

NELSON MANDELA UNIVERSITY

Nelson Mandela University Trust



**Annual
Report**
2023



We are Nelson Mandela University

We are **Nelson Mandela University**.

We are the only university in the world to be named after Nelson Mandela. Our iconic South African statesman, humanitarian and leader is known globally for what he achieved.

We are honoured as **Nelson Mandela University** to carry his name.

In return, we honour our namesake by endeavouring to live his legacy.

We honour him by using his name in full.

We are Nelson Mandela University.

Nelson Mandela University Trust
(Registration Number IT 48/2001)



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Foreword

By Chairperson of Nelson Mandela University Trust

This 2023 Annual Report is presented on behalf of the Trustees of the Nelson Mandela University Trust. The fiscal outlook for the higher education sector generally is a challenging one at the moment with govern subsidies and fee income declining in real terms. The fundraising environment for Higher Education Institutions globally and nationally continues to be a challenging one. The year under review thus saw the Trust undertaking its fundraising activities in a somewhat constrained macro-economic environment in the country. This notwithstanding, the Trust income for 2023 from investments and donations of R112 478 000 was the highest yet achieved by the Trust.

Through these activities we continued to make an important contribution within our mandate to helping Nelson Mandela University deliver on its vision and mission of providing quality higher education and to being a university in the service of society. Of course, the needs are great and we continue to strive to do better.

Sound corporate governance is at the heart of the responsibilities of Trustees. During 2023 Trustees

undertook a process of reviewing and the 2015 Trust Deed to align it more fully with the principles of King IV and modern administrative practices. The University Council has approved the revised Trust Deed, which has now been submitted for formal endorsement and registration by the relevant authorities.

In the spirit of transparency and accountability this annual report is intended to provide funders, stakeholders, alumni and the broader University publics with information on Trust operations in 2023 and indicate how funds were deployed.

On behalf of the Trustees of the Nelson Mandela University Trust, I would like to thank all the donors and funders who contributed to the University through the Trust in 2023. Your generosity has helped Mandela University to broaden access and provide quality higher education and to live up to the values and ethos of our namesake.

Ambassador Nozipho January-Bardill

Chairperson: Nelson Mandela University Trust

“Through these activities we continued to make an important contribution within our mandate to helping Nelson Mandela University deliver on its vision and mission. ”



Management Report

By Dr Denver A. Webb

The Nelson Mandela University Trust is an independent charitable entity registered with the Master of the High Court in South Africa (registration number IT 48/2001). Nelson Mandela University is the sole beneficiary. The Trust is also registered with the South African Revenue Services as a public benefit organization (PBO number 130003878). Governance is in the hands of eleven Trustees, who exercise the fiduciary and corporate governance functions expected of Trustees.

The main goal of the Trust is to support and contribute to the viability and sustainability of the University through strategic resource mobilisation, with a special focus on engagement project funding, bursaries and scholarships. This annual report has been structured to provide information on the key areas of governance, performance, financial management and human capital. The activities of the Trust align with the strategic imperatives in Nelson Mandela University's Vision 2030 strategy. The performance reporting section of this annual report provides a high-level summary of performance linked to the relevant strategic enablers and performance indicators of Vision

2030. This is followed by more detailed information on the different aspects of the Trust's activities in 2023.

The year under review has been a challenging one due to the current economic climate and related factors. Trustees and staff made a concerted effort to mitigate risks posed by this challenging external environment and to fulfil the Trust mandate.

The resource mobilisation initiatives of management and staff continued to be guided by the risk mitigation and sustainability strategy adopted by Trustees in the latter part of 2021.

The Nelson Mandela University, the Trust and the Nelson Mandela University Investment Company concluded a service level agreement in 2018 clarifying roles and responsibilities of the three parties. This agreement also identifies operational and management support provided to the Trust by the University's Finance Division and the Strategic Resource Mobilisation and Advancement office (SRMA). In terms of this agreement the Trust no longer

"The main goal of the Trust is to support and contribute to the viability and sustainability of the University through strategic resource mobilisation."





directly employs staff, but the SRMA undertakes fundraising on behalf of the Trustees.

In addition to clarifying the relationship between the three parties, this arrangement also resulted in considerable savings on operational costs for the Trust.

Total Trust income in 2023 was R112 478 141. Of this, R105 608 973 was funding mobilised in the year under review for bursaries and projects. A total of R106 326 057 in distributions was made to the University.

The spirit of generosity displayed by many private individuals, businesses, government entities and other donors who supported the Trust and University so assiduously in 2023 is appreciated. To them all we owe a big debt of gratitude.

Operating expenses of the Trust in 2023 (direct operating costs plus the pro rata reimbursement of the University for work undertaken on an agency basis) were R8 206 505 (of which R7 010 063 was the agency fee owed to the University for the work done by the SRMA and Finance). This is considerably lower than operational costs of R10 016 154 in 2017 before the 2016-17 restructuring of the Trust. This improved cost-effectiveness was largely as a result of the restructuring of the Trust and the service level agreement with the University, which provides the human resources on a cost recovery basis for the Trust to undertake fundraising and for financial management services.

Dr Denver A. Webb

Senior Director: Strategic Resource Mobilisation and Advancement

Governance

The board of Trustees in 2023 consisted of 11 members: Ambassador Nozipho January-Bardill (Chairperson), Ms Michelle Mbaco (Deputy Chairperson), Prof Sibongile Muthwa, Dr Derrick Swartz, Mr Eric Ratshikhopha, Mr Donald Maclean, Ms Zola Tshefu, Mr Luvuyo Mosana, Ms Rene van Wyk, Mr Joe Samuels, and Adv Boitumelo Linchwe-Tlhakung.

Three Trustee meetings were held during the year. Issues requiring decisions by Trustees between meetings were dealt with by means of round-robin communications. One such round-robin decision, on 3 February 2023.

As part of enhancing alignment with the operations of the University, risk management for the Trust was integrated into the University risk management process.

Several control measures identifying and mitigating risks touching on the operations of the Trust were included in the Nelson Mandela University Risk Register, management of which is overseen by the Audit and Risk Committee (ARC) of the University Council.

In terms of fiduciary responsibilities, Trustees closely monitored the performance of the Trust investments and intervened where necessary.

| Name | 15 March 2023 | 21 June 2023 | 15 November 2023 |
|------------------------------------|---------------|--------------|------------------|
| Ambassador Nozipho January-Bardill | ✓ | ✓ | ✗ |
| Ms Michelle Mbaco | ✓ | ✓ | ✓ |
| Dr Derrick Swartz | ✓ | ✓ | ✗ |
| Prof Sibongile Muthwa | ✓ | ✓ | ✓ |
| Mr Donald MacLean | ✓ | ✓ | ✓ |
| Mr Eric Ratshikhopha | ✓ | ✗ | ✓ |
| Ms Zola Tshefu | ✓ | ✓ | ✓ |
| Mr Luvuyo Mosana | ✗ | ✓ | ✗ |
| Ms René van Wyk | ✓ | ✓ | ✓ |
| Mr Joe Samuels | ✓ | ✓ | ✓ |
| Adv Boitumelo Linchwe-Tlhakung | ✓ | ✓ | ✓ |

Figure 1: Attendance at Trust Meetings

Board of Trustees



Chairperson
Ambassador Nozipho
January-Bardill



Deputy Chairperson
Mr Siya Mhlaluka



Mr Donald MacLean



Mr Luvuyo Mosana



Prof Sibongile Muthwa



Mr Eric Ratshikopha



Mr Joe Samuels



Dr Derrick Swartz



Ms Zola Tshefu



Ms Rene van Wyk



Adv Boitumelo Linchwe-Tlhakung

Strategic Priorities and Performance

Within the mandate provided by the Trust Deed, in the year under review the Trust was guided by, and drew inspiration from, the University's Vision 2030.

In this regard, the Trust plays a pivotal role in the attainment of Strategic Enabler 5 (Promote long-term sustainability through strategy-aligned resource mobilisation and responsible stewardship). It also contributes to and supports Strategic Enablers 1 (Embrace ethical governance and leadership approaches and practices that embody

the values of the University and seek to promote service before self), 2 and 3 (Create and sustain an enabling innovation ecosystem where students and employees can collaboratively engage with external partners to co-create pioneering discoveries that advance the frontiers of knowledge and promote the public good) in its operations and management practices.

A summary of the Trust's report against the relevant Vision 2030 indicators for Strategic Enabler 5 in 2023 are as follows:

| Vision 2030 Strategic Enabler | Goals | Indicators | Targets/Milestones 2023 | Actual 2023 |
|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| SE 5: Promote long-term sustainability through strategy-aligned resource mobilisation and responsible stewardship | Increase and diversify revenue streams through integrated resource mobilisation, enterprise development, commercialisation, and investment strategies. | Amount and percentage contribution to Nelson Mandela University 3rd stream income | R106 million | R112 478 141 R105 608 973 (total in cash and kind donations) + R6 869 168 investment income) (11,20% of total university 3rd stream income) |
| | | 3rd stream income: Trust (encumbered and unencumbered) for bursaries | R94 million | R82 307 568.88 |
| | | 3rd stream income: Engagement project funding (encumbered and unencumbered) mobilised through the Trust | R12 million | R23 301 404.41 |
| | Mobilise funding for bursaries and scholarships to widen access for academically deserving and financially needy under- and postgraduate students. | Alumni donations (extracted from above figures) | R235 510 | R126 410 |
| | | Number of students benefitting from bursaries and scholarships mobilised through the Trust | 1 240 | 1 551 |

Figure 2: Performance against Vision 2030 performance indicators.

The Nelson Mandela University Trust generally mobilises two main types of resources for the University. Unencumbered funding is raised, which Trustees manage as part of the investment asset and which Trustees disburse to the University strategically; and encumbered funding which is earmarked by the donor for specific purposes. This encumbered funding, intended for specific purposes in terms of conditions of the donation, was disbursed for the stipulated purposes in liaison with the Executive Director: Finance, Financial Aid section, the Research Development office and various engagement entities. Encumbered funding is mostly directed to bursaries and scholarships, but a significant amount of donation funding is also directed to university engagement projects. A total of R106 326 057 was disbursed to the University.

The introduction of the expanded NSFAS bursary scheme has not removed the necessity to mobilise resources for students. The emphasis is now especially on so-called ‘missing middle’ undergraduate students and for postgraduate studies. In the year under review, R82 307 568.88 was mobilised for bursaries and scholarships.

This amount was disbursed by the University Financial Aid section and Research Development to qualifying undergraduate and postgraduate students respectively in support of the University’s drive for student access and success. Details are provided in the tables in Figures 4, 5, 6 and 7 below).

In terms of resources mobilised for engagement and other projects contributing to the University being in the service of society R23 301 404.41 was mobilised in 2023, as set out in Figures 8, 9, 10 and 11.

In the year under review concerted efforts were made to strengthen collaborative working relationships with Faculties and entities on resource mobilisation. The amount of donations mobilised in 2023 again demonstrated the effectiveness of an integrated approach to resource mobilisation.

1. Bursaries and Scholarships

During the year under review a number of individuals, corporates, charitable organisations and public sector institutions generously contributed to the University through the Trust. A total of R82 307 568.88 was raised for bursaries and scholarships, which benefited 1 551 students (1 267 undergraduate students and 284 postgraduates).

The resources mobilised for bursaries contribute to the transformation of Nelson Mandela University by improving access and providing opportunities for academically deserving students from poor and working-class backgrounds who would not otherwise be able to register to obtain quality higher education. Bursary resource mobilisation focuses, in particular, on missing middle students and increasingly on post-graduate students. These bursaries complement the expanded NSFAS scheme. The bursary funding was deployed as follows:

| Demographic Profile of Bursary Recipients 2023 (as defined in the B-BBEE Codes) | | | |
|---------------------------------------------------------------------------------|------------|------------|--------------|
| | Male | Female | Total |
| Black | 722 | 745 | 1467 |
| White | 44 | 40 | 84 |
| Total | 766 | 785 | 1 551 |

Figure 3: Demographic analysis of bursary recipients.

The detailed breakdown of bursary resource mobilisation is as follows:

| TRUSTS & FOUNDATIONS | | | | | | |
|----------------------|----------------------|----------------------|--------------------|--------------------|--------------------|----------------------|
| # | TRUSTS / FOUNDATIONS | UNDERGRADUATE | | POSTGRADUATE | | Total |
| | | Value | Number of students | Value | Number of students | |
| 1 | A | R4 000.00 | - | R0.00 | - | R4 000.00 |
| 2 | B | R63 679.46 | 2 | R0.00 | - | R63 679.46 |
| 3 | C | R549 760.00 | 8 | R50 240.00 | 1 | R600 000.00 |
| 4 | D | R0.00 | - | R84 465.00 | 4 | R84 465.00 |
| 5 | E | R95 619.26 | 1 | R0.00 | - | R95 619.26 |
| 6 | F | R2 906 128.00 | 20 | R93 872.00 | 1 | R3 000 000.00 |
| 7 | G | R0.00 | - | R120 000.00 | 1 | R120 000.00 |
| 8 | H | R315 000.00 | 7 | R0.00 | - | R315 000.00 |
| 9 | I | R523 821.00 | 20 | R0.00 | - | R523 821.00 |
| 10 | J | R0.00 | - | R120 000.00 | 2 | R120 000.00 |
| 11 | K | R0.00 | - | R363 203.92 | 6 | R363 203.92 |
| 12 | L | R131 277.39 | 4 | R0.00 | - | R131 277.39 |
| | | R4 589 285.11 | 62 | R831 780.92 | 15 | R5 421 066.03 |

Figure 4: Bursary funding from Trusts and Foundations.

| INDIVIDUALS | | | | | | |
|-------------|-------------|--------------------|--------------------|--------------|--------------------|--------------------|
| # | INDIVIDUALS | UNDERGRADUATE | | POSTGRADUATE | | Total |
| | | Value | Number of students | Value | Number of students | |
| 1 | A | R200.00 | - | R0.00 | - | R200.00 |
| 2 | B | R2 000.00 | - | R0.00 | - | R2 000.00 |
| 3 | C | R100.00 | - | R0.00 | - | R100.00 |
| 4 | D | R200.00 | - | R0.00 | - | R200.00 |
| 5 | E | R200.00 | - | R0.00 | - | R200.00 |
| 6 | F | R500.00 | - | R0.00 | - | R500.00 |
| 7 | G | R2 405.25 | - | R0.00 | - | R2 405.25 |
| 8 | H | R100.00 | - | R0.00 | - | R100.00 |
| 9 | I | R10 000.00 | - | R0.00 | - | R10 000.00 |
| 10 | J | R4 188.00 | - | R0.00 | - | R4 188.00 |
| 11 | K | R200.00 | - | R0.00 | - | R200.00 |
| 12 | L | R600.00 | - | R0.00 | - | R600.00 |
| 13 | M | R463 840.00 | 2 | R0.00 | - | R463 840.00 |
| 14 | N | R115 000.00 | 1 | R0.00 | - | R115 000.00 |
| 15 | O | R500.00 | - | R0.00 | - | R500.00 |
| 16 | P | R10.00 | - | R0.00 | - | R10.00 |
| | | R600 043.25 | 3 | R0.00 | 0 | R600 043.25 |

Figure 5: Bursary funding from Individual Donors.

| CORPORATES | | | | | | |
|------------|------|-----------------------|--------------------|----------------------|--------------------|-----------------------|
| # | NAME | UNDERGRADUATE | | POSTGRADUATE | | Total |
| | | Value | Number of students | Value | Number of students | |
| 1 | A | R2 305 015.78 | 82 | R36 298.71 | 2 | R2 341 314.49 |
| 2 | B | R300 000.00 | - | R0.00 | - | R300 000.00 |
| 3 | C | R300 820.00 | 2 | R0.00 | - | R300 820.00 |
| 4 | D | R910 018.68 | 13 | R0.00 | - | R910 018.68 |
| 5 | E | R153 881.40 | 3 | R0.00 | - | R153 881.40 |
| 6 | F | R157 857.11 | 4 | R0.00 | - | R157 857.11 |
| 7 | G | R84 337.73 | 2 | R0.00 | - | R84 337.73 |
| 8 | H | R0.00 | - | R99 941.86 | 1 | R99 941.86 |
| 9 | I | R600 000.00 | 22 | R0.00 | - | R600 000.00 |
| 10 | J | R160 779.22 | 5 | R0.00 | - | R160 779.22 |
| 11 | K | R949 371.10 | 10 | R242 658.64 | 2 | R1 192 029.74 |
| 12 | L | R263 189.23 | 6 | R0.00 | - | R263 189.23 |
| 13 | M | R378 630.00 | 2 | R0.00 | - | R378 630.00 |
| 14 | N | R53 400.00 | 2 | R0.00 | - | R53 400.00 |
| 15 | O | R0.00 | - | R1 200 000.00 | - | R1 200 000.00 |
| 16 | P | R1 300 000.00 | 12 | R0.00 | - | R1 300 000.00 |
| 17 | Q | R4 652 262.74 | 81 | R347 737.26 | 8 | R5 000 000.00 |
| 18 | R | R177 120.00 | 2 | R198 579.07 | 2 | R375 699.07 |
| 19 | S | R555 000.00 | 13 | R0.00 | - | R555 000.00 |
| 20 | T | R94 090.84 | 2 | R0.00 | - | R94 090.84 |
| 21 | U | R350 000.00 | 5 | R0.00 | - | R350 000.00 |
| 22 | V | R627 740.00 | 9 | R280 000.00 | 4 | R907 740.00 |
| 23 | W | R450 860.00 | 6 | R0.00 | - | R450 860.00 |
| 24 | X | R718 480.00 | 9 | R0.00 | - | R718 480.00 |
| 25 | Y | R0.00 | | R2 500 000.00 | 1 | R2 500 000.00 |
| 26 | Z | R43 711.93 | 1 | R0.00 | - | R43 711.93 |
| 27 | AA | R30 000.00 | 1 | R0.00 | - | R30 000.00 |
| 28 | AB | R365 777.33 | 5 | R96 000.00 | 1 | R461 777.33 |
| 29 | AC | R4 410 100.84 | 76 | R635 949.16 | 9 | R5 046 050.00 |
| 30 | AD | R0.00 | - | R6 500.00 | 1 | R6 500.00 |
| 31 | AE | R0.00 | - | R5 000.00 | | R5 000.00 |
| 32 | AF | R0.00 | - | R36 000.00 | | R36 000.00 |
| 33 | AG | R0.00 | - | R7 000.00 | | R7 000.00 |
| 34 | AH | R40 000.00 | 1 | R0.00 | - | R40 000.00 |
| 35 | AI | R13 500.00 | 2 | R0.00 | - | R13 500.00 |
| 36 | AJ | R719 215.75 | 4 | R0.00 | - | R719 215.75 |
| 37 | AK | R1 131 039.39 | 33 | R0.00 | - | R1 131 039.39 |
| 38 | AL | R211 459.00 | 4 | R0.00 | - | R211 459.00 |
| 39 | AM | R0.00 | - | R9 000.00 | 1 | R9 000.00 |
| 40 | AN | R0.00 | - | R2 500.00 | | R2 500.00 |
| 41 | AO | R100 000.00 | 2 | R100 000.00 | 2 | R200 000.00 |
| 42 | AP | R2 019 643.00 | 21 | R0.00 | - | R2 019 643.00 |
| 43 | AQ | R31 444.79 | 1 | R58 790.00 | 1 | R90 234.79 |
| | | R24 658 745.86 | 443 | R5 861 954.70 | 35 | R30 520 700.56 |

Figure 6: Bursary funding from Corporates.

| PUBLIC | | | | | | |
|--------|------|-----------------------|--------------------|----------------------|--------------------|-----------------------|
| # | NAME | UNDERGRADUATE | | POSTGRADUATE | | Total |
| | | Value | Number of students | Value | Number of students | |
| 1 | A | R2 900 290.17 | 33 | R842 580.05 | 29 | R3 742 870.22 |
| 2 | B | R349 532.36 | 4 | R62 016.66 | 3 | R411 549.02 |
| 3 | C | R978 600.00 | 21 | R0.00 | - | R978 600.00 |
| 4 | D | R468 040.00 | 3 | R60 000.00 | 3 | R528 040.00 |
| 5 | E | R264 300.00 | 3 | R0.00 | - | R264 300.00 |
| 6 | F | R2 259 590.00 | 30 | R0.00 | - | R2 259 590.00 |
| 7 | G | R298 038.19 | 32 | R506 722.99 | 49 | R804 761.18 |
| 8 | H | R37 171.54 | 1 | R0.00 | - | R37 171.54 |
| 9 | I | R6 490 077.18 | 92 | R0.00 | - | R6 490 077.18 |
| 10 | J | R220 812.00 | 15 | R0.00 | - | R220 812.00 |
| 11 | K | R152 752.29 | 1 | R0.00 | - | R152 752.29 |
| 12 | L | R2 920 624.80 | 47 | R0.00 | - | R2 920 624.80 |
| 13 | M | R2 699 480.15 | 30 | R949 937.00 | 26 | R3 649 417.15 |
| 14 | N | R9 569 913.55 | 264 | R430 086.45 | 4 | R10 000 000.00 |
| 15 | O | R180 522.83 | 3 | R17 950.00 | 1 | R198 472.83 |
| 16 | P | R1 200 000.00 | 7 | R0.00 | - | R1 200 000.00 |
| 17 | Q | R677 701.78 | 13 | R0.00 | - | R677 701.78 |
| 18 | R | R328 695.00 | 6 | R887 270.00 | 20 | R1 215 965.00 |
| 19 | S | R1 220 872.70 | 72 | R2 142 984.20 | 96 | R3 363 856.90 |
| 20 | T | R392 550.16 | 6 | R208 358.73 | 3 | R600 908.89 |
| 21 | U | R6 048 288.26 | 76 | R0.00 | - | R6 048 288.26 |
| | | R39 657 852.96 | 759 | R6 107 906.08 | 234 | R45 765 759.04 |

Figure 7: Bursary funding from Public Sector.

2. Projects

Details of the project funding raised for the University's engagement and other projects are as follows:

| TRUSTS & FOUNDATIONS | | | | |
|----------------------|------|----------------------|---------------------------------------------|---------------------|
| # | NAME | VALUE | FACULTY NAME | PROJECT |
| 1 | A | R1 619 680.00 | Trust | Unencumbered |
| 2 | B | R61 070.00 | Conservation Management | Research |
| 3 | C | R3 564.23 | Trust | Unencumbered |
| 4 | D | R250 000.00 | Department of Biochemistry and Microbiology | Research |
| 5 | E | R37 000.00 | Research Capacity Development | Research |
| 6 | F | R200 000.00 | Research Capacity Development | Academic Awards |
| 7 | G | R5 000.00 | - | Protea Home Project |
| | | R2 176 314.23 | | |

Figure 8: Project funding from Trusts & Foundations.

| INDIVIDUAL DONORS | | | | |
|-------------------|------|------------|---------------------------------------|------------------------------|
| # | NAME | VALUE | FACULTY NAME | PROJECT |
| 1 | A | R500.00 | Mandela Giving Campaign | Student Hunger |
| 2 | B | R100.00 | Mandela Giving Campaign | Student Hunger |
| 3 | C | R10.00 | Alumni Relations | Alumni My Contribution |
| 4 | D | R50.00 | Mandela Giving Campaign | Student Hunger |
| 5 | E | R2 000.00 | Mandela Giving Campaign | Student Hunger |
| 6 | F | R1 000.00 | Mandela Giving Campaign | Community Kitchens |
| 7 | G | R100.00 | Mandela Giving Campaign | Student Hunger |
| 8 | H | R200.00 | Mandela Giving Campaign | Student Hunger |
| 9 | I | R2 000.00 | Mandela Giving Campaign | Student Hunger |
| 10 | J | R3 000.00 | Mandela Giving Campaign | Student Hunger |
| 11 | K | R10 000.00 | Mandela Giving Campaign | Student Hunger |
| 12 | L | R100.00 | Mandela Giving Campaign | Student Hunger |
| 13 | M | R200.00 | Mandela Giving Campaign | Greenhouse Project |
| 14 | N | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 15 | O | R200.00 | Mandela Giving Campaign | Student Hunger |
| 16 | P | R2 750.00 | Accounting | Prizegiving |
| 17 | Q | R300.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 18 | R | R1 000.00 | Mandela Giving Campaign | Student Hunger |
| 19 | S | R200.00 | Mandela Giving Campaign | Student Hunger |
| 20 | T | R1 000.00 | Law Faculty | Law Awards |
| 21 | U | R50 000.00 | Mandela Giving Campaign | Student Hunger |
| 22 | V | R1 000.00 | Mandela Giving Campaign | Community Kitchens |
| 23 | W | R1 000.00 | Mandela Giving Campaign | Student Hunger |
| 24 | X | R100.00 | Mandela Giving Campaign | Student Hunger |
| 25 | Y | R2 000.00 | Mandela Giving Campaign | Student Hunger |
| 26 | Z | R100.00 | Alumni Relations | Alumni My Contribution |
| 27 | AA | R100.00 | Alumni Relations | Alumni My Contribution |
| 28 | AB | R30.00 | Alumni Relations | Alumni My Contribution |
| 29 | AC | R500.00 | Mandela Giving Campaign | Student Hunger |
| 30 | AD | R1 000.00 | Law Faculty | Law Awards |
| 31 | AE | R7 528.84 | Trust | Unencumbered |
| 32 | AF | R100.00 | Mandela Giving Campaign | Greenhouse Project |
| 33 | AG | R50.00 | Mandela Giving Campaign | Student Hunger |
| 34 | AH | R3 260.00 | Mandela Giving Campaign | Student Hunger |
| 35 | AI | R533.00 | Mandela Giving Campaign | Student Hunger |
| 36 | AJ | R500.00 | Alumni Relations | Alumni My Contribution |
| 37 | AK | R100.00 | Mandela Giving Campaign | Student Hunger |
| 38 | AL | R200.00 | Mandela Giving Campaign | Student Hunger |
| 39 | AM | R1 000.00 | Mandela Giving Campaign | Student Hunger |
| 40 | AN | R100.00 | Mandela Giving Campaign | Student Hunger |
| 41 | AO | R100.00 | Mandela Giving Campaign | Student Hunger |
| 42 | AP | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 43 | AQ | R100.00 | Mandela Giving Campaign | Student Hunger |
| 44 | AR | R500.00 | Mandela Giving Campaign | Student Hunger |
| 45 | AS | R200.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |

| INDIVIDUAL DONORS | | | | |
|-------------------|------|-----------|---------------------------------------|------------------------------|
| # | NAME | VALUE | FACULTY NAME | PROJECT |
| 46 | AT | R2 750.00 | Accounting | Prizegiving |
| 47 | AU | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 48 | AV | R200.00 | Alumni Relations | Alumni My Contribution |
| 49 | AW | R1 000.00 | Alumni Relations | Alumni My Contribution |
| 50 | AX | R2 000.00 | Mandela Giving Campaign | Student Hunger |
| 51 | AY | R2 000.00 | Mandela Giving Campaign | Greenhouse Project |
| 52 | AZ | R100.00 | Mandela Giving Campaign | Student Hunger |
| 53 | BA | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 54 | BB | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 55 | BC | R2 000.00 | Mandela Giving Campaign | Student Hunger |
| 56 | BD | R100.00 | Mandela Giving Campaign | Student Hunger |
| 57 | BE | R200.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 58 | BF | R50.00 | Alumni Relations | Alumni My Contribution |
| 59 | BG | R1 000.00 | Mandela Giving Campaign | Student Hunger |
| 60 | BH | R500.00 | Mandela Giving Campaign | Student Hunger |
| 61 | BI | R200.00 | Mandela Giving Campaign | Student Hunger |
| 62 | BJ | R250.00 | Alumni Relations | Alumni My Contribution |
| 63 | BK | R100.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 64 | BL | R20.00 | Mandela Giving Campaign | Greenhouse Project |
| 65 | BM | R20.00 | Mandela Giving Campaign | Community Kitchens |
| 66 | BN | R50.00 | Mandela Giving Campaign | Student Hunger |
| 67 | BO | R50.00 | Mandela Giving Campaign | Student Hunger |
| 68 | BP | R250.00 | Mandela Giving Campaign | Student Hunger |
| 69 | BQ | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 70 | BR | R1 000.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 71 | BS | R500.00 | Mandela Giving Campaign | Student Hunger |
| 72 | BT | R100.00 | Mandela Giving Campaign | Student Hunger |
| 73 | BU | R200.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 74 | BV | R200.00 | Mandela Giving Campaign | Student Hunger |
| 75 | BW | R1 000.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 76 | BX | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 77 | BY | R500.00 | Mandela Giving Campaign | Community Kitchens |
| 78 | BZ | R1 000.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 79 | CA | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 80 | CB | R100.00 | Transformation Office | AiA@Mandela |
| 81 | CC | R100.00 | Mandela Giving Campaign | Student Hunger |
| 82 | CD | R200.00 | Mandela Giving Campaign | Student Hunger |
| 83 | CE | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 84 | CF | R1 000.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 85 | CG | R20.00 | Alumni Relations | Alumni My Contribution |
| 86 | CH | R100.00 | Mandela Giving Campaign | Student Hunger |
| 87 | CI | R200.00 | Alumni Relations | Alumni My Contribution |
| 88 | CJ | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 89 | CK | R500.00 | Alumni Relations | Alumni My Contribution |
| 90 | CL | R200.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |

| INDIVIDUAL DONORS | | | | |
|-------------------|------|--------------------|---------------------------------------|------------------------------|
| # | NAME | VALUE | FACULTY NAME | PROJECT |
| 91 | CM | R200.00 | Mandela Giving Campaign | Student Hunger |
| 92 | CN | R200.00 | Alumni Relations | Alumni My Contribution |
| 93 | CO | R500.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 94 | CP | R20 000.00 | Mandela Giving Campaign | Student Hunger |
| 95 | CQ | R100.00 | Mandela Giving Campaign | Student Hunger |
| 96 | CR | R10.00 | Alumni Relations | Alumni My Contribution |
| 97 | CS | R100.00 | Mandela Giving Campaign | Student Hunger |
| 98 | CT | R50.00 | Alumni Relations | Alumni My Contribution |
| 99 | CU | R2 000.00 | Engagements Office Strategic Projects | Sports, Arts and Culture Hub |
| 100 | CV | R10.00 | Alumni Relations | Alumni My Contribution |
| 101 | CW | R150 000.00 | Transformation Office | AiA@Mandela |
| 102 | CX | R500.00 | Mandela Giving Campaign | Student Hunger |
| | | R293 241.84 | | |

Figure 9: Project funding from Individual Donors.

| CORPORATE DONORS | | | | |
|------------------|------|---------------|------------------------------------------|-------------------------------------------------------------------------------|
| # | NAME | VALUE | FACULTY NAME | PROJECT |
| 1 | A | R250 000.00 | Transformation Office | AiA@Mandela |
| 2 | B | R350 000.00 | Computer Science | Unplugged Coding Project |
| 3 | C | R1 500.00 | Department of Interior Design | Prizegiving |
| 4 | D | R153 000.00 | Department of Conservation Management | Research Project |
| 5 | E | R10 000.00 | Trust | Unencumbered |
| 6 | F | R3 000.00 | - | Passport to Health Project |
| 7 | G | R3 000.00 | Law Faculty | Law Awards |
| 8 | H | R2 996 300.00 | GMMDC | Mathematics Intervention |
| 9 | I | R300 000.00 | Mandela Giving Campaign | Student Hunger |
| 10 | J | R15 000.00 | Department of Conservation Management | Snapshot Safari Project |
| 11 | K | R300 000.00 | Faculty of EBET | Isuzu Chair of Mechatronics |
| 12 | L | R300 000.00 | Govan Mbeki Maths Development Unit | Maths & Science |
| 13 | M | R2 000.00 | Law Faculty | Law Awards |
| 14 | N | R50 000.00 | Department of Physics | Fibre Telkom Centre of Excellence |
| 15 | O | R1 125 000.00 | Govan Mbeki Maths Development Unit | Gamps Project |
| 16 | P | R5 000.00 | Law Faculty | Law Awards |
| 17 | Q | R2 836.47 | Trust | Unencumbered |
| 18 | R | R1 128.90 | Trust | Unencumbered |
| 19 | S | R20 000.00 | Business and Economic | Prize money donated for Faculty of Business and Economic Sciences Competition |
| 20 | T | R10 000.00 | Law Faculty | Law Conference |
| 21 | U | R5 000.00 | Department of Human Movement Science SUB | Specialization Students project |
| 22 | V | R1 500.00 | Law Faculty | Law Awards |
| 23 | W | R1 500.00 | Law Faculty | Law Awards |

| CORPORATE DONORS | | | | |
|------------------|------|----------------------|---------------------------------------|------------------|
| # | NAME | VALUE | FACULTY NAME | PROJECT |
| 24 | X | R500 000.00 | Trust | Unencumbered |
| 25 | Y | R1 512 501.64 | Campus Health Clinic | Food parcels |
| 26 | Z | R393 600.00 | Department of Conservation Management | Research Project |
| 27 | AA | R30 500.00 | Law Faculty | Law Awards |
| 28 | AB | R3 426.33 | - | Convergence Fund |
| | | R8 345 793.34 | | |

Figure 10: Project funding from Corporates.

| PUBLIC | | | | |
|--------|------|-----------------------|------------------------------------|-------------------|
| # | NAME | VALUE | FACULTY NAME | PROJECT |
| 1 | A | R981 180.00 | Govan Mbeki Maths Development Unit | ITSP Program |
| 2 | B | R2 754 425.00 | Govan Mbeki Maths Development Unit | Skills for Future |
| 3 | C | R1 250.00 | Law Faculty | Law Awards |
| 4 | D | R8 749 200.00 | SRMA Special Project | Hydrogen Energy |
| | | R12 486 055.00 | | |

Figure 11: Project funding from Public Sector.

3. Monitoring and Reporting

One of Nelson Mandela University Trust's essential tasks is to ensure that funding is allocated according to the terms of the donations and to supply detailed, analytical reports to those funders requiring them.

a. Reports

The Trust sends reports on the progress of students receiving bursaries to those funders who request them bi-annually.

b. Donor/Student Sessions

The Trust also organises meet and greet sessions for those funders who wish to meet the recipients of their generosity. In 2023, we successfully hosted a total of 10 donor student sessions face-to-face and online.

The SRMA office hosted on 10 March 2023, **MQA's 'meet & greet' session with bursary recipients.**

Representing MQA was Mr Tebogo Thankge and colleague Mr Joshua Chetty. Representing SRMA was Ms Buyiswa Yaya and Ms Yolanda Matshoba together with Financial Aid's Ms Nolutsha Gayiya.



The SRMA office had the pleasure in hosting recipients of the W&RSeta bursary programme. Some of the student with the SRMA and Trust representatives, Buyiswa Yaya (Manager for Bursaries and Scholarships) and Yolanda Matshoba (Professional Services Officer); and Financial Aid, Nolutsha Gayiya (Financial Aid Officer). W&RSeta was represented by Phelela Mdlambe (Internal Auditor).



Nelson Mandela University welcomed the AgriSETA CEO, Dr Innocent Sirovha and colleagues on 31 August 2023, a day ahead of the SETA's national roadshow at Gqeberha. The discussion was led by Dr Musa Nkapayi and Ms Buyiswa Yaya from Nelson Mandela University.

Staff

In terms of the 2018 service level agreement, the University's Finance Department provided financial management services on a cost recovered basis. The SRMA provided management and operational services for the Trust in 2022, for which the Trust reimbursed the University on a pro rata basis.



SRMA staff. Back: Dr Oswald Franks, Ms Sheree Gerber, Mr Paul Geswindt, Ms Buyiswa Yaya, Dr Denver Webb and Dr Sibongile Sowazi. Front: Ms Jennilee Bezuidenhout and Ms Yolanda Matshoba.

List of Donors

The success the Trust enjoyed in 2023 was only possible because of supporters and donors to whom appreciation is gratefully extended.

INDIVIDUALS

A Cviko
A De Raedt
A Galaweni
A Galaweni
A Henebrey
A Keet
A Mfaise
A Ramji
A Werner
AC Anderson
Alumni Association
An Other
B Cadle
B Kakana
B Yaya
BG Joubert
BM Mhambi
BP Damons
C Janneker
C Stuart
CA Xintolo
Christo van Loggerenberg
Computer Science
D Derry
D Swartz
D Webb
DA Almanza
E Venter
G Bernardo
G Saunders
G Sosibo
He HW
HJ Gaya
HS Cook
Izak David Berg
J Bernstein Estate
J Bezuidenhout
J Netley
J Samuels
JW Erlank
JWN AH Tow
K Chennells
KM Damons
L De Koker

L Hashatse
L Hendricks
L Lange
L Nduvane
L Radder
LA Best
M Davids
M Dominiquez
M Mbaco
M Phillips
M Pletschke
M Skei
M Willemse
Michael Ajukwu
MN Toni
N Adams
N Bardill
N Karamdeo
N Somniso
NE Xaluva
O Franks
P Beyers
P Bomela
P Geswindt
P Pasiya
R Mathopa
R Naude
R Strydom
R Troko
RJ Naude
S Du Toit
S Groener
S Magungo
S Moeng
S Muthwa
S Ngcai
S Peterson
S Phiri
T Choenyana
T Lujabe
T Shilowe
T Thankge
TF Terblanche
V Mpapela
V Naidoo

V November
VM Goliath
W Kupangwa
X Ben-mazwi
X Ncame
Y Beyene
Y Matshoba
Yeptahe Beyene
YT Kuguyo
Z Cawe
Z Makasi
Z Williams
Zellah Fuphe
ZS Zono

TRUSTS/FOUNDATIONS

Albert Wessels Trust
Amadlelo
BEE Hatch Black Women Trust
Cape Leopard Trust
Charles & Jessie Hills Trust
HA Kendall Will Trust
HA Will Taylor Trust
HCI Foundation
Hilary & Dorothy Champion
Hillensberg Trust
Lapalala Foundation
Link SA Trust
Moshal Foundation
PA Alize Malan Trust
Panthera Wild Cat Conservation
Rupert Gesinstigting
Tomorrow Trust
VW Community Trust

CORPORATES

Aberdare Cables
American Tower Corporation SA
Armcor
Aspen Holdings
Barloworld
BASF Catalyst
BEE Abbott
BEE Computershare
BEE Sengen

BEE SNA Civil
 Belgotex Flooring
 Coca-Cola SA
 Copenhagen Zoo
 CPISA
 Dell
 District Grand Lodge
 Eastcomms
 EC Combustion
 Edward Nathan Sonnenbergs
 Engen
 Eskom
 EST Sourcing
 Exxaro
 Ford Motor Company
 Goodyear
 Imbewu Architects
 Innoventix
 Isuzu
 Italtile
 K & F Industries
 Karsans Inc
 Kuehne & Nagel
 Lambda Test Equipment
 Linde & Wiemann
 Market Place Academy
 McWilliams & Elliott
 Metropolitan Health Group
 Momentum Health Solutions
 My School

NG Kerk van SA
 Old Mutual
 PE Ice cream
 PE Womens Club
 Pernod Richard
 Pioneer Slots
 Plastics by Graymaur
 Power X
 PSG Wealth
 Rehau Polymer
 Roeleveld Quantity Surveyors
 Rushmere Noach Inc
 SAAWG
 SAICA
 SAMIL
 Schaeffler
 Sereti
 Sharon Kotzen Racing
 Smith and Winfield
 Spoor & Fisher
 Standard Bank
 Tigerbrands
 Twala Kalahari Reserve
 Uhambiso Consult (Pty) Ltd
 Vestas
 VWSA
 Webber Wentzel
 World Focus
 Media Development and Diversity
 Agency

PUBLIC SECTOR

AIDC
 BANKSETA
 CETA
 CHIETA
 EC Education Department
 EWSETA
 FASSET
 FP&M SETA
 HWSETA
 INSETA
 JSE
 MICTSETA
 MQA
 North West University
 Office of the Premier
 Public Investment Corporation
 SA Medical Research Council
 SANEDI
 Services SETA
 TETA
 USAF
 W&RSETA

NELSON MANDELA UNIVERSITY TRUST

**Annual Financial Statements
for the year ended 31 December 2023**

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

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Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

General Information

General Information

Object of the Nelson Mandela University Trust

It is the object of the Trust to hold, control and administer an Educational Fund as contemplated in sections 10(1)(CA) and 18A (1) (c) (ii) of the Income Tax Act for the purpose and objective of enabling the University to fulfil its tradition of national service through the continued provision of high quality university education with due consideration of the needs within the community in which it exists and the needs of the broader South African society for access to tertiary education.

Registered and Postal Address

P O Box 77000
Gqeberha
6031

Trustees

The Trustees of the Nelson Mandela University Trust are:

Ambassador Nozipho January-Bardill
Ms Michelle Merle Mbaco
Dr Derrick Swartz
Prof Sibongile Muthwa
Mr Eric Ratshikhopha
Ms Zola Baba Tshetu
Mr Donald MacLean
Mr Luvuyo Mosana
Mr Joe Samuels
Ms Rene van Wyk
Adv Boitumelo Thlakung

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

Trustees' Statement of Responsibility for the Financial Statements

The financial statements of the Nelson Mandela University Trust are the responsibility of the Trustees. The Nelson Mandela University provides accounting support to the Trust, including the maintenance of accounting records.

The Trustees fulfil their responsibilities through reliance on the accounting systems and internal controls applied by the Nelson Mandela University and its staff. Such controls provide assurance that the Trust's assets are safeguarded, that transactions are executed in accordance with Trustees' authorisations, and that the financial records are reliable.

The financial statements have been prepared in accordance with International Financial Reporting Standards.

The financial statements for the year ended 31 December 2023 set out on pages 6 to 23 were approved by the Trustees on **5 June 2024** and are signed on their behalf.



Chairperson

29 June 2024



Trustee

29 June 2024

SNG Grant Thornton

Chestnut House,
Palm Square Business Park,
Bonza Bay Road,
Beacon Bay, East London
5241
T +27 (0) 43 721 1180

Independent Auditor's Report to the Trustees of the Nelson Mandela University Trust**Report on the audit of the financial statements*****Opinion***

We have audited the financial statements of Nelson Mandela University Trust set out on pages 06 to 23, which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in capital and reserves and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Nelson Mandela University Trust as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for 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 Financial Statements* section of our report. We are independent of the Trust 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 Trustees are responsible for the other information. The other information comprises the information included in the document titled "Nelson Mandela University Trust Annual Financial Statements for the year ended 31 December 2023" which includes "*Schedule 1: Distributions to Nelson Mandela University and Schedule 2: Statement of Funds for the*

year ended 31 December 2023". The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Trustees for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and the requirements of the Trust Deed, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust'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 Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Agnes Dire
SizweNtsalubaGobodo Grant Thornton Inc.
Director
Registered Auditor
14 August 2024

Building 4, Summit Place
221 Garstfontein Road,
Menlyn, 0081

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

Statement of Financial Position as at 31 December 2023

| Figures in Rand | Note (s) | 2023 | 2022 |
|--------------------------------------|-----------------|--------------------|--------------------|
| ASSETS | | | |
| Non - Current Assets | | | |
| Investments | 2 | 242 280 701 | 213 147 331 |
| Other financial assets | 4 | 22 752 002 | 12 742 114 |
| Total Non - Current Assets | | 265 032 704 | 225 889 445 |
| Current Assets | | | |
| Bank and cash balances | 3 | 1 273 745 | 6 368 643 |
| Total Current Assets | | 1 273 745 | 6 368 643 |
| Total Assets | | 266 306 449 | 232 258 088 |
| FUNDS AND LIABILITIES | | | |
| Capital and reserves | | | |
| | | 245 937 769 | 222 882 997 |
| Non Current Liabilities | | | |
| Other financial liabilities | 5 | 10 009 888 | - |
| Total non current liabilities | | 10 009 888 | - |
| Current Liabilities | | | |
| Other financial liabilities | 5 | 10 358 791 | 9 375 092 |
| Total current liabilities | | 10 358 791 | 9 375 092 |
| Total funds and liabilities | | 266 306 449 | 232 258 088 |

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

Statement of Comprehensive Income

| Figures in Rand | Note (s) | 2023 | 2022 |
|-----------------------------------------------------------|-----------------|--------------------|--------------------|
| Income | | | |
| Donations | | 105 608 973 | 97 126 498 |
| Donations in cash | | 104 096 472 | 95 630 588 |
| Donations in kind | | 1 512 502 | 1 495 910 |
| Investment income | | 6 869 168 | 6 399 387 |
| Dividends received | | 2 687 124 | 3 893 927 |
| Interest received | | 4 182 043 | 2 505 460 |
| Income before distributions and operating expenses | | 112 478 141 | 103 525 885 |
| Operating expenses | | 8 206 505 | 6 373 706 |
| Audit fees | | 52 555 | 48 012 |
| Bank charges | | 8 842 | 5 668 |
| Consultation and facilitation | | - | 2 875 |
| Interest expense | | 278 379 | 167 621 |
| Investment management fees | | 856 665 | 755 624 |
| Management fees | 6 | 7 010 063 | 5 393 906 |
| Net surplus for the year | | 104 271 636 | 97 152 179 |
| Revaluation of investments to market value at year end | | 25 109 193 | 2 735 367 |
| Total comprehensive income for the year | | 129 380 829 | 99 887 546 |

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

Statement of Changes in Capital and Reserves

| Figures in Rand | 2023 | 2022 |
|---------------------------------------------------------------------|---------------|--------------|
| Trust Capital | | |
| Balance at beginning of year | 156 300 025 | 142 345 154 |
| Surplus for the year | 104 271 636 | 97 152 179 |
| Transfer of realised profit on investments from revaluation reserve | 6 029 481 | 14 471 362 |
| Distribution to Nelson Mandela University | (106 326 057) | (97 668 670) |
| Balance at end of year | 160 275 086 | 156 300 025 |
| Revaluation reserve | | |
| Balance at beginning of year | 66 582 972 | 78 318 967 |
| Transfer of realised profit on investments to trust capital | (6 029 481) | (14 471 362) |
| Revaluation of investments to market value at year end | 25 109 193 | 2 735 367 |
| Balance at end of year | 85 662 683 | 66 582 972 |
| Capital and reserves | 245 937 769 | 222 882 997 |

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

Statement of Cash Flows for the year ended 31 December 2023

| Figures in Rand | Note (s) | 2023 | 2022 |
|--------------------------------------------------------|-----------------|--------------------|---------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 8 | 95 184 646 | 75 803 441 |
| Distribution to the Nelson Mandela University in cash | | (104 813 556) | (103 116 931) |
| Interest expense | | (278 379) | - |
| Net cash generated by operations | | (9 907 288) | (27 313 490) |
| Cash flows from investing activities | | | |
| Take up - rights | | 159 466 | - |
| Redemption of gilts | | (2 381 703) | - |
| Purchase of investments at cost | | (1 145 266) | (18 211 311) |
| Proceeds from investments | | 8 957 889 | 36 466 459 |
| Release of capital to bank | | (1 000 000) | - |
| Interest received | | 222 005 | 2 505 460 |
| Dividends received | | - | 3 893 927 |
| Net cash from investing activities | | 4 812 390 | 24 654 535 |
| Net increase / (decrease) in cash and cash equivalents | | (5 094 898) | (2 658 955) |
| Cash and cash equivalents at beginning of the year | | 6 368 643 | 9 027 598 |
| Cash and cash equivalents at end of the year | 3 | 1 273 745 | 6 368 643 |

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

Accounting Policies

1. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements of the Nelson Mandela University Trust have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention as modified by the revaluation of equity instruments under long term investments which are carried at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Trust's accounting policies.

1.2 Current versus non-current classification

The Trust presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or

The Trust classifies all other liabilities as non-current.

1.3 Fair value measurement

The Trust measures financial instruments such as investment, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Accounting Policies

1.3 Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Trust uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of investments in note 2 of the financial statements.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in note 2 of the financial statements.

1.4 Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of

1.4.1 Financial assets

Initial recognition and measurement

Financial assets, are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Nelson Mandela University Trust
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Accounting Policies

1.4 Financial instruments - initial recognition and subsequent measurement

1.4.1 Financial assets (continued)

The Trust's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Trust commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

The Trust measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Trust's financial assets at amortised cost includes other financial assets, liabilities, fixed deposits and cash on call disclosed in investments.

Financial assets at fair value through profit and loss (FVTPL)

Financial assets held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL. Further, irrespective of the business model used, financial assets whose contractual cash flows are not solely payments of principal and interest are included as long-term investments under non-current assets unless there is an intention to dispose of the investment within 12 months of the reporting date.

Mandated external investment managers carry out the investment of the Group's pool of funds, with the objective of long-term growth in the value of the investments.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Accounting Policies

1.4 Financial instruments - initial recognition and subsequent measurement

1.4.1 Financial assets (continued)

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Trust continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Trust also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Trust could be required to repay.

Impairment of financial assets

The Trust recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Trust expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For debt instruments at fair value through OCI, the Trust applies the low credit risk simplification. At every reporting date, the Trust evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Trust reassesses the internal credit rating of the debt instrument. In addition, the Trust considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

Nelson Mandela University Trust
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Accounting Policies

1.4 Financial instruments - initial recognition and subsequent measurement

1.4.1 Financial assets (continued)

The Trust's equity instruments at fair value through OCI comprise solely of quoted equity instruments that are graded in the top investment category by the Credit Rating Agency and, therefore, are considered to be low credit risk investments.

The Trust may also consider a financial asset to be in default when internal or external information indicates that the Trust is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Trust. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.4.2 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Trust's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Trust. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Nelson Mandela University Trust
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Accounting Policies

1.4 Financial instruments - initial recognition and subsequent measurement

1.4.2 Financial liabilities (continued)

1.5 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.6 Foreign currencies

Significant foreign currency transactions are accounted for at the exchange rates prevailing on the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss in the year in which they arise. Such balances are translated at year-end exchange rates.

1.7 Income

Income primarily comprises of donations received and investment income and is measured at the fair value of the consideration received or receivable. The Trust recognises Income when the amount of Income can be reliably measured and when a right to receive funds is established, as described below

Donations are recognised either upon receipt or when the right to receive funds is established.

Donations in kind are recognised at the fair value of the goods or services received.

Interest is recognised using the effective interest method.

Dividends are recognised when the right to receive payment is established.

Interest, dividends and other income on assets representing endowment and Trust funds are credited directly to the respective funds and are transferred to income only when legal and other conditions relating to the respective funds are satisfied.

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

Notes to the Annual Financial Statements

| Figures in Rand | 2023 | 2022 |
|---------------------------------------------|--------------------|--------------------|
| 2. Investments | | |
| At cost: | | |
| Listed shares | 60 324 272 | 59 351 749 |
| International assets swaps | 34 100 161 | 34 100 161 |
| Gilts and bonds | 25 960 997 | 26 248 936 |
| Fixed deposits | 23 075 055 | 13 935 574 |
| Unit Trust | 13 156 983 | 12 927 390 |
| | <u>156 617 469</u> | <u>146 563 811</u> |
| At market value: | | |
| Listed shares | 81 683 061 | 78 132 627 |
| International assets swaps | 90 317 533 | 74 324 566 |
| Gilts and bonds | 26 654 128 | 27 630 675 |
| Fixed deposits | 23 075 055 | 13 935 574 |
| Unit Trust | 20 550 924 | 19 123 889 |
| | <u>242 280 701</u> | <u>213 147 331</u> |
| Balance as at 1 January | 213 147 331 | 227 284 469 |
| Purchases of Investments | 1 145 266 | 18 211 311 |
| Disposed investments at cost | (9 118 090) | (36 466 459) |
| Other movements* | 11 997 000 | 1 382 643 |
| Fair value gains/(losses) recognised in OCI | 25 109 193 | 2 735 367 |
| Balance as at 31 December | <u>242 280 701</u> | <u>213 147 331</u> |

Other movements* relate to interest and dividends capitalized and transfers in/out.

These investments comprise a managed portfolio owned by the Nelson Mandela University Trust with a fair value of R242 280 701 (2022 : R213 147 331).

With the exception of the international asset swaps held by the Trust, all the investments of the Trust are Rand dominated. The international asset swaps are denominated in US dollars and British pounds.

IFRS 7 requires disclosure of fair value measurements by level in terms of the following hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (LEVEL 1).
- Inputs for fair value measurements, other than quoted prices, that are observable from the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (LEVEL 2).
- Inputs, for fair value measurements from the asset or liability that are not based on observable market data (that is, unobservable inputs) (LEVEL 3).

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

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2. Investments (continued)

The following table presents the Trust's assets that are measured at fair value:

2023

Assets

| | Level 1 | Level 2 | |
|----------------------------------|--------------------|--------------------|--------------------|
| Fair value through profit & loss | | | |
| - Listed shares | 81 683 061 | - | 81 683 061 |
| - International assets swaps | - | 90 317 533 | 90 317 533 |
| - Gilts and bonds | - | 26 654 128 | 26 654 128 |
| - Unit Trust | 20 550 924 | - | 20 550 924 |
| Total | 102 233 985 | 116 971 661 | 219 205 646 |
| Amortised cost | | | |
| - Fixed deposits | 23 075 055 | - | 23 075 055 |
| Total | 23 075 055 | - | 23 075 055 |
| Total assets | 125 309 040 | 116 971 661 | 242 280 701 |

2022

Assets

| | Level 1 | Level 2 | |
|----------------------------------|--------------------|--------------------|--------------------|
| Fair value through profit & loss | | | |
| - Listed shares | 78 132 627 | - | 78 132 627 |
| - International assets swaps | - | 74 324 566 | 74 324 566 |
| - Gilts and bonds | - | 27 630 675 | 27 630 675 |
| - Unit Trust | 19 123 889 | - | 19 123 889 |
| Total | 97 256 516 | 101 955 241 | 199 211 757 |
| Amortised cost | | | |
| - Fixed deposits | 13 935 574 | - | 13 935 574 |
| Total | 13 935 574 | - | 13 935 574 |
| Total assets | 111 192 090 | 101 955 241 | 213 147 331 |

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2. Investments (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing services, or regulatory agency, and those prices represent actual and regularly occurring market transactions made at arm's length. The quoted market price used for financial assets held by the Trust is the current bid price at year end. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of investments disclosed under level 2 is determined by portfolio managers based on current market indicators.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

3. Bank and cash balances

| | 2023 R | 2022 R |
|---------------------------------------|------------------|------------------|
| Cash at bank at amortised cost | <u>1 273 745</u> | <u>6 368 643</u> |

For the purposes of the cash flow statement, the year-end cash and cash equivalents comprise the following:

| | | |
|---------------|------------------|------------------|
| Bank balances | <u>1 273 745</u> | <u>6 368 643</u> |
|---------------|------------------|------------------|

The credit quality of these institutions are as follows:

| | 2023 R | 2022 R | |
|------------------------------|------------------|------------------|------------------------------|
| AA+(zaf)(Standard and Poors) | 699 856 | 1 630 075 | AA+(zaf)(Standard and Poors) |
| AA+(zaf)(Standard and Poors) | <u>573 889</u> | <u>4 738 568</u> | AA+(zaf)(Standard and Poors) |
| | <u>1 273 745</u> | <u>6 368 643</u> | |

4. Other financial assets

| | 2023 R | 2022 R |
|---------------------------------------------------------------|-------------------|-------------------|
| Nelson Mandela University Investment Company (Pty) Ltd | <u>22 752 002</u> | <u>12 742 114</u> |

This loan is interest free, unsecured and no repayment terms have been negotiated.

The fair value of the current asset equals the carrying amount, as the impact of discounting is not significant.

| | | |
|----------------------|---------|-------------------------------------|
| Assets at fair value | | |
| Non current asset | Level 2 | <u>22 752 002</u> <u>12 742 114</u> |

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5. Other financial liabilities

| | 2023 | 2022 |
|----------------------------------|-------------|-------------|
| | R | R |
| Nelson Mandela University | 10 358 791 | 9 375 092 |

These are amounts received by the Nelson Mandela University Trust on behalf of the Nelson Mandela University, and not yet distributed to the Nelson Mandela University. The amount gets repaid partly every month, depending on the availability of funds in the Absa bank account.

The fair value of the current liability equals the carrying amount, as the impact of discounting is not significant.

| | | |
|---------------------------------------------------------------|------------|---|
| Nelson Mandela University | 10 009 888 | - |
| This loan is interest free, unsecured and no repayment terms. | | |

| | | |
|-----------------------|-------------------|------------------|
| Current liability | 10 358 791 | 9 375 092 |
| Non current liability | 10 009 888 | - |
| | <u>20 368 680</u> | <u>9 375 092</u> |

6. Management fees

| | 2023 | 2022 |
|--------------------------------------------------------------------------------------------|------------------|------------------|
| | R | R |
| Management fees paid for the Strategic Resource and Mobilisation Advancement (SRMA) office | 6 631 285 | 5 038 250 |
| Management fees paid to Nelson Mandela University Finance | 378 778 | 355 656 |
| | <u>7 010 063</u> | <u>5 393 906</u> |

7. Commitments

The Trust has no commitments as at year end

8. Cash generated from operations

| | 2023 | 2022 |
|----------------------------------------------------|-------------------|-------------------|
| | R | R |
| Net surplus for the year before distributions | 129 380 829 | 97 152 179 |
| Adjustments: | | |
| - revaluation | (25 109 193) | - |
| - donations in kind | (1 512 502) | (1 495 910) |
| - interest expense | 278 379 | 167 621 |
| - management fee | - | 5 393 906 |
| - interest income | (4 182 043) | (2 505 460) |
| - dividends received | (2 687 124) | (3 893 927) |
| Changes in working capital | | |
| Increase/(Decrease) in other financial liabilities | (983 699) | (15 064 576) |
| Increase in other financial assets | - | (3 950 392) |
| | <u>95 184 646</u> | <u>75 803 441</u> |

Nelson Mandela University Trust
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9. Financial instruments by category

| | Category | 2023 R | 2022 R |
|-----------------------------|----------------------------------|--------------------|--------------------|
| Assets | | | |
| Investments | Fair value through Profit & Loss | 219 205 646 | 199 211 757 |
| Investments | Amortised cost | 23 075 055 | 13 935 574 |
| Bank and cash balances | Amortised cost | 1 273 745 | 6 368 643 |
| Other financial assets | Fair value through Profit & Loss | 22 752 002 | 12 742 114 |
| | | <u>266 306 449</u> | <u>232 258 088</u> |
| Liabilities | | | |
| Other financial liabilities | Amortised cost | 20 368 680 | 9 375 092 |

10. Financial risk management

10.1 Financial risk factors

The Trust's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Trust's overall risk management processes focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Trust's financial performance.

The Trust's formal risk management policies and procedures are set out in the Report on Risk Exposure Assessment and Management which is prepared annually by the Vice-Chancellor and the Chairperson of the Audit and Risk Committee, for inclusion in the Annual Report to the Minister of Education.

Day to day risk management is the responsibility of all the management and staff of the Trust and is achieved through compliance with the documented policies and procedures of the Trust.

All such policies and procedures are approved by Council or an appropriately mandated sub-committee of Council.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from transactions which are denominated in a currency which is not the Trust's functional currency. The Trust has no significant foreign exchange exposure and therefore no formal policy is in place to manage foreign currency risk. The only area where the Trust is exposed to foreign exchange risk at the reporting date is in respect of the non-current investments held by the NMU Trust which include international asset swaps which are exposed to the US dollar and UK pound. The impact of a 5% increase/decrease in exchange rates with all other variables held constant on the valuation of the international asset swaps at reporting date would be R4,516 million (2022: R3,716 million).

(ii) Price risk

The Trust is exposed to equity securities price risk because of investments which are held by the Trust, and classified as available-for-sale investments. The Trust is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Trust diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Board of Trustees of the Nelson Mandela University Trust.

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10. Financial risk management (continued)

At 31 December 2023, if the FTSE/JSE CAPI index increased/decreased by 10%, with all other variables held constant, and all the Trust's equity instruments moved according to the historical correlation with the index, the market value of the listed equities would have been R8.168 million (2022: R7.813million) higher/lower. Due to the unpredictability of equity market returns, a general indicative percentage of 10% is used to highlight the changes in market value on equity investments.

(iii) Interest rate risk

The Trust is exposed to interest rate risk due to its financial assets bearing variable interest rates. Interest rate risk is managed by ensuring that the Trust's assets are invested in accounts which earn the best possible interest rates. The impact of a 1% increase/decrease in the interest rate with all other variables held constant on the comprehensive income of the Trust would be a R267 321 (2022: R236 712) increase/decrease.

(b) Interest rate risk

Potential concentrations of credit risk consist mainly of short-term cash, cash equivalent investments and other receivables. The Trust places its cash and cash equivalents with reputable financial institutions. Refer to note 2 for disclosure of the credit risk.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability through an adequate amount of committed credit facilities and the ability to close out market positions. Council, through the Finance Committee, and management of the Trust monitor the Trust's liquidity on an ongoing basis, and excess cash is invested in accordance with the Investment Policy of the Trust.

(d) Capital risk management

The capital of the Trust consists of its accumulated funds. The Trust's objectives when managing its capital are to safeguard the ability of the Trust to continue as a going concern and meet its stated objectives (as defined on page 1). This objective is met through careful consideration by the Trustees each year of both the critical strategic objectives of this Trust and the Nelson Mandela University.

11. Related party transactions

The only beneficiary of the Trust is the Nelson Mandela University. The Trust makes distributions and allocations to the University and its Council for specific projects and programmes.

The Nelson Mandela University loan accounts has accrued interest and has no fixed terms of repayment. It is therefore considered repayable on demand. Refer to note 5 for the disclosure of the balance and the terms and conditions.

Nelson Mandela University Trust
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Figures in Rand

11. Related party transactions (continued)

The Nelson Mandela University Trust is the sole shareholder of the Nelson Mandela University Investment Company (Pty) Ltd. Refer to note 4 for the disclosure of balance and the terms and conditions.

Disclosure of related party transactions

| | 2023 | 2022 |
|---------------------------------------------------|-------------|-------------|
| | R | R |
| Interest paid to Nelson Mandela University | 278 379 | 167 621 |
| Management fees paid to Nelson Mandela University | 7 010 063 | 5 393 906 |
| Distributions made to Nelson Mandela University | 106 326 057 | 97 668 670 |

12. Consolidation

The Nelson Mandela University Investment Company (Pty) Ltd is wholly owned by the Trust. Nelson Mandela University, which is the sole beneficiary of the Trust, prepares consolidated financial statements, therefore the Trust opted to exercise the IFRS10:4(a) exemption, and not prepare consolidated financial statements.

13. Events after the reporting period

The Trustees are not aware of any matter or circumstances arising since the end of the financial year, which require adjustment or disclosure in these financial statements.

Nelson Mandela University Trust
Annual Financial Statements for the year ended 31 December 2023

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14. Interest in Other Entities

| Entity | Relationship | Ownership held by the University | Financial Results | Principle Activities |
|--------------------------------------------------------|-------------------------------------------------------------|----------------------------------|-------------------|--------------------------------------------------------------------|
| Nelson Mandela University Investment Company (Pty) Ltd | The Nelson Mandela University Trust is the sole shareholder | 100% | 14.1. | Investment Holding company, with interests in Property Development |

14.1. Nelson Mandela University Investment Company (Pty) Ltd

Statement of Financial Position as at 31 December 2023

| Figures in Rand | 2023 | 2022 |
|-------------------------------------|---------------------|---------------------|
| Total Assets | 5 828 929 | 182 842 |
| Total Equity | (17 115 243) | (12 602 687) |
| Total Liabilities | 22 944 172 | 12 785 529 |
| Total Equity and Liabilities | 5 828 929 | 182 842 |

Statement of Comprehensive Income

| Figures in Rand | 2023 | 2022 |
|-------------------|-----------|-----------|
| Loss for the year | 4 512 556 | 3 730 250 |

15. Going concern

The 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 ability of the trust to continue as a going concern is dependent on a number of factors. The most significant of these is that the trustees continue to procure funding for the ongoing operations.

Nelson Mandela University Trust

Schedule 1 - Distributions to Nelson Mandela University

| Figures in Rand | 2023 | 2022 |
|---------------------------------------------------------------------------------------------|-------------|------------|
| Allocations to Nelson Mandela University Council from Nelson Mandela University Trust Funds | | |
| Disbursements to Nelson Mandela University Council | - | 2 913 889 |
| Contribution to Paleoscience | - | 2 913 889 |
| Donations from external sources distributed to Nelson Mandela University | 106 326 057 | 94 754 781 |
| Donations in cash | 104 813 556 | 93 258 871 |
| Donations in kind | 1 512 502 | 1 495 910 |
| | 106 326 057 | 97 668 670 |

Nelson Mandela University Trust

Schedule 2 - Statement of Funds for the year ended 31 December 2023

Figures in Rand

| | General | Student Trust | Trust Capital Campaign | Legacy | Chancellors Fund | Unencumbered Donations | Profit on Share Market | Mandela Giving | Total |
|------------------------------|------------|---------------|------------------------------|---------|---------------------|---------------------------|---------------------------|-------------------|-------------|
| | R | R | R | R | R | R | | | R |
| Balance at beginning of year | 99 157 076 | 6 816 647 | 6 969 309 | 103 761 | 300 000 | 7 947 273 | 35 369 735 | 1 200 | 156 665 002 |
| Surplus / (deficit) | (662 235) | (1 668 037) | - | - | - | 1 914 738 | 5 679 500 | (301 550) | 4 962 416 |
| Balance at end of year | 98 494 841 | 5 148 611 | 6 969 309 | 103 761 | 300 000 | 9 862 011 | 41 049 235 | (300 350) | 161 627 419 |

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