

**Financial statistics of
universities and
technikons
2003**

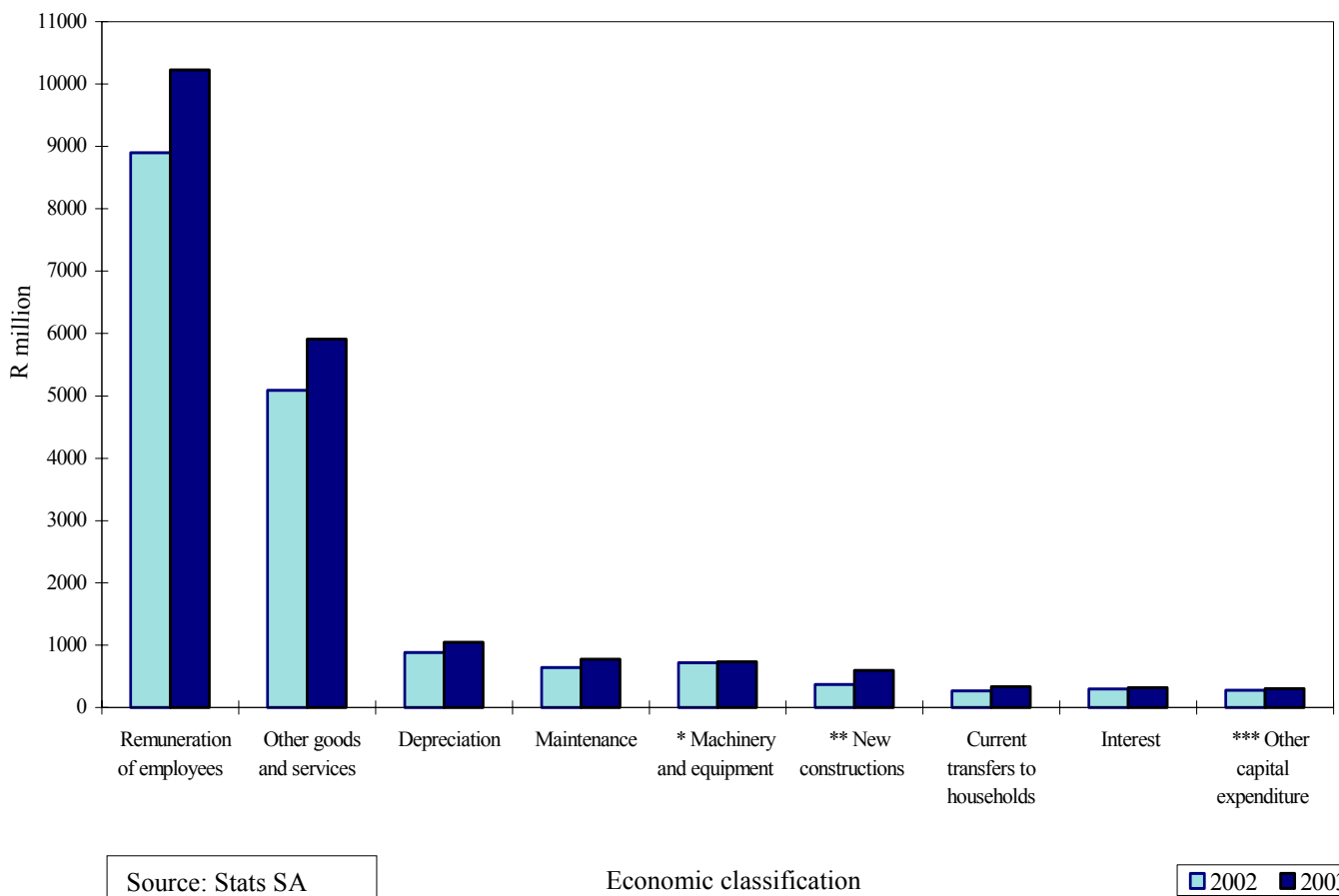
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TOTAL EXPENDITURE BY UNIVERSITIES AND TECHNIKONS AMOUNTED TO R20 244,0 MILLION IN 2003

Total expenditure by South African universities and technikons amounted to R20 244,0 million in the 2003 financial year (ending on 31 December 2003). This reflected an increase of 16,1% compared with the R17 440,1 million of the 2002 financial year. Universities spent R15 882,8 million (78,5%), while technikons spent R4 361,2 million (21,5%) of the total expenditure in 2003.

The largest contributor to the total expenditure of R20 244,0 million for 2003 was remuneration of employees (R10 229,8 million or 50,5% of total expenditure), followed by expenditure on other goods and services for current activities (R5 908,4 million or 29,2% of total expenditure), depreciation (R1 048,7 million or 5,2% of total expenditure), maintenance (R775,3 million or 3,8% of total expenditure), machinery and equipment (R731,7 million or 3,6% of total expenditure), new constructions (R593,7 million or 2,9% of total expenditure), current transfers to households (R332,5 million or 1,6% of total expenditure) and interest (R322,0 million or 1,6% of total expenditure), books (R270,4 million or 1,3% of total expenditure) and land and existing buildings (R31,5 million or 0,2% of total expenditure) (see Figure 1, p. 1 and Table 1, p. 4, columns 8 and 11).

Figure 1 - Economic classification of total expenditure by universities and technikons for 2002 and 2003



* Machinery and equipment include vehicles, computers, furniture and other machinery and equipment.
 ** New constructions include residential buildings, non-residential buildings and other constructions.
 *** Other capital expenditure includes purchases of land and existing buildings as well as books.

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Notes**Forthcoming issues****Issue****Expected release date**

Financial statistics of universities and technikons for the financial year ended 31 December 2004.

15 September 2005

Purpose of the survey

This statistical release provides expenditure information of universities and technikons for the financial years ended 31 December 2002 and 2003.

Table 1 - Total expenditure by universities and technikons for the financial years ended 31 December 2002 and 2003 according to type of expenditure

Type of expenditure	Universities		Annual percentage change ^{1/}	Technikons		Annual percentage change ^{1/}	Total		Annual percentage change ^{1/}	Percentage of total expenditure	
	2002	2003		2002	2003		2002	2003		2002	2003
	1	2	3	4	5	6	7	8	9	10	11
	R '000	R '000		R '000	R '000		R '000	R '000			
1. Current expenditure											
1.1 Goods and services	11 806 444	14 046 551	19,0	3 704 496	3 915 666	5,7	15 510 940	17 962 217	15,8	88,9	88,7
1.1.1 Remuneration of employees	6 520 397	7 813 745	19,8	2 377 102	2 416 028	1,6	8 897 499	10 229 773	15,0	51,0	50,5
1.1.2 Maintenance	466 724	590 950	26,6	178 686	184 360	3,2	645 410	775 310	20,1	3,7	3,8
1.1.3 Depreciation	672 835	840 994	25,0	208 720	207 694	-0,5	881 555	1 048 688	19,0	5,1	5,2
1.1.4 Other	4 146 488	4 800 862	15,8	939 988	1 107 584	17,8	5 086 476	5 908 446	16,2	29,2	29,2
1.2 Interest	180 484	203 404	12,7	116 662	118 553	1,6	297 146	321 957	8,3	1,7	1,6
1.2.1 Private sector	168 366	188 191	11,8	112 450	115 548	2,8	280 816	303 739	8,2	1,6	1,5
1.2.2 National government	12 118	15 213	25,5	4 212	3 005	-28,7	16 330	18 218	11,6	0,1	0,1
1.3 Current transfers to households	236 947	295 288	24,6	30 426	37 236	22,4	267 373	332 524	24,4	1,5	1,6
Total current expenditure	a 12 223 875	14 545 243	19,0	3 851 584	4 071 455	5,7	16 075 459	18 616 698	15,8	92,2	92,0
2. Capital expenditure											
2.1 New constructions	317 877	493 589	55,3	50 212	100 065	99,3	368 089	593 654	61,3	2,1	2,9
2.1.1 Residential buildings	24 644	81 440	230,5	5 560	32 955	492,7	30 204	114 395	278,7	0,2	0,6
2.1.2 Non-residential buildings	282 497	388 481	37,5	43 132	65 054	50,8	325 629	453 535	39,3	1,9	2,2
2.1.3 Other constructions	10 736	23 668	120,5	1 520	2 056	35,3	12 256	25 724	109,9	0,1	0,1
2.2 Land and existing buildings	25 153	31 512	25,3	-	-	-	25 153	31 512	25,3	0,1	0,2
2.3 Machinery and equipment	525 857	564 431	7,3	192 468	167 249	-13,1	718 325	731 680	1,9	4,1	3,6
2.3.1 Vehicles	45 890	32 538	-29,1	7 097	9 613	35,5	52 987	42 151	-20,5	0,3	0,2
2.3.2 Computer equipment	211 263	218 980	3,7	107 193	81 470	-24,0	318 456	300 450	-5,7	1,8	1,5
2.3.3 Furniture	96 917	131 901	36,1	32 681	31 576	-3,4	129 598	163 477	26,1	0,7	0,8
2.3.4 Other	171 787	181 012	5,4	45 497	44 590	-2,0	217 284	225 602	3,8	1,2	1,1
2.4 Books	228 077	247 995	8,7	24 995	22 449	-10,2	253 072	270 444	6,9	1,5	1,3
Total capital expenditure	b 1 096 964	1 337 527	21,9	267 675	289 763	8,3	1 364 639	1 627 290	19,2	7,8	8,0
Total expenditure by universities and technikons (c=a+b)	c 13 320 839	15 882 770	19,2	4 119 259	4 361 218	5,9	17 440 098	20 243 988	16,1	100,0	100,0

^{1/} Included in the total expenditure are the amounts estimated for research undertaken by universities and technikons to the value of R881 million in 2002 and R1 023 in 2003.

^{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.

Explanatory Notes

Introduction

1. This statistical release provides expenditure information of universities and technikons for the 2002 and 2003 financial years. 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
- Vaal University of Technology (for the 2003 financial year)
- Vista University

Technikons

- Border Technikon
- Cape Technikon
- Durban Institute of Technology
- Eastern Cape Technikon
- Free State Technikon
- Mangosuthu Technikon
- North West Technikon
- Northern Gauteng Technikon
- Peninsula Technikon
- Port Elizabeth Technikon
- Pretoria Technikon
- Technikon SA
- 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, to exclude the information from the tables.
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. Respondents are unable to provide adequate detail information regarding expenditure on research.

Comparability with previous statistical release

Maintenance of buildings and structures and machinery and equipment are shown as one item in this release whereas in the previous release it was subdivided between maintenance on buildings and structures and maintenance on machinery and equipment.

The former Vaal Triangle Technikon was transformed to the Vaal University of Technology as from 2003 and is therefore included under universities in this release for the 2003 financial year.

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

Symbols and abbreviations

9. GAAP Generally Accepted Accounting Practice
 SNA System of National Accounts 1993
 Stats SA Statistics South Africa
 - Nil or not applicable

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 pays to enterprises on the basis of the quantities or values of the goods and services, which they produce, sell or import.

For more information

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Enquiries

Telephone numbers: (012) 310 8600/ 8390/ 8351/ 8496/ 4892/ 8095 (user information services)
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(012) 310 8161 (orders)
(012) 310 8490 (library)

Fax number: (012) 321 6741 (technical enquiries)

Email address: ElizabethMo@statssa.gov.za
FrancoisE@statssa.gov.za
info@statssa.gov.za (user information services)
distribution@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001