

# Financial statistics of universities and technikons

1997

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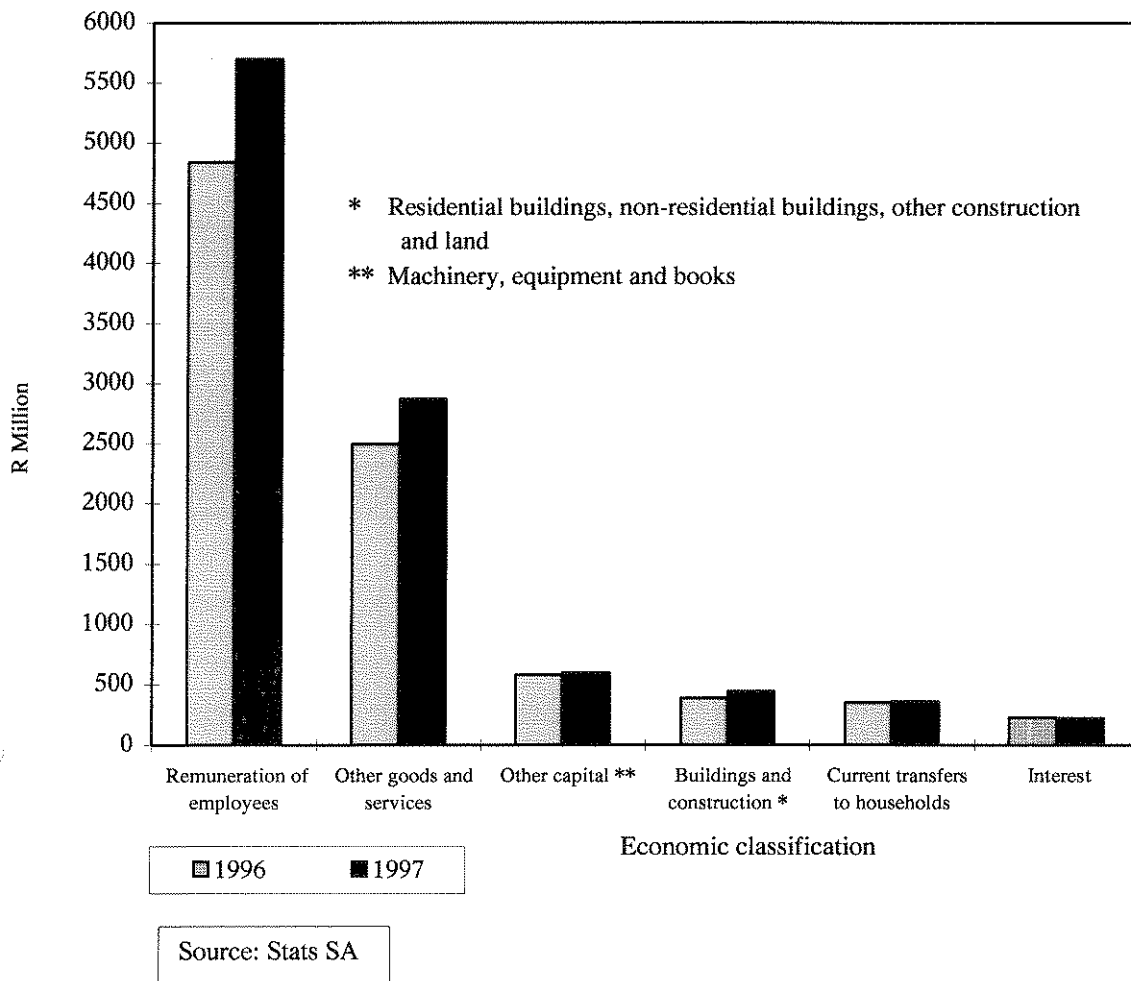


**TOTAL EXPENDITURE BY UNIVERSITIES AND TECHNIKONS AMOUNTED TO R10 197,7 MILLION IN 1997**

*Total expenditure by South African universities and technikons amounted to R10 197,7 million in the 1997 financial year (ending on 31 December 1997). This reflects an increase of 14,7% compared with the R8 887,2 million of the 1996 financial year. Universities spent R7 894,2 million (77,4%) while technikons spent R2 303,6 million (22,6%) of the total expenditure in 1997.*

The largest contributor of the total expenditure of R10 197,7 million for 1997 was in respect of remuneration of employees (R5 697,2 million or 55,9% of total expenditure), followed by expenditure on other goods and services for current activities (R2 870,9 million or contributing 28,2% to total expenditure), capital expenditure (R1 048,3 million or 10,3%), current transfers to households (R359,9 million or 3,5%) and interest payments (R221,4 million or 2,2%) (cf. Figure 1 and Table 1).

**Figure 1 - Economic classification of total expenditure by universities and technikons for 1996 and 1997**



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Table 1 - Total expenditure by universities and technikons for the financial years 1996 and 1997 according to type of expenditure 1/

Type of expenditure	Universities		Annual percentage change	Technikons		Annual percentage change	Total		Annual percentage change	Percentage of total expenditure 1996	Percentage of total expenditure 1997
	1996 R 000	1997 R 000		1996 R 000	1997 R 000		1996 R 000	1997 R 000			
<b>Current expenditure</b>											
Remuneration of employees	3 821 047	4 471 203	17,0	1 016 289	1 225 961	20,6	4 837 336	5 697 164	17,8	54,4	55,9
Other goods and services	* 1 850 087	2 196 408	18,7	642 634	674 539	5,0	2 492 721	2 870 947	15,2	28,0	28,2
Interest (private)	133 610	133 088	-0,4	69 267	70 547	1,8	202 877	203 635	0,4	2,3	2,0
Interest (state)	14 822	5 463	-63,1	9 688	12 347	27,4	24 510	17 810	-27,3	0,3	0,2
Current transfers to households	318 771	329 653	3,4	33 903	30 218	-10,9	352 674	359 871	2,0	4,0	3,5
<b>Total current expenditure a/</b>	<b>6 138 337</b>	<b>7 135 815</b>	<b>16,3</b>	<b>1 771 781</b>	<b>2 013 612</b>	<b>13,6</b>	<b>7 910 118</b>	<b>9 149 427</b>	<b>15,7</b>	<b>89,0</b>	<b>89,7</b>
<b>Capital expenditure</b>											
Residential buildings	51 503	37 838	-26,5	* 31 763	58 478	84,1	83 266	96 316	15,7	0,9	0,9
Non-residential buildings	140 063	198 316	41,6	127 087	84 984	-33,1	267 150	283 300	6,0	3,0	2,8
Other constructions	31 438	57 155	81,8	5 524	9 058	64,0	36 962	66 213	79,1	0,4	0,6
Land and existing buildings	966	2 128	120,3	123	1 069	769,1	1 089	3 197	193,6	0,0	0,0
Machinery and equipment	341 180	322 451	-5,5	97 548	117 542	20,5	438 728	439 993	0,3	4,9	4,3
Books	122 788	140 466	14,4	18 268	18 820	3,0	141 056	159 286	12,9	1,6	1,6
<b>Total capital expenditure b/</b>	<b>687 938</b>	<b>758 354</b>	<b>10,2</b>	<b>280 313</b>	<b>289 951</b>	<b>3,4</b>	<b>968 251</b>	<b>1 048 305</b>	<b>8,3</b>	<b>10,9</b>	<b>10,3</b>
<b>Total expenditure c/ (c=a+b) by universities and technikons</b>	<b>6 826 275</b>	<b>7 894 169</b>	<b>15,6</b>	<b>2 052 094</b>	<b>2 303 563</b>	<b>12,3</b>	<b>8 878 369</b>	<b>10 197 732</b>	<b>14,9</b>	<b>100</b>	<b>100</b>

1/ Included in the amount of total expenditure is the amount for research undertaken by universities and technikons to the value of R 683,3 million in 1996 and R766,0 million in 1997.

\* Revised since the previous publication.

**EXPLANATORY NOTES**

**Introduction** 1 This statistical release provides the expenditure information of universities and technikons for the 1997 financial year. The financial year of universities and technikons ends on 31 December of each year.

**Scope of the financial statistics of universities and technikons** 2 The expenditure details of the following universities and technikons are included in the tables -

**Universities**

- University of Cape Town.
- University of Durban-Westville.
- University of Fort Hare.
- University of Orange Free State.
- Medical University of South Africa (Medunsa).
- University of Natal.
- University of North West.
- University Port Elizabeth.
- University of Potchefstroom.
- University of Pretoria.
- Rand Afrikaans University (Rau).
- Rhodes University.
- University of Stellenbosch.
- University of Transkei.
- University of South Africa (Unisa).
- University of the North.
- University of Venda.
- Vista University.
- University of the Western Cape.
- University of the Witwatersrand (Wits).
- University of Zululand.

**Technikons**

- Border Technikon.
- Cape Technikon.
- Eastern Cape Technikon.
- Free State Technikon.
- M.L. Sultan Technikon.
- Mangosuthu Technikon.
- Natal Technikon.
- North West Technikon.
- Northern Gauteng Technikon.
- Peninsula Technikon.
- Port Elizabeth Technikon.
- Pretoria Technikon.
- RSA Technikon.
- Vaal Triangle Technikon.
- Witwatersrand Technikon.

**Methodology** 3 The expenditure information of universities and technikons is furnished annually to Stats SA by the Department of Education. The transactions of the universities and technikons are recorded according to the South African Post-Secondary Education System (SAPSE) prescribed by the Department of Education. The information is classified economically. Missing or incomplete information is supplemented through telephonic liaison with the relevant universities and technikons as far as possible.

In a few cases Stats SA used audited financial statements to classify the information of a few universities and technikons.

- 4 The tables contain only the consolidated information of all the accounts and funds of the universities and technikons. Separate information is not furnished for hostels and trust funds.
- 5 The expenditure on land and buildings by government departments (as a direct liability against their votes) on behalf of certain universities and technikons is not included in the tables.
- 6 No provision for depreciation is made in the accounts of universities and technikons.
- 7 The accounts of universities and technikons are kept according to the accrual system. They receive most of their revenue in the form of transfers from the National Revenue Fund and they retain their surplus funds.

### Classification

#### 8 Economic classification

Economic classification is in general a measure of the nature and economic effect of government on the economy of the country. Expenditure is classified economically as follows-

- **Current expenditure**

- Remuneration of employees (excluding capitalised remuneration).
- Other goods and services.
- Interest.
- Subsidies.
- Current transfers to households.
- Foreign transfers.
- Other transfers.

- **Capital expenditure**

- Includes capitalised remuneration.

- **Capital transfers**

- **Transfers and loans to other general government bodies and funds**

- Central government.
- Universities and technikons.
- Other extrabudgetary accounts and funds.
- Provincial governments.
- Local authorities.

### Related publications

- 9 Stats SA also publishes statistical releases on the expenditure of the following levels of the general government -
  - P9119.2 Central government expenditure.
  - P9119 Consolidated expenditure by the general government sector.
  - P9120 Provincial government expenditure.
  - P9102 Extrabudgetary accounts and funds.

### Symbols and abbreviations

- 10
 

Stats SA	Statistics South Africa
SNA	System of National Accounts
SAPSE	South African Post-Secondary Education

**GLOSSARY**

<b>Books</b>	This includes mainly library books.
<b>Economic classification</b>	Economic classification is a measure of the nature and economic effect of the government operations on the economy of the country.
<b>Households</b>	Households may be defined as individuals or a small group of persons who share the same living accommodation.
<b>Machinery and equipment</b>	Machinery and equipment primarily include motor vehicles, laboratory equipment, furniture, computer hardware and labour saving devices.
<b>Non-residential buildings</b>	Non-residential buildings include clinics, hospitals, offices, and office blocks, warehouses, laboratories, workshops, lecture halls, etc.
<b>Other constructions</b>	Other constructions include construction work such as sewerage, storm water drainage, etc.
<b>Other goods and services</b>	Other goods and services include purchases of all other of goods and services, except remuneration of employees, for current activities. In accordance with the recommendations of the 1993 System of National Accounts (SNA) these kinds of expenditure exclude capital expenditure relating to office, school, and household furniture and equipment.
<b>Remuneration of employees</b>	Remuneration of employees primarily include salaries, wages, service and other bonuses, allowances (including car allowances), retirement benefits, contributions to medical, insurance and pension funds, compensation in respect of examinations and housing subsidies.
<b>Residential buildings</b>	Residential buildings are buildings that are used entirely or primarily as residences and include student houses, flats, hostels and nursing homes.
<b>Subsidies</b>	Subsidies are current unrequited payments that government units pay to enterprises on the basis of the quantities or values of the goods and services which they produce, sell or import.



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