,180.35	2,799,712.29	3,081,617.25
TOTAL	**110,285,234.49**	**110,285,234.49**	**132,183,870.80**	**153,113,340.19**

ANNEXURE A

2025

Donor/Project Name	Total Income/ (Transfers) (R)	Total Expenditure (R)	Deferred Income Opening Balance (R)	Deferred Income
CHEC	-	-	226,744.83	-
DHET	16,961,985.44	16,961,985.44	33,567,869.99	38,734,743.19
DSI	2,274,626.11	2,274,626.11	2,708,895.47	950,949.07
British Council	51,967.93	51,967.93	743,797.31	1,665,753.59
IDC	6,384,262.54	6,384,262.54	3,713,664.12	3,042,916.14
Oppenheimer Memorial Trust	-	-	824,491.57	414,946.28
ETDP SETA	46,294,766.51	46,294,766.51	16,110,186.46	16,101,949.62
Services SETA	1,360,499.92	1,360,499.92	82,122,458.96	6,702,075.26
FASSET	1,365,820.58	1,365,820.58	2,766,751.35	1,600,631.64
BANKSETA	4,229,952.96	4,229,952.96	5,199,621.45	1,314,569.39
INSETA	665,756.50	665,756.50	-	43,031.19
FoodBevSETA	54,925.63	54,925.63	97,214.52	70,606.73
W&RSETA	-	-	228,752.47	245,263.85
UNECA	-	-	216,585.00	216,585.00
TIEC	2,276.13	2,276.13	-	-
Absa Bank	4,324,640.50	4,324,640.50	1,261,416.93	2,650,614.52
Standard Bank	100,000.00	100,000.00	66,894.80	238,947.22
Finance Executive Forum	1,982,928.29	1,982,928.29	633,516.95	-43,541.76
SACOMD	410,156.10	410,156.10	-134,072.07	-178,251.93
Lekgotla Bank Account -EDHE	679,470.94	679,470.94	-323,067.17	-461,132.98
HELM Fees Account	1,964,513.76	1,964,513.76	3,081,617.25	3,927,503.25
Mr Price Foundation	-	-	-	91,304.35
TOTAL	**89,108,549.84**	**89,108,549.84**	**153,113,340.19**	**77,329,463.62**

NOTES

UNIVERSITIES
SOUTH AFRICA

UNIVERSITIES SOUTH AFRICA
Blocks D & E, Hadefields Office Park
1267 Pretorius Street, Hatfield, Pretoria

P.O. Box 27392, Sunnyside, Pretoria 0132

Chief Executive Officer:
+27 (0) 12 030 0650
admin@usaf.ac.za

Matriculation Board:
+27 (0) 10 591 4401/2
applications@usaf.ac.za

Director: Operations and Sector Support:
+27 (0) 12 030 0652
info@usaf.ac.za

www.usaf.ac.za