

**Financial statistics of
universities and
technikons
2002**

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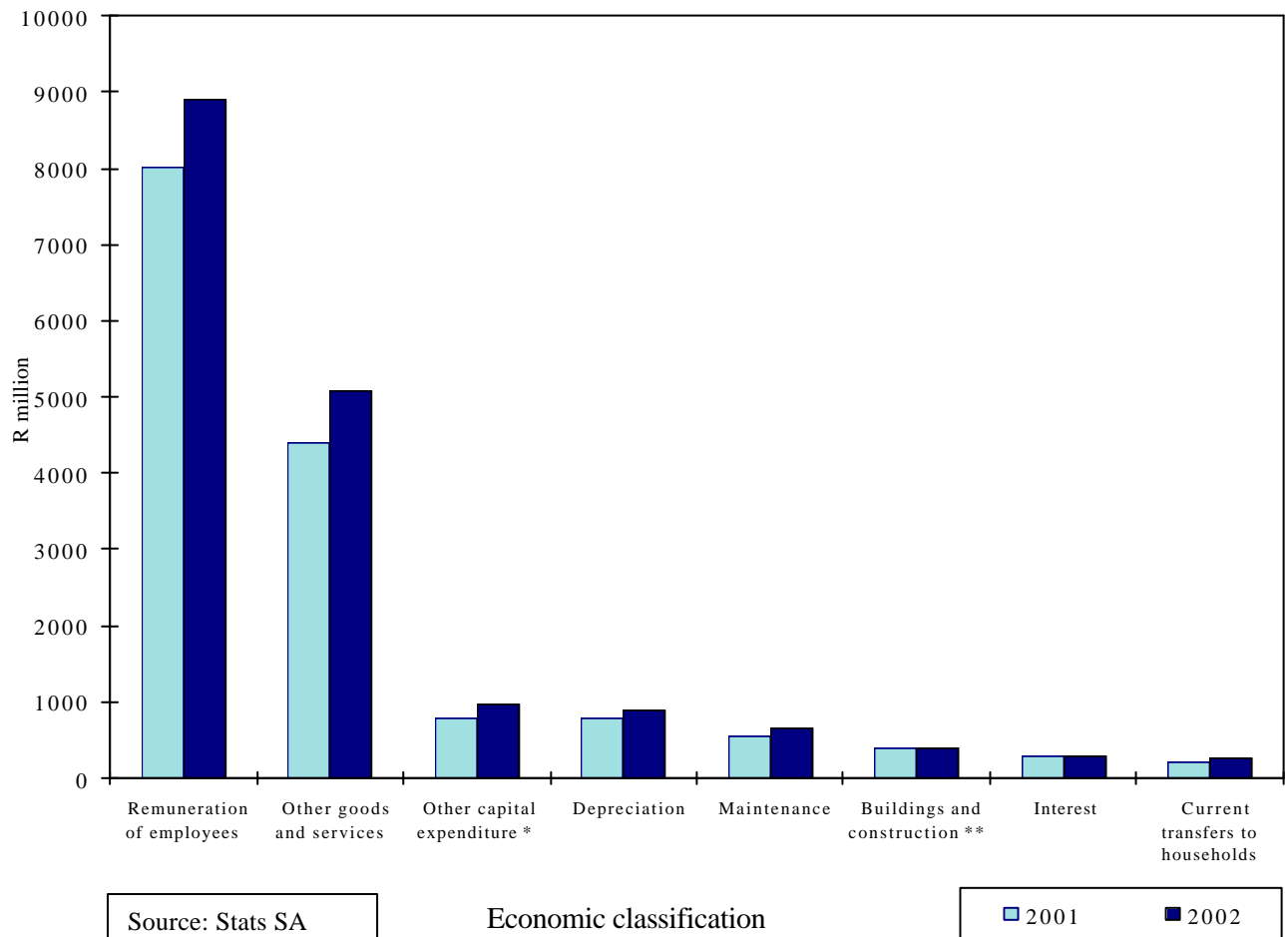
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TOTAL EXPENDITURE BY UNIVERSITIES AND TECHNIKONS AMOUNTED TO R17 440,1 MILLION IN 2002

Total expenditure by South African universities and technikons amounted to R17 440,1 million in the 2002 financial year (ending on 31 December 2002). This reflected an increase of 13,0% compared with the R15 427,9 million of the 2001 financial year. Universities spent R13 320,8 million (76,4%), while technikons spent R4 119,3 million (23,6%) of the total expenditure in 2002.

The largest contributor to the total expenditure of R17 440,1 million for 2002 was remuneration of employees (R8 897,5 million or 51,0% of total expenditure), followed by expenditure on other goods and services for current activities (R5 086,5 million or 29,2% of total expenditure), capital expenditure (R1 364,6 million or 7,8% of total expenditure), depreciation (R881,6 million or 5,1% of total expenditure) and maintenance (R645,4 million or 3,7% of total expenditure) (see Figure 1, p. 1 and Table 1, p. 3, columns 9 and 12).

Figure 1 - Economic classification of total expenditure by universities and technikons for 2001 and 2002



* Other capital expenditure includes vehicles, computers, furniture, other machinery and equipment and books.

** Buildings and construction includes residential buildings, non-residential buildings, other construction and purchases of land.

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Forthcoming issues	Issue	Expected release date
	Financial statistics of universities and technikons for the financial year ended 31 December 2003.	15 August 2004
Purpose of the survey	This statistical release provides expenditure information of universities and technikons for the financial year ended 31 December 2002.	

Table 1 - Total expenditure by universities and technikons for the financial years 2001 and 2002 according to type of expenditure ¹

Type of expenditure	Universities		Annual percentage change ₂	Technikons		Annual percentage change ₂	Total		Annual percentage change ₂	Percentage of total expenditure	
	2001 R '000	2002 R '000		2001 R '000	2002 R '000		2001 R '000	2002 R '000		2001	2002
1. Current expenditure											
1.1 Goods and services	10 430 834	11 806 444	13,2	3 307 758	3 704 496	12,0	13 738 592	15 510 940	12,9	89,1	88,9
1.1.1 Remuneration of employees	5 936 323	6 520 397	9,8	2 069 199 *	2 377 102	14,9	8 005 522 *	8 897 499	11,1	51,9	51,0
1.1.2 Maintenance ³	370 406	466 724	26,0	180 440	178 686	-1,0	550 846	645 410	17,2	3,6	3,7
1.1.2.1 Buildings and structures	221 953	270 995	22,1	107 320	105 680	-1,5	329 273	376 675	14,4	2,1	2,2
1.1.2.2 Machinery and equipment	148 453	195 729	31,8	73 120	73 006	-0,2	221 573	268 735	21,3	1,4	1,5
1.1.3 Depreciation	576 615	672 835	16,7	200 215	208 720	4,2	776 830	881 555	13,5	5,0	5,1
1.1.4 Other ³	3 547 490 *	4 146 488	16,9	857 904 *	939 988	9,6	4 405 394 *	5 086 476	15,5	28,6	29,2
1.2 Interest	174 990	180 484	3,1	114 803	116 662	1,6	289 793	297 146	2,5	1,9	1,7
1.2.1 Private sector	165 414	168 366	1,8	101 043	112 450	11,3	266 457	280 816	5,4	1,7	1,6
1.2.2 National government	9 576	12 118	26,5	13 760	4 212	-69,4	23 336	16 330	-30,0	0,2	0,1
1.3 Current transfers to households	183 424 *	236 947	29,2	23 608 *	30 426	28,9	207 032 *	267 373	29,1	1,3	1,5
Total current expenditure	10 789 248	12 223 875	13,3	3 446 169	3 851 584	11,8	14 235 417	16 075 459	12,9	92,3	92,2
2. Capital expenditure											
2.1 New constructions	223 076	317 877	42,5	183 389	50 212	-72,6	406 465	368 089	-9,4	2,6	2,1
2.1.1 Residential buildings	32 146	24 644	-23,3	74 640	5 560	-92,6	106 786	30 204	-71,7	0,7	0,2
2.1.2 Non-residential buildings	164 430	282 497	71,8	91 138	43 132	-52,7	255 568	325 629	27,4	1,7	1,9
2.1.3 Other constructions	26 500	10 736	-59,5	17 611	1 520	-91,4	44 111	12 256	-72,2	0,3	0,1
2.2 Land and existing buildings	864	25 153	2811,2	0	0	0,0	864	25 153	2811,2	0,0	0,1
2.3 Machinery and equipment	444 056	525 857	18,4	140 248	192 468	37,2	584 304	718 325	22,9	3,8	4,1
2.3.1 Vehicles	20 528	45 890	123,5	7 650	7 097	-7,2	28 178	52 987	88,0	0,2	0,3
2.3.2 Computer equipment	169 613	211 263	24,6	43 705	107 193	145,3	213 318	318 456	49,3	1,4	1,8
2.3.3 Furniture	82 978	96 917	16,8	51 361	32 681	-36,4	134 339	129 598	-3,5	0,9	0,7
2.3.4 Other	170 937	171 787	0,5	37 532	45 497	21,2	208 469	217 284	4,2	1,4	1,2
2.4 Books	180 415	228 077	26,4	20 481	24 995	22,0	200 896	253 072	26,0	1,3	1,5
Total capital expenditure	848 411	1 096 964	29,3	344 118	267 675	-22,2	1 192 529	1 364 639	14,4	7,7	7,8
Total expenditure c (c=a+b) by universities and technikons	11 637 659	13 320 839	14,5	3 790 287	4 119 259	8,7	15 427 946	17 440 098	13,0	100,0	100,0

¹ Included in the amount of total expenditure is the amount for research undertaken by universities and technikons to the value of R784 million in 2001 and R881 million in 2002.

² The annual percentage change is the change in the type of expenditure of the current year compared with the same type of expenditure in the previous year, expressed as a percentage.

³ In the previous publication (2001) other goods and services included maintenance on buildings and structures and machinery and equipment.

* Revised since the previous publication (see explanatory note 6 on page 5).

Explanatory Notes

Introduction

1. This statistical release provides expenditure information of universities and technikons for the 2002 financial year. The financial year of universities and technikons ends on 31 December of each year.

Scope of the expenditure information of universities and technikons

2. The expenditure details of the following universities and technikons are included in the tables -

Universities

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

Technikons

- Border Technikon
- Cape Technikon
- Durban Institute of Technology (previously ML Sultan and Natal Technikons)
- Eastern Cape Technikon
- Free State Technikon
- Mangosuthu Technikon
- North West Technikon
- Northern Gauteng Technikon
- Peninsula Technikon
- Port Elizabeth Technikon
- Pretoria Technikon
- RSA Technikon
- Vaal Triangle Technikon
- Witwatersrand Technikon

Methodology

3. Stats SA receives financial statements of universities and technikons annually from the Department of Education. Universities and technikons keep their accounts on an accrual basis in accordance with Generally Accepted Accounting Practice (GAAP), i.e. payments are recorded in the period to which the transactions relate and surpluses, deficits, assets and liabilities are carried over to the next financial year. Financial statements were received for all 35 institutions listed above. Missing or incomplete information was supplemented through telephonic liaison with the relevant universities and technikons as far as possible.

4. The tables contain only the consolidated information of all the accounts and funds of the universities and technikons. Stats SA does not receive separate information 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. Maintenance of buildings and structures and machinery and equipment was included in expenditure on other goods and services in the previous release. In this release it is shown as a separate expenditure item for both the 2001 and 2002 financial years.

Comparability with previous statistical release

The former ML Sultan and Natal Technikons have merged since the 2002 financial year to form the Durban Institute of Technology.

Classification

7. Economic classification

Economic classification is in general a measure of the nature and economic effect of government on the economy of a country. The layout of the economic classification (type of expenditure) in this statistical release is as follows:

- **Current expenditure**

Goods and services:

Remuneration of employees (excludes capitalised remuneration)

Other goods and services

Maintenance

Depreciation

Other

Interest

Current transfers to households

- **Capital expenditure** (includes capitalised remuneration)

New constructions

Residential buildings

Non-residential buildings

Other constructions

Land and existing buildings

Machinery and equipment

Vehicles

Computer equipment

Furniture

Other

Books

Related publications

8. Stats SA also publishes statistical releases on the expenditure of the other levels of the general government:

P9101.1 :	<i>Annual actual and expected capital expenditure of the public sector</i>
P9101.2 :	<i>Annual actual and expected capital expenditure on construction by the public sector by statistical region</i>
P9102 :	<i>Extra-budgetary accounts and funds expenditure</i>
P9105 :	<i>Annual financial statistics of local authorities</i>
P9114 :	<i>Financial Census of municipalities</i>
P9119 :	<i>Consolidated expenditure by the General Government sector</i>
P9119.2 :	<i>National government expenditure</i>
P9120 :	<i>Provincial government expenditure</i>

Symbols and abbreviations

9. GAAP Generally Accepted Accounting Practice
 SNA System of National Accounts 1993
 Stats SA Statistics South Africa

Glossary

Books	This includes mainly library books.
Economic classification	Economic classification is a measure of the nature and economic effect of government operations on the economy of the country.
Households	Households may be defined as individuals or a small group of persons who share the same living accommodation.
Machinery and equipment	Machinery and equipment are divided into vehicles, computer equipment, furniture and other machinery and equipment.
Non-residential buildings	Non-residential buildings include clinics, hospitals, offices and office blocks, warehouses, laboratories, workshops and lecture halls.
Other constructions	Other constructions include sport fields, roads and fences.
Other goods and services	Other goods and services include purchases of all other 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.
Remuneration of employees	Remuneration of employees primarily includes 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.
Residential buildings	Residential buildings are buildings that are used entirely or primarily as residences and include student houses, flats, hostels and nursing homes.
Subsidies	Subsidies are current unrequited payments that general government 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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