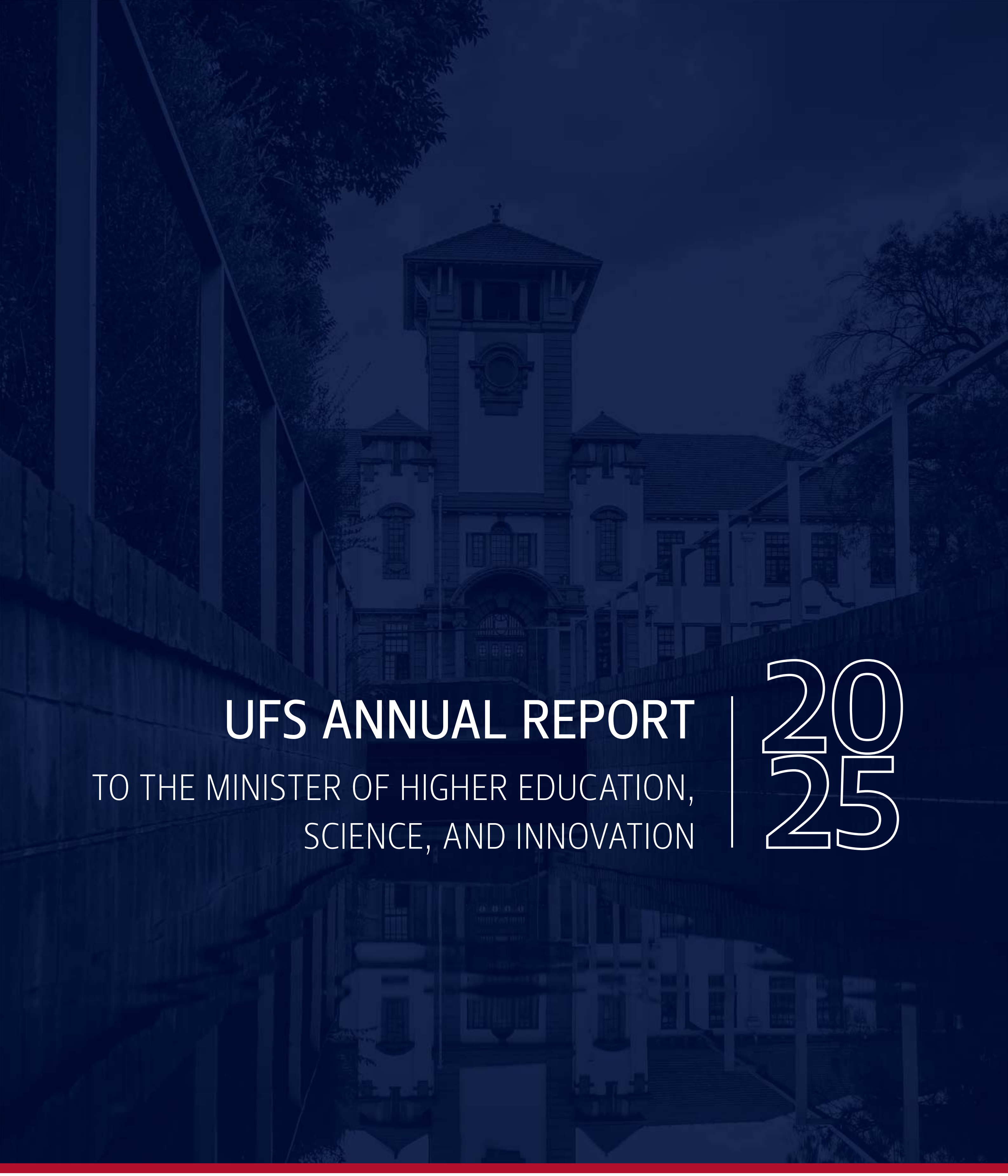


UFS ANNUAL REPORT 2025

TO THE MINISTER OF HIGHER EDUCATION, SCIENCE, AND INNOVATION

Inspiring excellence, transforming lives through quality, impact, and care.

UNIVERSITY OF THE
FREE STATE
UNIVERSITEIT VAN DIE
VRYSTAAT
YUNIVESITHI YA
FREISTATA


UNIVERSITY OF THE FREE STATE
UNIVERSITEIT VAN DIE VRYSTAAT
YUNIVESITHI YA FREISTATA

UFS ANNUAL REPORT

TO THE MINISTER OF HIGHER EDUCATION, SCIENCE, AND INNOVATION

2025

UNIVERSITY OF THE
FREE STATE
UNIVERSITEIT VAN DIE
VRYSTAAT
YUNIVESITHI YA
FREISTATA

Contents

Table of Figures

Table of Tables

1 PREFACE

1. PREFACE

1.1 Report from the Council Chair

The year 2025 marked the third year of Vision 130, our long-term strategic commitment to becoming a research-led, student-centred, and regionally engaged university of choice by 2034, as well as the third year of the 2023-2028 Strategic Plan, aptly themed Renewal and Reimagination for Greater Impact.

From a governance and oversight perspective, the Council fulfilled its mandate with diligence and purpose during 2025. Guided by the principles of the King IV Report on Corporate Governance – including discipline, transparency, independence, accountability, responsibility, fairness, and social responsibility – Council has sought at all times to uphold the integrity of the institution and to act in the best interests of all its stakeholders.

Council Activities and Governance

The UFS Council convened five times during 2025, including one special meeting. Across these sittings, Council addressed a wide and substantive range of matters in fulfilment of its fiduciary and strategic responsibilities as defined by the Higher Education Act (Act 101 of 1997, as amended). Among the most significant decisions of the year was the formal approval of the 2026 Council-controlled Budget and the 2027-2029 Council-controlled Budget, as well as the Capital and Deferred Maintenance Budget. The Consolidated Financial Statements for the year ended 31 December 2024 were approved, and the 2024 UFS Annual Report was submitted to the Department of Higher Education and Training (DHET). The Student Enrolment and Efficiency Plan for 2026-2030 was approved and submitted to DHET. The 2026 Council-controlled Budget, as well as the revised Institutional Strategic Plan (version 3.5), was approved and submitted to the DHET. The 2025 Mid-year Performance Report was also approved for submission.

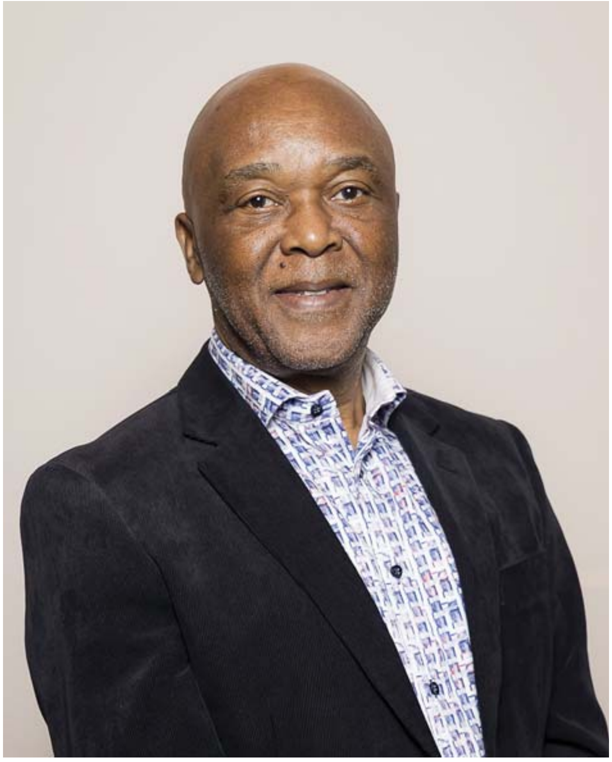
Council oversaw a comprehensive review of institutional policy frameworks and committee structures, including the approval of amendments to the Policy on Council-delegated Authority, the Records Management Policy, the Information Classification and Protection of Personal Information Policy, and the Policy Development and Review Framework. The reconfiguration of the Executive Management Committee and the University Management Committee was approved, following a well-considered process of institutional review.

Council was particularly pleased to commend the Vice-Chancellor and Principal, Prof Hester C. Klopper, on the launch of the VC-ISRC Imbewu Legacy Fund – a student support initiative established to address financial barriers to education – announced at the Vice-Chancellor and Principal's installation on 9 June 2025. Council also welcomed the appointment of a new Deputy Vice-Chancellor and approved several key senior leadership appointments made during the year. I was honoured to be reappointed for a second and final term as Chairperson of the UFS Council, commencing on 1 October 2025, and Ms Tirelo Sibisi was reappointed as Vice-Chairperson with effect from 26 November 2025.

Institutional Reputation and Strategic Positioning

Stakeholder perceptions of the UFS as an institution of choice were tracked at 60%, against a target of 62% – an area that will receive continued attention in the years ahead. Externally, the UFS maintained its status as a Level 4 B-BBEE contributor with a procurement recognition level of 100%. The B-BBEE generic scorecard improved from 81.40 in 2024 to 83.11 in 2025, with gains across all elements of the scorecard. This reflects the university's sustained commitment to transformation as an institutional value, not merely a compliance requirement.

In terms of academic reputation, the university exceeded its target for the share of total income directed to research (5,77% against a target of 4,5%), and 52,8% of scholarly outputs were produced with international co-authors



Mr David Noko, Council Chair

– above the 48% target. These indicators are important signals of the UFS' growing research standing regionally and globally.

The year also saw a significant milestone in student democratic governance: the UFS became the first university in South Africa to implement real-time election results in Student Representative Council elections, a development that attracted national attention and affirmed the institution's commitment to transparent, credible democratic processes.

Oversight of Transformation

Council continued to exercise its oversight responsibility over the university's transformation agenda. The Council considered and approved the Statement of Council on Transformation, which reflects sustained improvements in the institution's employment equity profile, skills development investment, and management diversity. The Institutional Forum played an active advisory role in senior appointment processes during the year, contributing to the appointments of the Dean of Health Sciences, the Deputy Vice-Chancellor: People and Operations, the Deputy Vice-Chancellor: Strategic Initiatives, International and Institutional Affairs, and the Executive Director: Advancement.

The proportion of the professoriate who are women reached 37,9% in 2025, against a target of 37%, and the share of black professors increased to 32%, approaching the 33% target. Council also reflected on the student protest action that occurred between 6 and 15 October 2025 and considered the governance and safety implications thereof. The Student Safety and Collaboration Forum and existing security protocols were reaffirmed as important mechanisms for maintaining the safety and well-being of community members on all three of our campuses.

Risk Management and Financial Oversight

The Audit, Risk and IT Governance Committee (ARIC), chaired by Mr David Abbey, met four times during 2025 and fulfilled its mandate in accordance with its approved remit. The ARIC oversaw the external audit plan, reviewed the 2024 consolidated financial statements, considered the Internal Audit Annual Report, and monitored the Institutional Risk Register. The institutional risks approved by Council for 2026 encompass areas including research funding competitiveness, cybersecurity, enrolment sustainability, student debtor management, and dependency on government subsidy income.

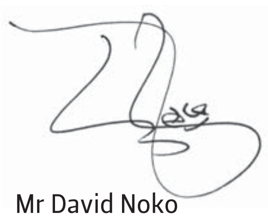
> As this institution approaches the halfway point of the 2023-2028 Strategic Plan, Council is confident in the strategic direction set by Vision 130.

An internal audit assessed the university's internal control systems and concluded that they met the criteria for effective internal control over financial reporting and asset safeguarding. Opportunities for improvement were identified in policy compliance, oversight mechanisms, IT and data-driven controls, and the timely implementation of management action plans – areas that management has been directed to address. On financial sustainability, the Council noted the risk associated with potential declining subsidy income and the institution's dependency on government funding. A Financial Sustainability Workgroup was established, and a five-year Enrolment and Efficiency Plan was developed and submitted to DHET. Council approved a comprehensive debt management strategy and continued to monitor NSFAS-related funding flows and student debtor levels.

Looking Forward

As this institution approaches the halfway point of the 2023-2028 Strategic Plan, Council is confident in the strategic direction set by Vision 130, and in the capacity of the institution to realise its ambitions. The appointment of Prof HC. Klopper as Vice-Chancellor and Principal has brought renewed energy and focus, and Council looks forward to the continued implementation of the research thematic hubs, the strengthening of postgraduate provision, and the deepening of the institution's societal impact.

I extend my appreciation to my fellow Council members whose diverse expertise and unwavering commitment to this institution remain its strongest governance asset, to the Vice-Chancellor and Principal, and to the management team and staff of the UFS. It remains a privilege to serve this institution as it continues its journey towards realising Vision 130 and its ambition to be a university that impactfully supports societal development.



Mr David Noko
Council Chairperson

1.2 Report from the Vice-Chancellor and Principal

This has been a year characterised by firsts, transitions, and consolidations. I commenced my tenure as Vice-Chancellor and Principal on 1 February 2025, inheriting an institution in good stead but confronted with the immediate realities of a constrained higher education funding environment, persistent affordability pressures affecting student enrolments, and the imperative to accelerate our research ambitions. These realities have sharpened our focus on what matters most: our people, the Academic Project, and the long-term sustainability of our institution. During 2025, these priorities ultimately crystallised into our vision of meaningfully contributing towards creating responsible societal futures.

Enrolments and Student Profile

The preliminary 2025 enrolment data reflected a mixed performance against our institutional targets. The total headcount stood at 40 204 students, missing the target of 42 526 students by 2 322. Within this picture, however, there were genuine reasons for confidence. First-time entering undergraduate (FTEN) enrolments exceeded the target, with 8 408 students registered against a planned 8 100 – demonstrating strong recruitment and admissions conversion. The shortfall in total enrolments was primarily attributable to lower returning undergraduate numbers, driven by affordability constraints, NSFAS funding delays, and academic exclusions affecting re-registration patterns.

The growth in postgraduate enrolments was a highlight of 2025. At 7 031 students, postgraduate enrolments continued a multiyear upward trajectory, and the university achieved its Annual Performance Plan target for postgraduate enrolments as a share of total enrolments at 17,5% – exceeding the 17% target. This was consistent with the Vision 130 aspiration to shift our student profile towards 30% postgraduate enrolments by 2034. Doctoral enrolments also showed growth, reaching 1 181 in 2025.

Academic Staffing and Quality

The university performed strongly across key academic staffing indicators. The share of permanent academic staff with doctorates reached 65,7% in 2025 – well above the 60% target and a positive indicator of progress towards the Vision 130 aspiration of 75% doctoral qualification among academic staff by 2034. The proportion of first-time entering undergraduate students with an admission point score (APS) of 35 and above rose substantially to 37,4%. In view of the targeted 24%, this is an encouraging sign of improved student quality at entry level. Academic leadership strengthened in 2025, with 61,9% of department heads holding associate or full professor rank against a target of 59%. New academic staff stability has also improved, with only 7,6% of newly appointed academics leaving within three years of appointment – better than the 9% ceiling established in our Annual Performance Plan.

Research and Innovation

A landmark development in 2025 was the consolidation of our institutional research agenda into four clearly defined themes: Sustainable Futures, Systems for Societal Development, Planetary Health and Well-being, and Flourishing Life. These themes were approved by the university's Executive Management Committee in June 2025, following extensive consultation with senior academics across all faculties. The full impact of these thematic hubs on research outputs and collaborative activity will materialise over the medium term. Between 2023 and 2025, the university made steady progress in moving from the design to the implementation of a new modality for resourcing the research enterprise. Building on the design work undertaken in 2023 and 2024, the university focused on embedding the revised resourcing model across core research support structures in 2025 and aligning thematic research priorities with institutional and national development agendas.

A five-year institutional commitment of R19 million per annum for UFS research chairs was affirmed, and a Central Analytical Facility was put into place to optimise the management and utilisation of high-end research infrastructure. Third-stream income targets were introduced in 2025, and monitoring systems were developed at faculty and departmental level.

Prof Hester C. Klopper,
Vice-Chancellor and Principal

Learning and Teaching

The UFS Learning and Teaching Strategy 2025-2030 was developed through a comprehensive consultative process and approved by Senate in March 2025. This strategy sets out our intent to deepen the digitalisation of learning and teaching, enhance curriculum relevance, and strengthen the blended learning environment. Our goal is the substantial transformation and realignment required to accommodate the changing realities and needs of a high-performance 21st-Century African university that is globally, nationally, and continentally relevant.

An Artificial Intelligence Position Statement was approved as a foundational guiding document for the UFS, setting out principles for the responsible integration of AI in teaching, learning, and research. The fully online application and registration system was substantially improved through collaborative work across institutional units, and the 2026 Registration Plan was finalised and tested.

Engaged Scholarship

The UFS recognises the importance of engagement and involvement of identified stakeholders to ensure that their voices are incorporated into the research process and output. A strong emphasis on inter-, multi-, and trans-disciplinarity continued in 2025. The ultimate aim is to encourage and support scholars from different disciplines and communities to work together in a spirit of cooperation and integration, mobilising their respective knowledge for the benefit of communities and society.

Institutional Culture and Student Experience

The Division of Student Affairs continued to provide rich and holistic student experience programmes across all three campuses. Career Services facilitated 585 graduate placements and approximately 13 000 students engaged with career development resources through the Career Hub. The UFS ACCESS Volunteer Programme expanded to 1 300 participants. On the sports field, the UFS was crowned Varsity Football champions, and the netball team were runners-up in Varsity Netball in 2025.

A strong indication of the success of our various health and well-being initiatives was achieving Platinum Status in the FISU Healthy Campus Programme on our first attempt following affiliation, positioning the UFS among a select group of global institutions recognised for excellence in promoting physical activity, mental health, healthy nutrition, sustainability, and social responsibility. This milestone underscored our integrated approach, one that values performance, well-being, and community impact. It also affirmed KovsieSport's role as a catalyst for a healthier, more active university community.

A strong indication of the success of our various health and well-being initiatives was achieving Platinum Status in the FISU Healthy Campus Programme.

The Health and Wellness Centre completed its first full year following the merger of Student Counselling and Development and Kovsie Health Services. The centre provided 5 375 psychological counselling sessions and 1 164 social work sessions to students during 2025. The total South African Depression and Anxiety Group (SADAG) screenings reached 6 172, reflecting the high demand for mental health services and the importance of proactive, preventative student wellness support.

Operational Efficiency and Digital Transformation

The University Management Committee (UMC) met 11 times during 2025 and oversaw a broad range of operational and policy matters, including the reconfiguration of the Executive Management Committee and the UMC itself, the approval of the 2026 Registration Plan, and significant progress on the Academic Administration System Renewal Project. Key ICT investments were made, including the installation of 113 Aruba wireless access points, upgrades to 22 audio-visual venues across the three campuses, expansion of high-performance computing capacity, and the deployment of robust cybersecurity infrastructure.

Looking Ahead

As we advance through the 2023-2028 Strategic Plan, I am encouraged by the institutional momentum that has been built. Vision 130 provides a coherent and compelling strategic direction, and the quality of our staff, students, and governance structures gives me confidence in our capacity to realise it.

My sincere appreciation to the University Council under the chairmanship of Mr David Noko, to our very capable university management team, and to every staff member and student across our three campuses who has contributed to the valuable work of this institution during 2025.

Prof Hester C. Klopper
Vice-Chancellor and Principal


ADMINISTRATION

Students and Staff at the UFS: An Overview

STUDENTS: Enrolments						
			2022	2023	2024	2025
UG/PG	UG		34 598	33 003	32 972	33 010
	PG		5 868	6 189	6 705	7 031
	Occasional		205	150	286	163
	Total		40 671	39 342	39 963	40 204
	UG	First-time entering undergraduates	9 050	8 360	8 054	8 408
		Total UG	34 598	33 003	32 972	33 010
	PG	PGDip	1 181	1 298	1 539	1 572
		Honours	1 479	1 509	1 571	1 637
		Master's	2 187	2 312	2 491	2 641
		Doctoral	1 021	1 070	1 104	1 181
		Total PG	5 868	6 189	6 705	7 031
	Occasional	Total occasional	205	150	286	163
	Total		40 671	39 342	39 963	40 204
Major Field of Study	Science, Engineering, Technology		8 761	9 188	9 830	10 539
	Business/management		6 685	6 565	7 715	8 176
	Education		10 725	9 282	9 270	8 656
	Other humanities		14 500	14 307	13 148	12 833
	Total		40 671	39 342	39 963	40 204
Enrolments Demographics						
Race	African		34 259	33 548	34 542	35 072
	Coloured		1 809	1 675	1 616	1 573
	Asian		355	367	346	375
	White		4 080	3 586	3 232	3 162
	No information		152	166	227	17
	Other		16	-	-	5
	Total		40 671	39 342	39 963	40 204
Gender	Female		25 683	24 970	25 367	25 508
	Male		14 982	14 239	14 438	14 635
	Other		6	133	158	61
	Total		40 671	39 342	39 963	40 204
First-time Undergraduates						
Race	African		8 033	7 508	7 275	7 649
	Coloured		320	313	298	260
	Asian		45	51	42	39
	White		546	451	415	457
	No information		29	37	24	3
	Other		1	-	-	-
	Total		8 974	8 360	8 054	8 408
Gender	Female		5 740	5 309	5 035	5215
	Male		3 231	3 051	3 018	3193
	Other		3	0	1	-
	Total		8 974	8 360	8 054	8 408

Graduates						
			2022	2023	2024	2025
UG/PG	UG		7 663	6 547	6 453	6 778
	PG		2 352	2 594	2 784	2 365
	Total		10 015	9 141	9 237	9 143
Qualification Types	UG	UG	7 663	6 547	6 453	6 778
	PG	PGDip	636	741	865	875
		Honours	999	1 047	1 110	1 210
		Master's	554	617	650	181
		Doctoral	163	189	159	99
		Total PG	2 352	2 594	2 784	2 365
	Total		10 015	9 141	9 237	9143
Graduate Demographics						
Race	African		8 022	7 327	7 698	7 837
	Coloured		456	418	415	366
	Asian		91	117	101	95
	White		1 393	1 231	1 023	834
	Other		53	48	0	11
	Total		10 015	9 141	9 237	9 143
Gender	Female		6 666	6 045	6 236	6 186
	Male		3 349	3 093	2 989	2 941
	Other		0	3	12	16
	Total		10 018	9 141	9 237	9 143

STAFF: All Permanent Staff vs. Permanent Instructional Research Staff									
		2022		2023		2024		2025	
		All[1]	Instr.[2] Res	All	Instr. Res	All	Instr. Res	All	Instr. Res
Rank	Professor	82	77	79	72	97	73	88	83
	Associate professor	93	92	113	113	117	117	124	123
	Senior lecturer	213	212	223	221	204	201	229	228
	Lecturer	448	434	414	413	395	394	451	440
	Junior lecturer	52	48	49	47	31	29	27	23
	Below junior lecturer	70	19	67	24	68	26	58	14
	Other instructional research professionals			1	0	0	0	1	3
	Other than instructional research professionals	1 814		2 284		2 318		2 205	-
	Total	2 772	882	3 230	890	3 212	840	3 183	914
Gender		All	Instr. Res	All	Instr. Res	All	Instr. Res	All	Instr. Res
	Female	1 598	458	1 926	462	1 938	448	879	486
	Male	1 174	424	1 304	428	1 274	392	604	428
	Total	2 772	882	3 230	890	3 212	840	1 483	914
Race		All	Instr. Res	All	Instr. Res	All	Instr. Res	All	Instr. Res
	African	1 429	310	1 894	308	1 924	293	655	355
	Coloured	42	20	276	48	280	44	112	51
	Indian	264	49	44	19	44	20	31	24
	White	1 037	503	1 016	515	964	483	685	484
	Total	2 772	882	3 230	890	3 212	840	1 483	914

1. All Permanent Staff
2. Permanent Instructional Research Staff

The student and staff headcount summary above shows that, in relation to student headcount trajectory, the preliminary 2025 enrolment data (extracted at the end of February 2026) reflects a mixed performance against institutional targets. The university exceeded its first-time entering undergraduate (FTEN) target, enrolling 8 408 students against the planned 8 100, demonstrating strong recruitment and admission conversion. However, total undergraduate enrolments were 2 223 students below target, driven mainly by fewer returning senior undergraduates. This shortfall is likely associated with affordability constraints, NSFAS-related funding delays, and academic exclusions, all of which continue to influence re-registration patterns.

Postgraduate enrolments were only marginally below target, with 7 031 students registered against a planned 7 203, sustaining the institution's multiyear growth trajectory in postgraduate studies. These outcomes produced a total headcount of 40 204, falling short of the target of 42 526 students by 2 322. Despite this, the university continues to show resilience in key growth areas – particularly in FTEN recruitment and the strengthening of the postgraduate pipeline. Notably, the university exceeded its Annual Performance Plan target for postgraduate enrolments as a share of total enrolments, achieving 17,5% against the planned 17%.

Graduate output for 2025 stood at 9 143 completions against a target of 11 007. However, this figure is expected to increase substantially, as graduate capturing remains open until the end of March and formal graduation ceremonies take place in April. Historically, significant additions to graduate counts occur during this period, meaning that the final audited total will more accurately reflect institutional performance. Overall, while the university has achieved or came close to targets in several strategic entry points, the shortfall in returning undergraduates and the preliminary graduate count highlight key areas requiring continued focus and intervention.

In relation to staff indicators, the university performed strongly in academic staffing indicators: the share of permanent academic staff with PhDs reached 65,7%, comfortably above the 60% target, and the proportion of first-time entering undergraduate students with an APS score of 35 and above increased to 37,4%, significantly higher than the planned 24%. Improvements were also observed in academic leadership, where 61,9% of department heads are now associate or full professors (target: 59%), and in the stability of new academic staff, with only 7,6% leaving within three years – better than the 9% ceiling.

Key Performance Indicators in 2025

Red	The UFS underachieved the target, either above or below the set target. This category poses a material risk to the institution.
Orange	The UFS partially achieved the target, either above or below the set target, usually due to factors not within the full control of the university. The target is realised through a number of interrelated processes and does not pose a material risk to the university.
Green	The UFS achieved the target. This category poses no material risk to the institution.

Explanatory footnotes clarify how each key performance indicator is calculated.

Goal	Objective	Key Performance Indicator	2024 Performance	2025 Targets	2025 Performance	Comment
1. To improve our academic excellence, reputation, and impact.	1.1 Placing increased emphasis on research that advances societal and knowledge impact	1.1.1 Share of total income from all sources that is directed to research[3]	N/A	4,50%	5,77%	Achieved
		1.1.2 Three-year citation rate in selected SDGs[4]	6,32	19	6,64	Partially achieved
		1.1.3 UFS research reputation among published academics worldwide[5]	30,50	16	22,10	Achieved
	1.2 Increasing the quantity, quality, and diversity of academic staff with renowned global reputation	1.2.1 International research leaders as a share of permanent academic staff[6]	2,53%	6%	2,97%	Partially achieved
		1.2.2 Number of academic staff who authored an accredited publication output as a share of permanent academic staff[7]	60,88%	58%	54%	Underachieved
		1.2.3 Co-publication: Scholarly output with international collaborators as a share of total scholarly output[8]	51,80%	48%	52,80%	Achieved

3 Share of strategic funds allocated to research calculated as a percentage of budgeted tuition fee Income, budgeted subsidy, and budgeted other income (not third-stream income).

4 Citations per publication, or the number of citations that UFS publications received on average, calculated over three years, only in the SciVal/SCOPUS research areas of SDG 2: Zero Hunger, 3: Good Health and Well-being, 6: Clean Water and Sanitation, 7: Affordable and Clean Energy, 13: Climate Action, 15: Life on Land, and 16: Peace, Justice, and Strong Institutions.

5 Reputation of the UFS as perceived by published scholars around the world; sourced from Times Higher Education (THE) DataPoints Reputation Dashboard; based on more than 100 000 survey respondents from 2 500 institutions worldwide. Respondents 'vote' for their top 10 universities worldwide and the numerical KPI value is the number of votes that the institution received from the respondents.

6 Share of permanently appointed instruction/research staff who are leading international and internationally acclaimed researchers and prestigious awardees (i.e., those rated A, B and P by the NRF).

7 Number of instruction/research staff who have authored an accredited publication output, including all types of DHET-accredited publication outputs, irrespective of the number of output units generated by the author, as a share of permanently appointed instruction/research staff.

8 Scholarly output (number of publications) with international co-authors as a share of total scholarly output at the UFS.

Goal	Objective	Key Performance Indicator	2024 Performance	2025 Targets	2025 Performance	Comment
	1.3 Promoting academic offerings and practices that produce desirable and successful graduates	1.3.1 External stakeholder perceptions of the desirability of UFS graduates[9]	76%	54%	80,29%	Achieved
		1.3.2 Postgraduate enrolments as a share of total enrolments[10]	17,06%	17%	17,50%	Achieved
2. To promote an environment of agility, flexibility, and responsiveness based on trust and accountability.	2.1 Promoting policies, systems, processes, and practices which are appropriate, effective, and efficient	2.1.1 Staff experience of the effectiveness of policies, systems, processes, and practices[11]	51%	45%	45,65%	Achieved
	2.2 Improving academic structures as well as management and leadership capacity	2.2.1 Share of academic department heads who are associate or full professors[12]	57,75%	59%	61,90%	Achieved
		2.2.2 Share of academic departments with less than 10 permanent academic staff members[13]	63%	61%	57,90%	Achieved
	2.3 Leveraging the use of digital technologies, business intelligence, and analytics to enable evidence-based decision-making	2.3.1 Share of UFS management staff who access business intelligence platforms[14]	60%	30%	14,70%	Partially achieved

9 Share of external stakeholder survey respondents (excluding current UFS staff and students) who would recommend the UFS as a producer of desirable graduates, and/or agree that the UFS' academic offerings and practices produce desirable graduates, and/or that UFS graduates are preferred employees.

10 Doctoral, master's, honours, and other postgraduate enrolments below honours level, as a share of total enrolments.

11 Share of staff survey respondents who are satisfied with 17 processes that have been identified by the UFS as key to realising Vision 130.

12 Academic department heads who are associate or full professors as a share of all academic department heads.

13 Academic department with nine or fewer permanent instruction/research staff as a share of all academic departments.

14 Management staff members who sign in to the UFS PowerHEDA Dashboards as a share of all management staff members, where management staff members include staff appointed in junior, middle, senior, and top management job categories, as well as those appointed as academic management.

Goal	Objective	Key Performance Indicator	2024 Performance	2025 Targets	2025 Performance	Comment
3. To advance a transformational institutional culture that demonstrates the values of the UFS.	3.1 Creating a vibrant space for, and acceptance of, constructive and critical engagement	3.1.1 Staff experience of engagement[15]	73,81%	64%	69%	Achieved
		3.1.2 Undergraduate student experience of advanced student-lecturer engagement[16]	24,90%	28%	23,40%	Underachieved
	3.2 Becoming an institution of choice for exceptional students, academics, and support staff	3.2.1 External and internal stakeholder perceptions of the UFS' reputation as an institution of choice[17]	73,31%	62%	66%	Achieved
		3.2.2 Share of permanent academic staff with PhD[18]	N/A	60%	65,70%	Achieved
		3.2.3 Share of transfer master's and doctoral enrolments who transferred from top South African universities[19]	10,78%	10%	8,80%	Partially achieved
		3.2.4 Share of first-time entering undergraduate students with admission point score (APS) of 35 and above[20]	30,17%	24%	37,40%	Achieved
	3.3 Becoming a home for staff and students from diverse backgrounds	3.3.1 Student satisfaction with being on campus[21]	64,75%	57%	67,31%	Achieved
		3.3.2 Share of new academic staff members leaving the UFS within the first three years of appointment[22]	2,48%	9%	8%	Achieved
	3.4 Improving the equity profile of academic leadership	3.4.1 Share of professoriate who are women	39,69%	37%	37,90%	Achieved
		3.4.2 Share of professoriate who are black[23]	29,39%	33%	32%	Partially achieved

15 Share of staff survey respondents who agree with 12 statements measuring engagement in the workplace.

16 Share of undergraduate student survey respondents who report that they have often engaged in advanced forms of student-lecturer engagement during the current academic year, where advanced forms of student-lecturer engagement include the following: talked about their career plans with a lecturer; worked with a staff member on activities other than academic work; discussed module/subject topics, ideas, or concepts with a lecturer outside of class; and discussed their academic performance with a lecturer.

17 Share of internal and external stakeholder survey respondents who would recommend the UFS as a leading (top-tier) university of choice, and/or agree that the UFS is an institution of choice for employees and students.

18 Share of active permanent instruction research staff in academic position with a PhD, as a percentage of total active permanent instruction research staff in academic position.

19 Master's and doctoral students who enrol at the UFS as a transfer from a top South African university, where these include the top five universities in the Times Higher Education World University Rankings, as a share of all master's and doctoral students who enrol as transfers to the UFS from another university.

20 Share of first-year (i.e., first-time entering undergraduate) students with an admission point score of 35 and above.

21 Share of student survey respondents who report being satisfied with feeling safe on campus, feeling at home on campus, and with student-staff relations, race relations, and gender relations on campus.

22 Share of instruction/research staff members who were newly appointed in permanent positions and who left the UFS within three years of appointment due to resignations, retirements, and retrenchments.

23 'Black' includes African, coloured and Indian staff members, irrespective of nationality.

Goal	Objective	Key Performance Indicator	2024 Performance	2025 Targets	2025 Performance	Comment
4. To promote stewardship and the prioritisation of institutional resources for strategic intent.	4.1 Improving the efficiency of the non-academic support structures and systems	4.1.1 Staff experience of efficiency of administrative support structures and systems[24]	44,40%	48%	48,22%	Achieved
		4.1.2 Share of key administrative processes that are digitalised[25]	29,40%	35%	41,18%	Achieved
	4.2 Promoting the principles of investment to enable academic excellence, with particular emphasis on research and postgraduate activity	4.2.1 Postgraduate student satisfaction with services and support provided by the UFS[26]	41,69%%	58%	56,49%	Partially achieved
	4.3 Increasing our research and innovation competitiveness	4.3.1 Research income as a share of total income[27]	N/A	4%	3,52%	Underachieved
	4.4 Promoting efficiency in academic programmes, offerings, and academic support systems	4.4.1 Programme and Qualification Mix (PQM) viability[28]	88,60%	89%	91%	Achieved
		4.4.2 Student satisfaction with academic support services[29]	49%	58%	56,82%	Partially achieved

24 Share of staff survey respondents who are satisfied with 27 listed UFS support services.

25 Share of 17 processes identified as critical to the realisation of Vision 130 that are 100% digitalised.

26 Share of postdoctoral fellow and postgraduate student survey respondents who are satisfied with 17 relevant support services provided to students by the UFS.

27 Income from research output block grant, earmarked grants for research, and contracts for research and clinical research activities, as a share of the grand total income of the group.

28 Share of PQM plans that are viable, as measured through the UFS PQM Viability Index.

29 Share of student survey respondents who are satisfied with 17 listed UFS support services. During 2023, the UFS prioritised 17 processes as the most critical to give expression to Vision 130, i.e. (1) student recruitment, (2) enrolment management, (3) certification and graduation, (4) institutional budgeting/resource allocation, (5) research funding/resourcing, (6) research support, (7) postgraduate student support, (8) postgraduate progression award programme, (9) curriculum design and development, (10) curriculum governance and administration, (11) review of academic offerings, (12) programme and qualification mix planning, (13) academic student advising , (14) academic staff workload allocation, (15) institutional culture and climate support, (16) business intelligence/management information, and (17) marketing and communication.

2 ABOUT THE UFS

2. ABOUT THE UFS

2.1 Strategy

2.1.1 Introduction

The strategic intent and direction of the UFS are contextualised in a world facing many socio-economic, environmental, and political challenges, which assume different complexities in line with different nations, respective geo-locations, and dynamics. These challenges place increased expectations on universities to fulfil their obligations, roles, and responsibilities as institutions promoting the 'public good' and their concomitant responsiveness to impactfully support societal development and the communities they serve. In this regard, the UFS will continue to produce relevant skills and knowledge, build the economy, solve persistent and emerging social problems, and therefore, contribute meaningfully to the post-apartheid society. This commitment is reflected in UFS Vision 130, with its central focus on maximum societal impact.

Through its robust planning regime, the UFS commits to continuously renewing itself and extending its influence and impact locally, regionally, and globally. The university's vision and mission and supporting strategic plan provide stability and clarity for decision-making and investment choices, while still leaving scope for adaptation and agility.

2.1.2 Vision 130 and Institutional Strategy

The UFS Vision 130 asserts that the UFS aspires to be a research-led, student-centred, and regionally engaged university that contributes meaningfully to development and social justice through the production of globally competitive graduates and knowledge. This reporting period marks the third year of the implementation of the 2023-2028 strategy, aptly themed, Renewal and Reimagination for Greater Impact. The successful implementation of the UFS 2023-2028 Strategy will contribute directly towards realising Vision 130.

In September 2022, the University Council adopted Vision 130, which sets out the strategic intent to reposition the institution towards realising specific long-term goals by 2034. Vision 130 commits the university to strengthening its reputation among its peers and society as a research-led university of excellence. It states that the UFS' ultimate intention is to be acknowledged as a university that impactfully supports societal development, thus aspiring for maximum societal impact. This commitment to societal impact requires a purpose-driven focus on relevant and cutting-edge research, as well as the preparation of globally competitive graduates. Vision 130 is a 12-year strategy that coincides with the 130th anniversary of the UFS, which will be celebrated in 2034.

To this end, the following four goals are set out in the 2023-2025 Annual Performance Plan (APP), based on Vision 130:

Goal 1: To improve academic excellence, reputation, and impact.
Goal 2: To promote an environment of agility, flexibility, and responsiveness based on trust and accountability.
Goal 3: To advance a transformational institutional culture that demonstrates the values of the UFS.
Goal 4: To promote stewardship and the prioritisation of institutional resources for strategic intent.

Building a culture of long-term planning is important for the continued relevance and sustainability of the university in line with its vision to become a research-led university – embracing the fact that universities are important institutions for the development of individuals, societies, and economies.

The institutional choices articulated in Vision 130 have been translated into the new Strategic Plan 2023-2028 and a supporting, rolling Annual Performance Plan 2023-2025. Therefore, 2023 marked the renewal and reimagination of the UFS for greater impact in order to support societal development as a centre for innovation, research, dissemination, and application, locally and globally. The implementation in 2025 built on this foundation to ensure institutional commitment towards effecting meaningful and sustainable change.

The institutional planning that resulted in developing and approving Vision 130 was also influenced by processes such as the institutional Self-Evaluation Report (SER) prepared for the Council on Higher Education (CHE) Audit in early 2023. This process enabled an in-depth 'As-Is' picture of the entire institutional functioning, highlighting strengths and weaknesses, as well as gaps. Vision 130 is proactive in addressing the self-identified gaps and shortcomings to ensure a culture of continuous improvement and relevance of all institutional policies, processes, and procedures, as they find expression in the document. Crucially, Vision 130, the 2023-2028 Strategy, and the 2023-2025 rolling APP were all approved through engagement with institutional structures and informed by the Institutional Risk Register. Therefore, various institutional structures engaged with and approved it before the final approval by the University Council. These plans were further cascaded down into planning documents and instruments for the faculties, which were deemed to be realistic and implementable, and supported by a performance management system.

The Strategic Plan of the university is reviewed in line with the integrated planning framework, and the APP is adjusted annually in line with progress, strategic investment choices, and operational budget allocations to ensure relevance, quality, and fitness for purpose and intent. Regular reviews ensure that these core institutional processes are applied in an integrated, coherent manner to address emerging challenges and to make changes. This happens during the UFS Annual Lekgotla.

The institution engages in a continuous process of monitoring and evaluation to ensure that its commitments, responsibilities, and associated and emerging risks are addressed proactively and appropriately. The implementation of the APP is monitored through the UFS Executive Management Committee (EMC).

2.1.3 Learning and Teaching Strategy

The UFS has taken a deliberate step to further increase its focus on transforming learning and teaching through a greater emphasis on the digitalisation of systems and processes, including investment in digital infrastructure to support blended learning and teaching. This was to ensure the substantial transformation and realignment required to accommodate the changing realities and needs of a high-performance 21st-Century African university that is globally, nationally, and continentally relevant. In the UFS context – for the period under review – key challenges remained, including student success and throughput, as well as curriculum responsiveness and relevance, technological innovation, and issues around inclusion, equity, and social justice. Ensuring sound and transparent academic governance, curriculum administration, and an operational and systems support structure that would facilitate the aforementioned remained paramount.

Given the prevailing higher education environment and context, all universities are faced with the reality and necessity of increased collaboration and strategic alliance/partnership with a variety of stakeholders, including funders, government, the public and private sectors, industry, and fellow institutions to maximise/leverage capacity and resources, and create (among others) productive communities of practice. This enables universities such as the UFS to better align with the needs of employers and the job market in producing graduates with desirable attributes, skills, and knowledge that will enable them to stand out, enter the economy, shape society, become good citizens, future leaders, and stewards of the environment.

The UFS has developed a learning and teaching strategy aligned with Vision 130 and Strategy 2023-2028. The UFS Learning and Teaching Strategy 2025-2030 was developed through a comprehensive consultative process. It was approved by the Academic Committee and submitted for approval to the Senate in March 2025. The implementation phase started immediately after approval in 2025.

2.1.4 Research Strategy

Globally, research is increasingly characterised by mutually beneficial research collaborations. Complex problems faced by societies locally and globally also require multi-, inter-, and transdisciplinary inputs and teams. This necessitates work across academic departments, faculties, and other national and international research groups and entities to produce new knowledge that is globally, continentally, and regionally relevant and applicable, as articulated in Vision 130.

In response to this evolving research context, the UFS' research goal is to increase its contribution to local, regional, and global knowledge, to address fundamental and strategically important developmental questions, and to make an economic, social, and cultural impact at regional, national, and continental levels and beyond.

The updated UFS Research Strategy is aligned with UFS Vision 130 and its associated objectives and key performance indicators, namely to focus resource allocation for research and innovation on UFS areas of strength and distinctiveness; to ensure the quantity, quality, and diversity of academic staff with renowned global reputation; to ensure that UFS academic offerings and practices produce desirable and successful graduates; and to increase emphasis on research that advances societal and knowledge impact.

The Research Strategy also informs research management, and makes provision for cascading action at faculty, department, and institute/centre levels.

Therefore, the Research Strategy aims to accomplish the following:

1. To increase emphasis on research that advances societal and knowledge impact (Objective 1.1).
2. To increase the quantity, quality, and diversity of academic staff with a renowned global reputation (Objective 1.2).

The guiding principles underpinning these strategic aims are the following:

- Responsible stewardship of human, financial, and other resources.
- A focus on relevance, excellence, and impact.
- A culture of continuous reflection and improvement in strategies, actions, and systems.
- A culture of people-centred, flexible, and accurate service delivery.
- Responsiveness to market needs and demands for human resources, expertise, and products.
- Integration, collaboration, and synergy, where appropriate, for better performance.

Given its fundamental contribution to the university's core business and strategic intent (to become a research-led university), the Research Strategy's implementation and performance in relation to the goals are monitored and measured for sustained impact. This will be reported on later through the 2025 performance report.

2.1.5 Engaged Scholarship Strategy

Given the growing emphasis on stakeholder involvement, collaboration, and communities of practice, engaged scholarship has emerged strongly as a means and form of academic enquiry that is able to co-create impactful research and relevant curricula that address real-world problems. The UFS recognises the importance of engagement and involvement of identified stakeholders to ensure that their voices are incorporated into the research process and output. The university places a strong emphasis on inter-, multi-, and transdisciplinarity and encourages and supports scholars from different disciplines and communities to work together in a spirit of cooperation and integration, mobilising their respective knowledge for the benefit of communities and society.

The UFS' engaged scholarship strategy promotes social change and provides a framework to support and promote scholarship within the relevant academic disciplines and their aligned communities. The strategy includes the following components:

Engaged Research, which incorporates reciprocal knowledge practices in the discovery, teaching, integration, application, development, and mobilisation of knowledge for mutual public benefit and academic interests. Engaged research could also include creative output and other expressions or activities. Of essence is that engaged research must be systematic and rigorous. Results need to be disseminated in publications for debate and critiqued by peers. The relevance of engaged research is not limited to developing science based on the latest theories and methods – it also includes the integration of theory and practice, as well as the engagement of partner communities as active contributors to identify relevant goals, research questions, and methodologies. An essential element of engaged research is social impact, and this actively calls for appropriate research methodologies that are action-orientated and participatory. These methodologies can include, but are not limited to, community-based participatory research or community-based research, participatory research or participatory action research, and applied research.

Engaged Teaching and Learning involves the transmission, transformation, and extension of knowledge, including learning with various audiences through either formal or informal arrangements. The focus is primarily on higher education teaching, where students engage in collaborative learning platforms to learn with and from the communities. Thereby, students learn to think about and act on local and global issues of real importance, as well as to integrate theory and practice for the development of praxis. In engaged teaching and learning, students are broadly prepared with in-depth knowledge and professional skills and attributes required for the world of work. They also gain a sense of the existing socially, politically, economically, and ecologically complex and dynamic challenges in greater society. Therefore, engaged teaching and learning educates students to live as socially responsible citizens, mobilising multiple forms of knowledge to make the right decisions, use their capacities to contribute to the well-being of society, and serve the broader goal of visibility and impact. To ingrain the principles of engaged scholarship, the university curricula must unify the acquisition of knowledge with concrete actions, so that the teaching model is anchored in real-life situations.

Engaged Citizenship, which includes academic, student, and university citizenship, is an educational platform that prepares and supports staff and students to play a leading role by building sustainable partnerships with other stakeholders, and responding to pressing societal challenges by deploying intellectual, human, and other resources for the development of communities. Through its commitment to embedding engaged scholarship, the UFS aspires to become a model of a truly robust and responsive research-led university. This aspiration is assisted by mobilising the university's resources and capacities to make a significant contribution to regional, national, continental, and global developments and aligned agendas.

Engaged scholarship: Goals – To advance a transformational institutional culture that demonstrates the values of the UFS. (KPIs: 3.1.3)

Table 1: UFS Strategic Plan 2023 to 2028

Vision	The UFS aspires to be a research-led, student-centred, and regionally engaged university that contributes to development and social justice through the production of globally competitive graduates and knowledge.					
Mission	The university's ultimate goal is to be a university that impactfully supports societal development.					
Goals	1: To improve our academic excellence, reputation, and impact		2: To promote an environment of agility, flexibility, and responsiveness based on trust and accountability	3: To advance a transformational institutional culture that demonstrates the values of the UFS		4: To promote stewardship and the prioritisation of institutional resources for strategic intent
Objectives	• Place increased emphasis on research that advances societal and knowledge impact • Increase the quantity, quality, and diversity of academic staff with renowned global reputation • Promote academic offerings and practices that produce desirable and successful graduates		• Promote policies, systems, processes, and practices that are appropriate, effective, and efficient • Improve academic structures as well as management and leadership capacity • Leverage the use of digital technologies, business intelligence, and analytics to enable evidence-based decision-making	• Create a vibrant space for and acceptance of constructive and critical engagement • Become an institution of choice for exceptional students, academics, and support staff • Become a home for staff and students from diverse backgrounds • Improve the equity profile of academic leadership		• Improve efficiency of the non-academic support structures, processes, and practices • Promote the principles of investment to enable academic excellence, with particular emphasis on research and postgraduate activity • Increase our research and innovation competitiveness • Promote efficiency in academic programmes, offerings, and academic support systems
Values	Excellence	Innovation and impact	Accountability	Care	Social justice	Sustainability

2.2 Governance

2.2.1 Statement of Council on Governance

The UFS is committed to the principles of discipline, transparency, independence, accountability, responsibility, fairness, and social responsibility, as advocated in the King IV Report. Accordingly, the Council endorses and has applied the principles as set out in the King IV Report during the period under review. In supporting the Code on Corporate Governance, the Council recognises the need to conduct the business of the University of the Free State with integrity and in accordance with generally accepted practices.

The Council of the UFS is also committed to ensuring that the functions of the UFS embody responsible corporate citizenship and exemplify the UFS as a responsible corporate citizen. Further details about the UFS Council, its composition, its committees, and its activities in 2025 are provided in sections 2.2.2 to 2.2.7 of this report.

The following documents form an integral part of the report:

1. Code of Conduct for the UFS Council and Members of the Council
2. UFS Council Conflicts of Interest Policy
3. Disciplinary Procedure for Members of the UFS Council

2.2.2 UFS Council activities

The UFS Council, chaired by Mr DC Noko, met five (5) times during 2025, one (1) of which was a special meeting. The Council fulfilled its fiduciary responsibilities with regard to governance, as provided for in the Higher Education Act (Act 101 of 1997), as amended. The committees of the Council include the following:

1. Executive Committee of Council
2. Audit, Risk and IT Governance Committee
3. Finance Committee
4. Remuneration Committee
5. Nominations Committee
6. Human Resources Committee
7. Student Support Services Committee
8. Disciplinary Committee
9. Naming Committee

The Council has one joint committee with the Senate, namely the Honorary Degrees Committee.

The Council's activities during 2025 included the following:

- Council dealt with the tuition fee adjustments and requested, among other things, that a comprehensive debt management strategy be presented.
- The reports from the Vice-Chancellor and Principal were considered.
- The amended Remit of the Audit, Risk and IT Governance Committee (ARIC) was approved.
- The amendments to the UFS Policy on Council-delegated Authority were approved.
- The amended Remit of the Investment Committee was approved.
- The amended UFS Medical Aid Policy was approved.
- The Code of Conduct for UFS Protection Services Members was approved.
- The Standard Self-Evaluation Form for Joint Committees of the Council and Senate was approved.
- The establishment of a Research Centre in the Faculty of Theology and Religion was approved.
- The Records Management Policy was approved.
- The Information Classification and Protection of Personal Information Policy was approved.

- The Vice-Chancellor and Principal was commended for the launch of the VC-ISRC Imbewu Legacy Fund – a UFS student support fund, established to address financial barriers to education – announced during the Vice-Chancellor and Principal's installation on 9 June 2025.
- The Council Self-assessment for 2024 was approved for submission to the Department of Higher Education and Training.
- The amended Work Plan of the Executive Committee of Council (ECC) was approved.
- The 2024 UFS Annual Report to the Department of Higher Education and Training (DHET) was approved.
- The Student Enrolment and Efficiency Plan 2026–2030 was approved for submission to the Department of Higher Education and Training (DHET).
- The Consolidated Financial Statements for the year ended 31 December 2024 were approved.
- The Annual Work Plan of the Human Resources Committee was approved.
- The Annual Work Plan of the Nominations Committee was approved.
- The appointment of independent external non-Council members to serve on certain of the Committees of Council was approved.
- The Annual Work Plan of the Student Support Services Committee of Council was approved.
- The revised Policy on the Prevention and Regulation of Substance Abuse Among Students was approved.
- The proposed Council meeting and Council Committee meeting dates for 2026 and 2027 were approved, with the inclusion of the Investment Committee.
- It was approved that the provisional registration process be discontinued with certain provisions.
- The undergraduate and postgraduate fees (including residence fees) for 2026 were approved.
- Council voted on several appointments and approved several appointments.
- Mr DC Noko was reappointed for a second and final term (commencing on 1 October 2025) as the Chairperson of the UFS Council, which would conclude on the expiry of Mr Noko's Council membership.
- Appointments were made by the Council where vacancies arose in terms of the provisions of paragraph 13(2)(l) of the UFS Statute.
- The amendments to the Policy Development and Review Framework were approved.
- It was noted, among others, that the phasing out of provisional registration would take place over a period of two (2) years (2026 and 2027).
- Ms TR Sibisi was reappointed as the Vice-Chairperson of the UFS Council with effect from 26 November 2025 until the expiration of Ms Sibisi's term of office as a Council member on 30 June 2028.
- The external evaluation report of Council and its Committees was noted and accepted.
- The 2026 Council-Controlled Budget was approved.
- The 2027-2029 Council-Controlled Budget was approved, subject to a review in February 2026.
- The Capital and Deferred Maintenance Budget, including the Housing and Residence Affairs Budget, was approved.
- The 2025 Mid-year Performance Report was approved to be submitted to the DHET by 30 November 2025.
- The updated Strategic Plan (version 3.5) was approved for submission to the DHET on 30 November 2025.
- The amended Remit of the Audit, Risk and IT Governance Committee (ARIC) was approved.
- The Institutional Risk Register for 2026 was approved.
- The amended Remit of the Human Resources Committee was approved.
- The Study Benefit Scheme Policy was approved with an amendment.
- The amended Remit of the Nominations Committee was approved.
- The amended Remit and Annual Work Plan of the Remuneration Committee were approved.
- Council took cognisance of the matters for noting indicated in the UFS Research Report 2024 and noted the report.
- Council voted and approved the awarding of honorary degrees (and other awards) to several nominees.
- The reconfiguration and subsequent amendments to the functions and composition of the Executive Management Committee (EMC) and the University Management Committee (UMC) were approved.
- Council reflected on and considered the student protest action that took place between 6 and 15 October 2025

In conclusion, the UFS Council fulfilled its mandate during 2025, in accordance with the Statute and Institutional Rules (interim).

Table 2: Members of the UFS Council, 2025

Membership Category	Member	Term
Chairperson	Mr DC (David) Noko	1/10/2021-30/09/2025
		1/10/2025-13/09/2027 *(second and final term)*
Vice-Chairperson	Ms TR (Tirelo) Sibisi	26/11/2021-25/11/2025
		26/11/2025-30/06/2028 *(second and final term)*
Vice-Chancellor and Principal	Prof HC. Klopper	
Deputy Vice-Chancellor (1)	Dr M (Molapo) Qhobela	1/10/2024-31/1/2025
	Prof AJ (Anthea) Rhoda	1/02/2025-30/01/2026
Appointed by the Minister of Higher Education and Training (5)	Prof MW (Millard) Arnold	27/07/2022-26/07/2026 *(second and final term)*
	Ms ML (Leah) Molatseli	27/07/2022-26/07/2026 *(second and final term)*
	Mr TA (Teboho) Kholoanyane	10/10/2025-09/10/2029
	Dr TG (Tsietsi) Ramatsekisa	10/10/2025-09/10/2029
	Vacant	
Appointed by the Premier of the Free State (1)	Mr KF (Kopung) Ralikontsane	15/11/2022-14/11/2026 *(second and final term)*
Elected by the Senate (2)	Prof L (Liezel) Lues	01/01/2024-31/12/2027
	Prof P (Philippe) Burger	04/07/2021-03/07/2025 04/07/2025-03/07/2029 *(second and final term)*
Elected by the Donors (1)	Mr MDB (Marius) Rezelman	24/08/2021-23/08/2025
Elected by the Convocation (2)	Dr AD (Alina) Ntsiapane	28/11/2024-27/11/2028
	Mr SJ (Jerry) Thoka	28/11/2024-27/11/2028
Elected by the Academic Staff who are not Members of the Senate (1)	Dr MC (Claudia) Ntsapi	01/04/2023-28/11/2025
Elected by the Non-Academic Staff (Support Service Employee) (1)	Dr M (Munita) Dunn-Coetzee	01/01/2024-31/12/2027
Appointed by the Central Student Representative Council (2)	Mr PP (Pfarelo) Maphangula	19/09/2024-14/02/2025
	Ms MB (Mpho) Maloka	27/02/2025-15/09/2025
	Mr LM (Martin) Nyaka	19/09/2024-15/09/2025
	Ms E (Esona) Radebe	16/09/2025-15/09/2026 *(currently)*
	Mr M (Mcebo) Hlatsi	16/09/2025-15/09/2026 *(currently)*
Appointed by the Council (10)	Ms TR (Tirelo) Sibisi	01/07/2024-30/06/2028 *(second and final term)*
	Mr LL (Louis) von Zeuner	01/07/2024-30/06/2028 *(second and final term)*
	Mr DC (David) Noko	14/09/2023-13/09/2027 *(second and final term)*
	Dr SJ (Snowy) Khoza	01/10/2021-30/09/2025
	Ms KV (Vicky) Tlhabanelo	01/10/2025-30/09/2029 *(second and final term)*
	Dr AZ (Avela) Mayekiso	01/09/2024-31/08/2028

Membership Category	Member	Term
	Mr D (David) Abbey	23/03/2022-22/03/2026 *(second and final term)*
	Mr DJ (Dan) Kriek	23/03/2022-25/09/2025
	Mr MDB (Marius) Rezelman	26/09/2025-25/09/2029 *(second and final term)*
	Mr DM (Mandla) Ndlangamandla	15/11/2023-14/11/2027 *(second and final term)*
	Dr PD (Pieter) du Toit	01/02/2024-31/01/2028 *(second and final term)*
	Ms R (Refiloe) Hoohlo-Zephyrine	15/03/2023-14/03/2027
Appointed by the Municipalities (2)		
Thabo Mofutsanyana District Municipality	Mr TE (Tshabadira) Ramoubane	23/05/2024-22/05/2028
Mangaung Metropolitan Municipality	Vacant	
National Business and Commerce Sector (1)	Vacant	

Table 3: Members of Council as at 30 June 2026

Membership Category	Member	Term
Chairperson	Mr DC (David) Noko	01/10/2025-13/09/2027 *(second and final term)*
Vice-Chairperson	Ms TR (Tirelo) Sibisi	26/11/2025-30/06/2028 *(second and final term)*
Vice-Chancellor and Principal	Prof HC. Klopper	
Deputy Vice-Chancellor (1)	Prof V (Vasu) Reddy	01/02/2026-31/01/2027
Appointed by the Minister of Higher Education and Training (5)	Prof MW (Millard) Arnold	27/07/2022-26/07/2026 *(second and final term)*
	Ms ML (Leah) Molatseli	27/07/2022-26/07/2026 *(second and final term)*
	Mr TA (Teboho) Kholoanyane	10/10/2025-09/10/2029
	Dr TG (Tsietsi) Ramatsekisa	10/10/2025-09/10/2029
	Ms TG (Tshifhiwa) Ramuthaga	01/01/2026-31/12/2029
Appointed by the Premier of the Free State (1)	Mr KF (Kopung) Ralikontsane	15/11/2022-14/11/2026 *(second and final term)*
Elected by the Senate (2)	Prof L (Liezel) Lues	01/01/2024-31/12/2027
	Prof P (Philippe) Burger	04/07/2025-03/07/2029 *(second and final term)*
Elected by the Donors (1)	Vacant	
Elected by the Convocation (2)	Dr AD (Alina) Ntsiapane	28/11/2024-27/11/2028
	Mr SJ (Jerry) Thoka	28/11/2024-27/11/2028
Elected by the Academic Staff who are not Members of the Senate (1)	Mr F (Frans) Koning	02/01/2026-01/01/2030
Elected by the Non-Academic Staff (Support Service Employee) (1)	Dr M (Munita) Dunn-Coetzee	01/01/2024-31/12/2027
Appointed by the Central Student Representative Council (2)	Ms E (Esona) Radebe	16/09/2025-15/09/2026
	Mr M (Mcebo) Hlatsi	16/09/2025-15/09/2026
Appointed by the Council (10)	Ms TR (Tirelo) Sibisi	01/07/2024-30/06/2028 *(second and final term)*
	Mr LL (Louis) von Zeuner	01/07/2024-30/06/2028 *(second and final term)*

Membership Category	Member	Term
	Mr DC (David) Noko	14/09/2023-13/09/2027 *(second and final term)*
	Ms KV (Vicky) Tlhabanelo	01/10/2025-30/09/2029 *(second and final term)*
	Dr AZ (Avela) Mayekiso	01/09/2024-31/08/2028
	Ms TZM (Tuli) Nkonki	23/03/2026-22/03/2030
	Mr MDB (Marius) Rezelman	26/09/2025-25/09/2029 *(second and final term)*
	Mr DM (Mandla) Ndlangamandla	15/11/2023-14/11/2027 *(second and final term)*
	Dr PD (Pieter) du Toit	01/02/2024-31/01/2028 *(second and final term)*
	Ms R (Refiloe) Hoohlo-Zephyrine	15/03/2023-14/03/2027
Appointed by the Municipalities (2)		
Thabo Mofutsanyana District Municipality	Mr TE (Tshabadira) Ramoubane	23/05/2024-22/05/2028
Mangaung Metropolitan Municipality	Dr BL (Bongani) Mathae	10/03/2026-09/03/2030
National Business and Commerce Sector (1)	Vacant	

2.2.3 Audit, Risk, and IT Governance Committee of Council's activities

The Audit, Risk and IT Governance Committee, chaired by Mr D Abbey, convened four (4) times during 2025.

The Committee's activities during 2025 included the following:

- The status update on the registration and enrolment targets was discussed.
- The amended Remit of the ARIC was (with certain amendments) recommended to the Council for approval.
- The Quarterly Reports on Legal Matters were considered and discussed.
- The Quarterly Compliance Reports were discussed and noted.
- Feedback on the interim audit was provided by the external auditors of the UFS.
- The Internal Audit Annual Report 2025 was discussed and dealt with.
- The Revised Charter: Internal Audit was approved.
- The 2024: UFS Annual Report for the Department of Higher Education and Training (DHET) was discussed and recommended to the Council for approval.
- The Student Enrolment and Efficiency Plan 2026–2030 was discussed and, with certain comments/requests, recommended for approval by the Council.
- The consolidated Annual Financial Statements for the year ended 31 December 2024 were recommended for approval by the Council.
- The Institutional Risk Management Progress Report was noted.
- The Internal Audit Report was discussed and noted.
- The status updates: Information Communication Technology Services (ICTS) was discussed, the ARIC requested regular updates regarding matters such as Disaster Recovery and Business Continuity, Digital Security and Data Management, etc.
- The External Audit Plan and related fees for the 2025 financial year were approved.
- The state of the UFS campuses were discussed.
- The 2025 Mid-year Performance report was recommended for consideration by the Council, with a recommendation for approval for submission to the DHET by 30 November 2025.
- The revised Institutional Strategic Plan and Annual Performance Plan: 2026–2028 was supported for submission to the Council, with a recommendation for approval by the Council and final submission to the DHET on 30 November 2025.
- The amended Remit of the ARIC was recommended for approval by the Council.

- The submission of the current Institutional Risk Register to the Council was, among others, supported.
- It was noted that the Budget 2027–2029 was discussed by the Finance Committee of Council.

In conclusion, the Audit, Risk and IT Governance Committee fulfilled its mandate during 2025, as laid down by the Institutional Rules (interim) and its approved Remit.

2.2.4 UFS Senate activities

The Senate, chaired by the Vice-Chancellor and Principal (Prof HC. Klopper), convened seven (7) times during 2025, of which three (3) meetings were special meetings.

The Senate exercised its responsibility for academic and research functions, as prescribed by the Higher Education Act, 101 of 1997 (as amended). The Senate, in executing its responsibility for the strategic direction of academic research and community service functions of the UFS, as well as for determining policy and rules concerning academic matters, dealt with the following matters during 2025 (among others):

- The amended Remit of the Senate Research Ethics Committee was approved.
- The establishment of a Research Centre in the Faculty of Theology and Religion was approved. This was submitted to the Council for consideration and approval.
- The Standard Self-Evaluation Form for Joint Committees of the Council and Senate was approved.
- The UFS Learning and Teaching Strategy 2025–2030 was approved, as recommended by the Academic Committee of the Senate.
- The Standard Practice Note for University-Excused Absence for Extra-Curricular Programmes was approved.
- Prof P Burger was elected as the representative of the Senate in the Council for a period of four (4) years.
- Several appointments to Senate Committees were made.
- The 2026 and 2027 Academic Calendars were approved, as recommended by the Executive Committee of Senate (ECS).
- It was approved that all committees of the Senate be reviewed.
- The AI Position Statement was approved as a foundational guiding document for the UFS.
- The Annual Learning and Teaching Report was approved.
- Senate appointed a member to serve on the Institutional Forum for a period of three (3) years.
- The UFS Student Enrolment and Efficiency Planning: 2026–2030 was recommended for consideration and approval by the Council, for submission to the Department of Higher Education and Training (DHET).
- Senate voted on the recommendation of the Selection Committee for the appointment of a candidate for an executive management vacancy. The outcome was referred to the Council.
- The reports of the Vice-Chancellor and Principal were considered.
- The report on the UFS Committee Structure was considered and a reorganisation of UFS committees was approved.
- The UFS Research Report 2024 was approved and was recommended for noting by the Council.
- The Remit of the Senate Enrolment Management Committee was approved.
- The Remit of the Teaching and Learning Committee of the Senate was approved.
- The Remit of the University Re-admissions Review Tribunal was approved.
- The Remit of the Academic Planning and Quality Assurance Committee of Senate was approved with certain amendments.
- The Remit of the Research, Innovation and Internationalisation Committee was approved with certain amendments.
- The awarding of honorary degrees (and other awards) was supported, with a recommendation for approval by the Council.
- The revised Institutional Strategic Plan 2023–2028 and Annual Performance Plan 2026–2028 were approved for submission to the Council for approval.
- The presentation on the UFS Institutional Budget: 2026–2029 was noted.

The Senate committees assisted the Senate in executing its functions. These committees include:

- Executive Committee of Senate (ECS)
- Research Committee of Senate (RCS)
- Research Ethics Committee of Senate (RECS)
- University Readmissions Review Tribunal (URRT)

During 2025, all the committees of the Senate also fulfilled their mandates, as set out in the approved remits of the committees.

2.2.5 Student Representative Council

Student democratic participation at the University of the Free State continued to strengthen in 2025, reflecting the institution's firm commitment to Section 35 of the Higher Education Act, No. 101 of 1997 (as amended), which requires public higher education institutions to establish students' representative councils (SRCs) as part of their governance framework. This legislative requirement is embedded in the UFS Statute and the Institutional Student Representative Council (ISRC) Constitution. The student governance system operates within a multi-campus model and comprises the Institutional Student Representative Council (ISRC), Campus Student Representative Councils (CSRCs), Faculty Student Councils (FSCs), and co-governance structures such as the Institutional Student Parliament (ISP), Institutional Student Court (ISC), Campus Student Parliament (CSP), and Campus Student Court (CSC). Collectively, these structures ensure participatory decision-making, cooperative governance, accountability, and the advancement of student-centredness.

Student representation at the UFS remains structured and intentionally embedded within core institutional governance and management processes. Student leaders serve as full members on the Council (two members), the General Rules Committee (four members), the Academic Committee (four members), the Senior Leadership Group (two members), the University Management Committee (two members), the Student Support Services Committee of Council (four members), the Naming Committee (one member), the Institutional Forum (two member), the Language Committee (three members), Senate (three members), the Senate Enrolment Management Committee (two members), and the ISRC and University Management Forum (nine members). In addition to permanent institutional committees, students actively participate in key operational and ad hoc committees, including the Registration Logistics Committee (RLC) and the Student Safety and Collaboration Forum (SSCF), among others. This level of representation ensures that student perspectives inform institutional planning, policy development, academic governance, enrolment management, language matters, safety, and broader institutional strategy.

The 2025 SRC elections marked a significant milestone in the institutionalisation of transparent and credible student democratic processes. The University of the Free State became the first higher education institution in South Africa to implement real-time election results during SRC elections, setting a national benchmark for transparency and electoral integrity. The introduction of live results has enhanced trust in the electoral process and strengthened stakeholder confidence, with no formal objections received regarding the first-past-the-post outcomes. Voter turnout remained strong across campuses, with the Qwaqwa Campus recording 69,31% (74,49% in 2024), the South Campus 49,99% (52,26% in 2024), and the Bloemfontein Campus 44,58% (44,30% in 2024), resulting in an overall institutional turnout of 49,58% (50,17% in 2024). While marginal fluctuations occurred, participation levels remained comparatively high, reflecting sustained democratic engagement.

At faculty level, student representation is institutionalised through Faculty Student Councils. In 2025, seven Faculty Student Councils (with 35 office bearers) were established on the Bloemfontein Campus, four (with 20 office bearers) on the Qwaqwa Campus, and three (with 10 office bearers) on the South Campus. These councils advance student interests within academic faculties, strengthen faculty-specific representation, and facilitate faculty-based co-curricular initiatives.

Beyond elected structures, the Student Governance Office (SGO) continues to provide platforms for student self-organisation through recognised student associations and organisations, which contribute to leadership development, academic enrichment, social cohesion, and community engagement. In 2025, 136 associations and organisations were registered on the Bloemfontein Campus, 56 on the Qwaqwa Campus, and 14 on the South Campus. These formations operate within approved constitutions and institutional policies, reinforcing constitutional freedoms of association while promoting alignment with institutional values. Through these structures and continuing capacity-building initiatives, the UFS continues to position itself as a leader in inclusive, transparent, and participatory student governance within the South African higher education sector.

Table 4: Members of the Student Representative Council in 2024/2025

Student Representative Structure	Membership Category	Member
Institutional Student Representative Council	President General	Pfarelo Maphangula (Bloemfontein)
	Deputy President General	Mpho Maloka (South)
	Secretary General	Martin Nyaka (Bloemfontein)
	Deputy Secretary General	Ogorogile Moleme (Bloemfontein)
	Treasurer General	Kgomotso Sekonyane Bloemfontein)
	Institutional Transformation Officer	Nomvuyo Nungu (Qwaqwa)
	Accommodation and Safety Officer	Xolani Ntimane (Qwaqwa)
	Academics Officer	Tshepang Pheko (South)
	Development, Support, and Engagement Officer	Qhama Mqulo (Qwaqwa)
Bloemfontein Campus Student Representative Council	President	Pfarelo Maphangula
	Deputy President	Busisiwe Moleko
	Secretary	Bayanda Mkhize
	Deputy Secretary	Apiwe Mbutuma
	Treasurer	Sithembiso Khumalo
	Policy and Transformation	Martin Nyaka
	Commuter Students	Refiloe Ndaba
	Associations Student Council	Yamkela Matiwane
	Organisations Student Council	Siyabonga Dludla
	Academic Student Council	Moses Davids
	Day Residence Council	Kananelo Stofile
	Campus Residence Council	Ogorogile Moleme
	Postgraduate Student Council	Kgomotso Sekonyane
	International Student Council	Portia Mtawarira
	Student Media and Dialogue Council	Jadean Bosch
	Universal Access Student Council	Oratile Lentsela
	Social Impact Student Council	Paballo Taoana
	Arts and Culture Council	Yolanda Machebele
	Sports Council	Naledi Mathakhoe

Student Representative Structure	Membership Category	Member
Qwaqwa Campus Student Representative Council	President	Nomvuyo Nungu
	Deputy President	Silondiwe Mvelase
	Secretary	Qhama Mqulo
	Deputy Secretary	Yongama Nyawuza
	Treasurer	Ayanda Madiba
	Policy and Transformation	Siyabonga Madi
	Commuter Students	Khanyisane Nkambule
	Student Media and Dialogue	Anele Mcineka
	Student Associations and Organisations Council	Siboniso Mdlalose
	Academic Student Council	Lebohang Mateka
	Day Residence Council	Vacant
	Campus Residence Council	Khanyisa Zuma
	Postgraduate Student Council	Lungelo Mazibuko
	International Student Council	Nkeletseng Tsimile
	Universal Access Student Council	Vacant
	Social Impact Student Council	Tebello Nyaku
	Arts and Culture Council	Xolani Ntimane
	Sports Council	Ntokozo Mthembu
South Campus Student Representative Council	President	Tshepang Pheko
	Deputy President	Tebello Phosa
	Secretary	Ofentse Petla
	Deputy Secretary	Ziyanda Hlongwane
	Treasurer	Martin Ndou
	Policy and Transformation	Thandi Mofokeng
	Student Media and Dialogue	Zamaswazi Nkosi
	Commuter Students	Thandolinethu Zwane
	Associations and Organisations Council	Mpho Maloka
	Academic Student Council	Ntombi Zodwa Maluleke
	Day Residence Council	Rethabile Skhosana
	Campus Residence Council	Bontle Mooketsi
	Universal Access Student Council	Puleng Mhlambi
	Sports Council	Lifa Ndlovu

2.2.6 Report of the Institutional Forum (IF) to Council

The Institutional Forum (IF) serves as an advisory body to the Council on matters affecting the University of the Free State. These matters include transformation, equity, institutional culture, the implementation of national higher education policy, the appointment of senior leadership, and the promotion of human dignity and social justice. The IF operates within the framework of cooperative governance as articulated in national policy.

Overview of IF activities in 2025

The IF held the requisite number of meetings, and two rounds of nominations and selections were conducted to ensure that a full committee was in place.

In line with its mandate, the IF participated and provided advice to Council on several senior appointment processes during 2025, including the following:

- Dean: Faculty of Health Sciences
- Deputy Vice-Chancellor: People and Operations
- Deputy Vice-Chancellor: Strategic Initiatives, International and Institutional Affairs
- Executive Director: Advancement

In each appointment process, the IF considered the integrity of the recruitment process, alignment with equity and representation targets, and the suitability of candidates in advancing the university's transformation objectives and strategic direction. The IF recommended that its representation on selection committees be formally documented to clarify roles. The IF further recommended that the university's equity profile be submitted to the IF annually to enable informed advisory engagement. The IF participated in the March site visit by the Parliamentary Portfolio Committee on Higher Education to assess the university's readiness for its 2025 opening. The committee provided guidance, which the forum noted. The IF also engaged on matters related to institutional culture, inclusivity, and transformation. During 2025, the following matters were addressed, among others:

- Postgraduate funding challenges and communication gaps affecting postgraduate students
- NSFAS-related concerns
- Preparations for registration and funding cycles
- Student protest actions and governance implications

The IF underwent several governance improvements in 2025 to enhance its accountability and effectiveness. These included, among others, the following:

- Formalising meeting attendance requirements (minimum of 50% annual meeting attendance)
- Electing a Chairperson, Vice-Chairperson, and Secretary
- Proposing advanced feedback mechanisms between Council and the IF
- Exploring the possibility of requesting the appointment of an IF observer to attend Council meetings to strengthen communication and engagement
- A key development during 2025 was the IF Workshop held on 12 September. The workshop aimed to clarify the IF's mandate, identify strategic direction and priorities for 2026, and enhance engagement with Council.

Future focus

The IF marks 2026 as a year of consolidation, benchmarking, and sectoral contribution. The forum intends to explore the possibility of hosting an IF Inter-varsity Colloquium this year. This coming together of IF members from different universities would provide a platform to

- clarify the roles and expectations of institutional forums;
- share governance experiences;
- benchmark best practices;
- strengthen alignment with national transformation imperatives; and
- create advisory reporting models.

In conclusion, in 2025, the Institutional Forum strengthened its advisory voice, deepened its engagement with transformation imperatives, and enhanced the monitoring of governance accountability at the UFS.

Through its participation in senior appointment processes, oversight of institutional culture matters, structured reporting to Council, and internal capacity-building initiatives, the IF advanced its statutory mandate in line with the Higher Education Act. The forum remains committed to fulfilling its mandate in 2026 and is excited about the prospect of contributing meaningfully to the broader higher education discourse in South Africa.

Table 5: Members of the Institutional Forum in 2025

Membership Category	Member	Term
Chairperson	Ms CS (Cathy) de Lange	06/05/2025–11/11/2027
Two representatives of the University Management Committee	Ms JM (Jeannet) Molopyane	14/09/2024–13/09/2027
	Ms SJ (Susan) van Jaarsveld	16/11/2024–15/11/2027
Two (2) Council representatives	Ms R (Refiloe) Hoohlo-Zephyrine	24/03/2023–14/03/2027
	Mr TE (Tshabadira) Ramoubane	27/09/2024–26/09/2027
Two (2) Senate representatives	Prof N (Nyasha) Mboti	21/05/2024–20/05/2027
	Prof O (Oliver) Nyambi	22/07/2025–21/07/2028
Two (2) representatives of academic staff (other than Senate members)	Dr R (Roné) Vorster-De Wet	17/02/2025–16/02/2028
	Prof Y (Yandisa) Mashalaba	17/02/2025–16/02/2028
Four representatives of employees other than academic employees, elected by employees other than academic employees	Ms CS (Cathy) de Lange	12/11/2024–11/11/2027
	Mr K (Kofi) Yinka	15/07/2024–31/01/2025
	Adv S (Shirly) Hyland	03/03/2025-31/08/2026
	Mr M (Mojalefa) Buti	12/08/2025–11/08/2028
	Ms M (Mosa) Motaung	12/08/2025 - 11/08/2028
Two (2) ISRC representatives	Mr S (Sibusiso) Dube	Coincides with term of office of ISRC
	Ms V (Vanessa) Msiza	Coincides with term of office of ISRC
	Mr PP (Pfarelo) Maphangula	Coincides with term of office of ISRC (until 14/02/2025)
	Mr O (Ogorogile) Moleme	Coincides with term of office of ISRC (until 15/09/2025)
	Ms K (Kgomotso) Sekonyane	Coincides with term of office of ISRC (until 15/09/2025)

Membership Category	Member	Term
Two (2) representatives of recognised trade unions	Ms AM (Anita) Lombard (UVPERSU)	Resigned from the Institutional Forum on 16/05/2025
	Dr G (Grey) Magaiza (UVPERSU)	19/05/2025–18/05/2028
	Mr D (Deon) Seitheisho (NEHAWU)	24/06/2023–23/06/2026
One (1) or two (2) designated representatives of other stakeholder groups (as identified by the IF and approved by the Council) provided that, when such a group ceases to exist, the membership of its representative(s) ends.	Vacant	
A member of the Convocation, which member should be an employee of the university	Vacant	

2.2.7 Data governance and management: Institutional

Data and information provenance determines how data and information are classified, protected, shared, and exploited for value. Aligning digital capabilities with trusted, authoritative information sources strengthens secure integration, data-driven decision-making, and responsible innovation while enhancing governance, resilience, and compliance. In line with the concept paper on data governance developed by DIRAP and approved in 2024, ICTS, DIRAP and the Office of the Registrar developed a Data and Information Governance framework for the organisation that aims to enable the university to manage data and information as an institutional asset.

The framework establishes a structured approach to the management of institutional data as a strategic asset, ensuring its quality, security, accessibility, and ethical use across all domains, including administration, the academy, and research. The framework addresses the requirements for identification, classification, storing, securing, retrieving, tracking, and destruction or permanent preservation of records. The framework sets out the standards, principles, and policies for the management of all data and information created or received for executing the mandate of the university, including

a. in the course of the day-to-day business activities;
b. in the course of a contract, and exchange of services, secondments, training periods, collaborative undertaking or otherwise;
c. in the course of research activities by research and academic staff, as well as visiting researchers and academics, or other persons participating in research that is funded, co-funded, or hosted by the UFS, or who makes significant use of the UFS equipment, UFS research infrastructures, or other resources;
d. in the course of the publication of research results and findings in scholarly journals and books; and
e. all service providers and/or consultants who create, use, and contribute to the data and information of the organisation in the course of rendering a service to the UFS.

The framework will be workshopped with relevant stakeholders, including those with explicit accountability, in order to ensure inclusivity. A data governance committee will be established in 2026, and domain experts will begin the process of ensuring that the applicable policies, procedures, and support are available for their areas of accountability.

2.3 Management

2.3.1 University Management Committee

The University Management Committee (UMC) is one of the UFS' institutional management committees and convened eleven (11) times during 2025, including three (3) special meetings. The UMC's mandate, as specified in the approved remit[30] (in co-operation with the Senate and Council), is the strategic management of the UFS with regard to its focus areas. This includes, but is not limited to

- the creation and filling of posts and promotion of permanent and full-time support services staff at certain levels;
- the finalisation of matters that cannot be concluded within certain management lines by means of a specific approved policy and procedures and are outside the mandate of the Executive Committee of the Senate;
- the establishment or termination of support services departments; and
- recommendations to the Council regarding the appointment of persons to support services posts above a certain Peromnes level.

During 2025, the UMC (chaired by Prof AJ Rhoda, acting Vice-Chancellor and Principal) and as from 1 February 2025, Prof HC. Klopper as Vice-Chancellor and Principal, executed its mandate in the following ways (among others):

- The amended Remit of the Intellectual Property and Innovation Committee (PIC) was approved.
- The amendments to the Policy on Council-delegated authorities were supported and recommended for consideration by the Finance Committee of Council, with a recommendation for approval by the Council.
- The registration update for the 2025 academic year was noted.
- The amended PAIA Manual was approved.
- The proposed amendments to the retention schedule were approved for inclusion in the Records Management Policy, with a recommendation for approval by the Council.
- The Procedure and the draft Remit of the Ad Hoc Appeals Committee was approved.
- The UFS AI Position Statement to inform the development of guidelines was approved.
- Several appointments were approved by the UMC.
- The Registration Plan for 2026 was supported.
- The UMC considered the reports from the Selection Committees and voted by secret ballot for candidates for Executive Management vacancies. The UMC recommended that the Selection Committees' reports be submitted to the Council for approval.
- The minor amendments to the University of the Free State's Smoke and Vape-Free Workplace Policy were approved.
- The amendments to the Policy Development and Review Framework were supported and the document was recommended to the Council for approval.
- The report on the proposed UFS Committee Structures was considered and supported.
- Several acting appointments were made.
- The UFS Traffic Safety Procedures were approved.
- The report on the status of the system readiness for 2026 registration was noted.
- The amendments to the UFS Study Benefit Scheme were supported and recommended to the Council for approval.
- The principles and the report on the reconfiguration of the Executive Management Committee (EMC) and the UMC were supported.
- The UMC reflected on the state of the campuses in view of the disruptions that occurred.
- The revised Institutional Strategic Plan and the Annual Performance Plan were discussed, supported, and recommended to the Council for approval.
- The revised Remit of the UMC was supported and recommended for approval by the Council via the EMC.

30 An amended Remit for the UMC was approved on 21 November 2025 by the Council.

In conclusion, the UMC fulfilled its mandate in 2025, as described herein.

Table 6: Members of the University Management Committee in 2025

	Membership Category (no terms applicable)	Member
	Executive Management	
1.	Vice-Chancellor and Principal	Prof HC. Klopper
2.	Deputy Vice-Chancellor: Research, Innovation and Postgraduate Studies	Prof V (Vasu) Reddy
3.	Deputy Vice-Chancellor: Strategic Initiatives, International and Institutional Affairs	Dr M (Molapo) Qhobela
4.	Deputy Vice-Chancellor: Academic	Prof AJ (Anthea) Rhoda
5.	Chief Operating Officer	Ms SJ (Susan) van Jaarsveld (acting)
6.	Registrar	Mr NN (Nikile) Ntsababa
7.	Executive Director: Student Affairs, Sport, Arts and Culture	Dr TS (Temba) Hlasho
8.	Executive Director: Advancement	Prof YM (Ylva) Rodny-Gumede
9.	Qwaqwa Campus Principal	Prof P (Prince) Ngobeni
10.	Chief Financial Officer	Ms M (Marisna) Nel
	Deans of Faculties	
11.	The Humanities	Prof MA (Mogomme) Masoga
12.	Law	Prof SAD (Serges) Kamga
13.	Economic and Management Sciences	Prof P (Philippe) Burger
14.	Natural and Agricultural Sciences	Prof PJ (Paul) Oberholster
15.	Health Sciences	Prof EC (Corlia) Janse van Vuuren (acting)
16.	Education	Prof LC (Loyiso) Jita
17.	Theology and Religion	Prof JS (John) Klaasen
	Senior Directors	
18.	Human Resources	Ms MS (Mamokete) Ratsoane (acting)
19.	Research Development	Dr GJ (Glen) Taylor
20.	Communication and Marketing	Ms LC (Lacea) Loader
21.	Centre for Teaching and Learning	Prof JF (Francois) Strydom
22.	University Estates	Mr NJ (Nico) Janse van Rensburg
23.	Directorate of Institutional Research and Academic Planning (DIRAP)	Dr D (Dhanasagran) Naidoo
24.	Protection Services	Mr N (Noko) Masalesa
25.	Chief Information Officer (CIO)	Ms F (Faranah) Osman
	Directors	
26.	Library and Information Services	Ms JM (Jeannet) Molopyane
27.	Directorate for International Partnerships and Relations	Prof L (Lynette) Jacobs (acting)
28.	Student Recruitment Services	Ms NE (Nomonde) Mbadi
29.	Community Engagement	Bp PMB (Billyboy) Ramahlele

	Membership Category (no terms applicable)	Member
30.	Centre for Graduate Support	Dr D (Danila) Wessels (acting)
31.	Housing and Residence Affairs	Ms P (Pulane) Malefane
32.	Kovsie Phahamisa Academy	Adv SA (Shirly) Hyland
33.	KovsieSport	Mr MLJ (Jerry) Laka
34.	Academy for Multilingualism	Dr NI (Nomalungelo) Ngubane
	Student Representative Council	
35.	President: Institutional Student Representative Council (ISRC)	Ms E (Esona) Radebe
36.	CSRC Qwaqwa Campus: President	Mr M (Mcebo) Hlatsi
	In Advisory Capacity (no voting rights)	
37.	UVPERSU representative	Ms AM (Anita) Lombard
38.	NEHAWU representative	Dr B (Bawinile) Mthanti
39.	Deputy Registrar: Governance and Policy	Ms JH (Elna) van Pletzen
40.	Deputy Registrar: Student Academic Services	Mr A (Anban) Naidoo
41.	Deputy Registrar: Legal Services and Compliance	Adv VA (Vuyo) Booysen

2.3.2 Report of Council on risk assessment and management of risk

Council affirms its commitment to effective risk governance and sound risk management practices in the discharge of its fiduciary responsibilities. The university's risk philosophy is embedded in an approved Risk Management Policy and supporting guidelines that define the risk management process, governance structures, roles, responsibilities, and accountabilities. Council retains ultimate oversight responsibility for risk management and has delegated oversight to the Audit, Risk and IT Governance Committee (ARIC). The institutional risk management framework is aligned with the university's strategic objectives, providing a structured and integrated approach to identifying, assessing, mitigating, monitoring, and reporting risks across the institution.

To support ARIC in fulfilling its responsibilities, the Institutional Risk Management Committee (IRMC) was established as a management committee reporting to the Executive Management Committee (EMC). The IRMC serves as the primary institutional structure responsible for coordinating and monitoring risk management across the university. The IRMC ensures that risks relating to academic integrity (teaching and learning, academic planning, and research), strategy, reputation, and the safeguarding of material assets are identified and appropriately mitigated. It further ensures that risk management is integrated into strategic planning, decision-making, and operational processes. A key focus of the IRMC is to promote a culture of risk awareness and to ensure that staff understand their roles and responsibilities within the risk management process.

The IRMC convened three meetings during 2025. It operates in terms of a formal remit, which was revised during 2025 to clarify and strengthen risk accountability across portfolios and divisions.

In 2025, the IRMC was supported by the following structures to identify and escalate risks:

- Academic Committee of Senate – risks of academic work
- Research Committee of Senate – risks of research
- Senate Committee on Engaged Scholarship – risks of engaged scholarship
- Support Service Risk Management Committee – risks of university operations, health, safety, and crime.

The governance structure was streamlined for 2026. The risk functions and responsibilities of the Support Services Risk Management Committee were absorbed into the respective strategic portfolios of Executive Committee members, and the risk functions of the Senate Committee on Engaged Scholarship were incorporated into the Research, Innovation and Internationalisation Committee of Senate to enhance alignment and accountability.

The members of the IRMC collectively have the ability and experience to identify and manage risks and are knowledgeable regarding risk management in general.

Membership comprises the following:

- The Vice-Chancellor and Principal (Chairperson)
- The Deputy Vice-Chancellor: Research, Innovation and Postgraduate Studies
- The Deputy Vice-Chancellor: Strategic Initiatives, International and Institutional Affairs
- The Deputy Vice-Chancellor: People and Operations (Vice-Chairperson)
- The Deputy Vice-Chancellor: Academic
- The Registrar
- The Chief Financial Officer
- The Campus Principal: Qwaqwa Campus
- The Executive Director: Student Affairs, Sport, Arts and Culture
- The Executive Director: Advancement
- The Senior Director: Communication and Marketing
- The Senior Director: Human Resources
- The Senior Director: University Estates
- The Senior Director: Research Development
- The Senior Director: Protection Services
- The Senior Director: Directorate for Institutional Research and Academic Planning
- The Chief Information Officer
- Two deans from faculties, appointed by the Deans Forum
- The Compliance Officer (Advisory)
- The Director: Finance (Advisory)
- The Chief Officer: Risk Management (Advisory)
- The Director: Internal Audit (Advisory)

The university maintains an institutional risk register that is regularly reviewed and updated to reflect emerging and evolving risks. Risk mitigation measures are aligned with strategic objectives and are monitored to ensure effectiveness. Risk management is embedded at source within faculties, divisions, and operational units. Risks are identified in relation to potential threats to the achievement of strategic objectives, as well as events that may impede the effective utilisation of opportunities.

Each identified risk is assessed in terms of likelihood and impact against the Council-approved risk appetite. Where risks exceed acceptable thresholds, mitigation strategies are developed through robust, multidisciplinary engagement and are actively monitored. Risks are escalated through established governance structures when necessary. In 2025, the IRMC reviewed the most significant institutional risks that could hinder the achievement of the university's strategic objectives. Risks with institution-wide impact were presented to ARIC for review and further input.

In October 2025, ARIC considered the consolidated institutional risk profile submitted by the IRMC, incorporating inputs from the relevant Senate and operational committees. Following ARIC's review, Council approved the top institutional risks for 2025 in November. Council is satisfied that appropriate structures, processes, and controls are in place to effectively identify, assess, and manage risks. Risk governance continues to be strengthened through clear accountability, structured oversight, and the integration of risk management into strategic and operational processes. Through the work of ARIC and the IRMC, and with the support of management and Internal Audit, the university maintains a proactive and integrated approach to risk management and continues to foster a culture of risk awareness across the institution. Table 7 shows the institutional risks identified in 2025.

Table 7: UFS Institutional Risks 2025

No	UFS Goal	Risk Description	Overall Inherent (impact x likelihood)		Controls	Control Effectiveness	Residual Risk (inherent rating x control effectiveness)	Summary of Action Plans
1	4. To promote stewardship and prioritisation of institutional resources for strategic intent 4.3: Increasing our research and innovation competitiveness	Failure to increase our research and innovation competitiveness	4	4	- Designated funding for IP commercialisation and industry engagement - Workshops to equip staff with the skills to apply for grant funding - Industry mentorship programme to deepen engagement with industry - Improved visibility of UFS researcher outputs through ORCID and Open Access - Coordinate visits with sponsors and industry to showcase UFS skills and potential for collaboration - Spin-out companies established to commercialise UFS research	Satisfactory	High	- UFS to register on the TIA Innovation Bridge Portal - DRD website to advertise UFS expertise, services, accredited labs, and infrastructure - Dedicated personnel for grant writing and applications - Set parameters for research chairs and centres of excellence
2	Goal 4: To promote stewardship and the prioritisation of institutional resources for strategic intent 4.2: Ensuring the principles of investment to enable academic excellence, with particular emphasis on research and postgraduate activity	Share of income from advancement activities stagnate due to economic climate and our inability to raise funds	4	4	- Institutional Advancement has a CRM system that tracks interactions by fundraisers and other staff - The system also tracks contributions received to keep abreast of trends	Satisfactory	High	- Retain existing donors, renew lapsed donors, acquire new donors - Review IA structure to optimise fundraising capacity - Strategic approaches to SETAs and other high-probability prospects alongside partner departments such as DRD and Financial Aid - Each fundraiser has prospects, including existing donors, lapsed donors, and new donors - Advancement is working with colleagues to attract international funding

No	UFS Goal	Risk Description	Overall Inherent (impact x likelihood)		Controls	Control Effectiveness	Residual Risk (inherent rating x control effectiveness)	Summary of Action Plans
3	4: To promote stewardship and the prioritisation of institutional resources for strategic intent 4.1: Ensuring the efficiency of the non-academic support structures and systems	Off-campus incidents of crime affecting students	4	5	- Service-level agreements with service providers - Student Safety and Security Collaboration Forum	Satisfactory	High	- Continued collaboration and co-operation with SAPS - Continued collaboration with other private security companies and enhanced co-operation with neighbourhood associations - Continued UFS participation and support to the CPFs - Manage and expand the Student Crime Stop WhatsApp groups - Crime awareness campaigns - Student Safety Committee revitalised and monthly discussions with SRC members - Safety representatives appointed to assist with awareness campaigns - Focus to be placed on additional technical security measures to be deployed off-campus
4	3. To advance a transformational institutional culture that demonstrates the values of the UFS 3.3: Becoming a home for staff and students from diverse backgrounds	Difficulty to attract and retain quality fee-paying students and students from minority groups	3	5	- Recruitment and Admission Strategy implemented - Approved Admissions Policy - Faculty rules - Approved enrolment plans - Prospectus in place - Offer management	Satisfactory	High	- Recruitment strategy targeting Quintile 5 schools, private schools, and homeschooling communities implemented - Department of Communication and Marketing (DCM) to profile the UFS as an institution of choice to Quintile 5 schools, minority groups, and fee-paying students - Intensify the faculty marketing plans - Implement enrolment planning as a key driver to maintain an optimal balance between intake and capacity - Cross-departmental integration and collaboration to encourage effective oversight of the professional, ethical, and shared service delivery at each touchpoint between application and enrolment - Restructuring of undergraduate qualifications to prepare students for postgraduate research - Promote postgraduate student funding in key programmes

No	UFS Goal	Risk Description	Overall Inherent (impact x likelihood)		Controls	Control Effectiveness	Residual Risk (inherent rating x control effectiveness)	Summary of Action Plans
5	4. To promote stewardship and the prioritisation of institutional resources for strategic intent 4.1: Ensuring the efficiency of the non-academic support structures and systems	Inability to respond to cyberattacks	5	5	- ICT Services adopted the Critical Security Controls (CIS) framework, which is developed and maintained by SANS. The Critical Security Controls are a recommended set of actions for cyber defence that provide specific and actionable ways to stop today's most pervasive and dangerous attacks The most profound controls implemented by ICT include • Global Protect VPN • DKIM and DMARC (email security) • CASB cloud security on O365 • ApexSQL database activity monitor • Backup encryption • JAMF drive encryption on Apple devices • File server auditing • ImageNow retention and audit • SSL decryption on gateway • Endpoint detection and response (Cybereason) • Oracle database activity monitor	Strong	High	In progress: - Trusted and untrusted network architecture to align with service orientation - Desktop encryption - ISMS policies - Purview investigation - Chronicle SIEM
6	4. To promote stewardship and the prioritisation of institutional resources for strategic intent 4.2: Ensuring the principles of investment to enable academic excellence, with particular emphasis on research and postgraduate activity	Potential declining subsidy income due to inability to meet funded TIUs	4	4	- Enrolment planning - Ensuring sufficient reserves in the stabilisation reserves - Budget model - Financial Sustainability Workgroup established to oversee short-term, medium- and long-term sustainability and interventions - Long-term interventions • Academic and financial viability • Optimisation of PQM • Workload model • Optimisation of thirdstream revenue • Size and shape model	Satisfactory	High	- Enrolment planning – five-year optimised enrolment plan developed and widely consulted; presented to DHET on 9/5/2025 and approved by Council end of June - Financial Sustainability Workgroup interventions relating to workload model / optimised PQM and academic and financial viability continue - Continue stakeholder engagement with DHET; NSFAS; deans and other key role players

No	UFS Goal	Risk Description	Overall Inherent (impact x likelihood)		Controls	Control Effectiveness	Residual Risk (inherent rating x control effectiveness)	Summary of Action Plans
7	4. To promote stewardship and the prioritisation of institutional resources for strategic intent 4.2: Ensuring the principles of investment to enable academic excellence, with particular emphasis on research and postgraduate activity	Over-dependency on government funding	4	4	- Institutionally agreed-upon target for third-, fourth-, and fifth-stream revenue - Quarterly review and engagements with faculties to track progress - Dashboards to faculties to monitor revenue against targets in real time - Strategic institutional engagement on how the balance between self-paying and donor-dependent students can be improved	Satisfactory	High	- Enable faculties and support services to review progress against targets in real time - Continuous engagement with faculties - Review institutional structures that are most beneficial to maximise alternative income streams - Monthly financial reporting to faculties
8	4. To promote stewardship and the prioritisation of institutional resources for strategic intent 4.2: Ensuring the principles of investment to enable academic excellence, with particular emphasis on research and postgraduate activity	Credit risk of student debtors	4	3	- Fee rules yearbook, with terms and conditions - If fees are overdue with more than R2 000, official academic records will not be issued - Formal collection process focusing on pro-active engagement. e.g. SMS, emails, telephone calls - Credit management strategy/plan for the year outlining collection actions - Formal debt management strategy developed	Strong	High	- Continue to monitor level of debt continuously through stakeholder engagement (NSFAS)
9	3. To advance a transformational institutional culture that demonstrates the values of the UFS 3.3: Becoming a home for staff and students from diverse backgrounds	Failure to meet enrolment targets (local and international)	4	4	- Implementation of enrolment management, enrolment capping, and offer management procedures - Use of the Senate Enrolment Management Committee to ensure strategic oversight of enrolment management - Submission of enrolment planning to Registrar before the start of the cycle - Enrolment management of offers, with targets set in advance and monitored - Regular operational meetings (monthly) between SAS and faculties	Satisfactory	High	- Overhaul of online application system – completed

2.3.3 Report on internal administrative/operational structures of control

Management maintains systems of internal control over financial reporting and the safeguarding of assets against unauthorised acquisition, use, or disposal. Such systems are designed to provide reasonable assurance to the management and Council regarding a compliant operational environment that is committed to the safeguarding of a public higher education institution's assets, and the preparation and communication of reliable financial and other information. This reflects the emphasis placed on accountability as a key institutional value.

The internal control systems include documented organisational structures that set out the division of responsibilities, as well as established policies and procedures, including a commitment to ethics and ethical conduct, which are communicated and practised throughout the university to foster a strong ethical climate. Information systems utilising modern information technology are in use throughout the university. All of these have been developed and implemented in accordance with defined and documented standards to achieve efficiency, effectiveness, reliability, and security. Accepted standards are applied to protect privacy and ensure control over all data, including disaster recovery and backup procedures. Password controls are strictly enforced, with users required to change their passwords regularly. Regular (monthly) reviews are conducted to ensure that there are no clashes in user access rights and that the basic internal control concept of the division of duties is maintained.

Where, for capacity reasons, an occasional clash does occur, sufficient manual controls are in place to mitigate these risks. Systems are designed to promote ease of access for all users and are sufficiently integrated to minimise duplication of effort and ensure minimal manual intervention and reconciliation procedures. The development, maintenance, and operation of all systems are controlled by competent, sufficiently trained staff. The utilisation of electronic technology to conduct transactions with staff and third parties ensures that control aspects receive scrutiny and that procedures are designed and implemented to minimise the risk of fraud or error. The Internal Auditor monitors the internal control systems, reports findings, and makes recommendations to Management and the Council through the Audit, Risk and IT Governance Committee. Corrective actions are taken to address identified control deficiencies and other opportunities for improving systems. The Council, operating through its Audit, Risk and IT Governance Committee, provides oversight of the financial reporting process.

There are inherent limitations to the effectiveness of any internal control system, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even an effective internal control system can provide only reasonable assurance regarding financial statement preparation and the safeguarding of assets. Furthermore, the effectiveness of an internal control system can vary depending on circumstances. Nonetheless, management has made every effort to mitigate the potential of such occurrences.

Internal Audit assessed its internal control systems as on 31 December 2025 against the criteria for effective internal control over financial reporting as set out in its financial policy documents. Based on this assessment, Internal Audit believes that its systems of internal control over the operational environment, financial and information reporting, and the safeguarding of assets against the unauthorised acquisition, use, or disposal of assets met these criteria on 31 December 2025. Opportunities for improvement were identified in policy compliance, oversight mechanisms, IT and data-driven controls, and the timely implementation of management action plans. While not indicative of systemic breakdowns, these areas require focused management attention to further strengthen control maturity and operational effectiveness. Management also conducted a review of its risk assessment document and, in conjunction with the internal auditors, developed a programme of internal audits to examine the systems, procedures, and controls in high-risk areas.

With regard to other matters on the Audit, Risk and IT Governance Committee's agenda, there were no outstanding items that exposed the university to a loss arising from undue material risk.

Mr Hangalakani Nkanyane
Director: Internal Audit

David Abbey
Chairperson: Audit, Risk and IT Governance Committee


STOP

3 PERFORMANCE

3. PERFORMANCE

The UFS has followed an integrated approach in compiling the 2025 UFS Annual Report, while meeting all requirements as set out in the Regulations for Reporting by Public Higher Education Institutions (2014). This integration hinges on the Report of the Senate to Council as well as its commitment to Council in the Annual Performance Plan (APP). This section thus addresses the extent to which the strategic goals and objectives for learning and teaching, research, and engaged scholarship were met in 2025.

3.1 Report of Senate to Council

3.1.1 Overview of progress regarding the implementation of set goals and objectives in the 2025 APP

In 2025, the UFS APP had 28 key performance indicator (KPI) targets. By the end of the year, 18 targets had been achieved, while 7 were partially achieved and 3 underachieved. The three underachieved KPIs presented a material risk to the institution; hence, the responsible divisions in the institution, namely the Directorate Research Development, Student Affairs, and the Department of Finance presented initiatives to respond to the challenges of the time to ensure that related targets are met in 2026.

The university's performance in 2025 shows that it has made significant strides in enhancing its research and resourcing efforts. This was done by placing increased emphasis on research that contributes to societal and knowledge impact through the new modality for resourcing the research enterprise. This meant embedding the revised resourcing model across core research support structures and aligning thematic research priorities with institutional and national development agendas. These efforts were also supported by targeted stakeholder consultations and a phased implementation approach, with particular emphasis on strategic budgeting, research infrastructure, and the consolidation of institutional research themes into high-impact hubs.

In terms of promoting NRF-rated researchers, despite the provision of annual incentives for NRF-rating advancement, a proportion of researchers remain insufficiently motivated to progress from a C rating to higher A and B rating categories. This seems to suggest that existing incentive structures may not adequately address the underlying drivers of advancement. However, a significant constraint is the prolonged turnaround time by the National Research Foundation (NRF) in providing feedback on A and B ratings. The UFS experienced delays of almost one year, which impacted the institution's ability to accurately reflect progress on this activity and the respective KPIs.

In 2025, the university continued to promote academic offerings and practices that enhance the desirability and success of graduates. Efforts focused on strengthening industry-faculty partnerships, expanding and tracking the uptake of enhanced teaching methodologies, and improving the postgraduate environment. Faculties reported a broad and diversified portfolio of collaborations across teaching and learning, research and community engagement, while the Centre for Teaching and Learning (CTL) delivered extensive staff development and curriculum renewal support across the institution.

To continue strengthening the efficiency and responsiveness of academic administration, the focus was on the consolidation of digitised processes, improving registration and admissions workflows, and refining key governance instruments to support faster, more reliable decision-making across the institution. Moreover, building on the successes of the Academic and Administration System Renewal Project (AASRP) was also an important focus. Furthermore, to strengthen academic structures and enhance data-driven decision-making, the approval of the Module Viability Model by the Academic Committee in 2025 means the institution now has a standardised, evidence-based framework to guide future structuring of academic departments and programmes.

The UFS continued to strengthen a supportive, inclusive, and future-orientated institutional culture by monitoring staff climate through climate and engagement data, refining training and development programmes, and consolidating its committee structures. Additionally, the university continued to strengthen its position as an institution of choice by systematically monitoring its external and internal reputation and by advancing the quality and diversity of its academic and professional support staff. The Department of Human Resources implemented focused recruitment, promotion, and retention strategies to increase the proportion of academics with doctorates and to build a professional support staff cohort that is competent, diverse, and aligned with the Academic Project and institutional values.

The university continued to strengthen its position as a welcoming, supportive home for a diverse student and staff community. The Division of Student Affairs expanded holistic student-life, wellness, sport, and engagement initiatives across all campuses, while Student Counselling and Development and Kovsie Health consolidated their services within the Health and Wellness Centre. The Department of Human Resources strengthened the monitoring of newly appointed staff members' experiences, with particular focus on those from designated groups, to support their integration and progression into academic leadership roles.

In 2025, the UFS continued to apply structured investment principles to support academic excellence, with a particular focus on research and postgraduate activity. Within a constrained funding environment, the annual budget and sustainability processes were used to prioritise infrastructure, digital systems, and governance platforms that directly enable the Academic Project. Short-term sustainability measures, the consolidation of a sustainability reserve, and the realignment of unutilised funds towards strategic priorities formed part of a broader effort to safeguard long-term institutional resilience and create an enabling environment for research-led teaching and postgraduate growth. The following discussion presents a detailed discussion of institutional performance per strategic goal with a focus on the KPI targets and activities in 2025.

3.1.2 Goal 1: To improve academic excellence, reputation, and impact

The university has achieved most of its KPI targets in 2025. In relation to Goal 1, five of the KPI targets were achieved, two targets were partially achieved, and one underachieved. These indicators measure institutional performance in relation to the goal of improving academic excellence, reputation, and impact. The progress made in implementing activities under each objective is discussed below.

Objective 1.1: Placing increased emphasis on research that advances societal and knowledge impact

In 2025, the UFS continued to advance its objective of placing increased emphasis on research that contributes to societal and knowledge impact by implementing a new modality for resourcing the research enterprise and operationalising the institutional research strategies and agenda. Building on the work undertaken in 2023 and 2024, the university focused on embedding the revised resourcing model across core research support structures and aligning thematic research priorities with institutional and national development agendas. These efforts were supported by targeted stakeholder consultations and a phased implementation approach, with particular emphasis on strategic budgeting, research infrastructure, and the consolidation of institutional research themes into high-impact hubs.

Two KPIs (1.1.1. total income to research and 1.1.3 research reputation) were achieved under this objective, while the citation rate KPI 1.1.2 target was partially achieved. It is important to note that, in relation to the KPI 1.1.3 (UFS research reputation among published academics worldwide), the institution started implementing initiatives in 2025, such as ensuring that the firewall of the institution allows the survey emails through and also making academics aware of the survey so that they actually participate if invited. Therefore, while the 2025 surveys seem lower than 2024, the data used to calculate the 2025 THE-World University Rankings is for 2023, n-2. The improvements from the 2025 initiatives going forward will only be seen in 2027 onwards, n+2.

Furthermore, a review of the 2023–2025 APP identified limitations in the use of citation rate as a primary measure of research impact at the UFS. Specifically, citation rate does not provide a timely or accurate reflection of the impact of recent research outputs, as citation accrual is inherently cumulative and increases over extended periods. Consequently, the current calculation methodology disproportionately reflects historical research performance, while underrepresenting the current impact and prospective influence of newly published outputs. This temporal bias constrained the institution's ability to demonstrate short-term research impact and contributed to the underachievement of the SDG-related citation performance target during the period under review.

In response to these limitations, the KPI has been revised for the 2026–2028 planning cycle. The revised KPI shifts the focus from citation-based impact measurement to research quality and positioning, defined as the proportion of UFS publications published in Q1- and Q2-ranked journals relative to total institutional scholarly outputs. This indicator provides a more contemporary and performance-sensitive measure of research excellence. The university remains committed to completing these strategies in 2025 and initiating implementation.

1.1.1 Implement a new modality for resourcing the research enterprise

Between 2023 and 2025, the university made steady progress in moving from the design to the implementation of a new modality for resourcing the research enterprise. The model is based on a three-phase process that includes reviewing the existing approach, redesigning the model, and progressively implementing it, with all three phases running in parallel across different sub-processes. The resourcing analysis used the 2022 baseline allocation of R561 million, distributed as follows: R135 million for the DRD strategic budget, R60 million for Library and Information Services (LIS)/Centre for Graduate Support (CGS)/Directorate for International Partnerships and Relations/ Technology Transfer Office (TTO) activities, R192 million for researcher and support staff salaries, and R173,6 million from the third-stream income and the UCDP grant. Continuous consultation with key stakeholders, including LIS, CGS, and the Directorate for International Partnerships and Relations, HR, TTO, Finance, and faculties, underpinned the implementation process.

Significant progress was made within the Directorate Research Development (DRD) strategic budget, which underwent substantial redesign and implementation in 2025. The Central Research Funding process was revamped and rolled out under the new model, while the Expensive Equipment Strategy was finalised and operationalised. This included the establishment of an Expensive Equipment Committee and continued work towards a Central Analytical Facility (CAF) to optimise the management, utilisation, and income generation of high-end research equipment. Publication incentive guidelines were reviewed and adjusted, with immediate changes implemented where possible, while remaining aligned with the forthcoming DHET Research Output Policy revisions. In parallel, the Postdoctoral Policy and Procedures were reviewed and entered an active consultation phase, accompanied by increased strategic allocations to mentoring programmes, research hubs, research focus areas, and postdoctoral funding. Collectively, these sub-processes account for approximately 70% of the DRD annual allocation, with Centres of Excellence and Research Chairs accounting for a further 25%.

Additional implementation progress has been achieved through the introduction of third-stream income targets in 2025, with monitoring processes already underway and the Directorate Institutional Research and Academic Planning (DIRAP) developing systems for department-level measurement. Human Resources contributed to the new modality through resourcing reforms, including an embargo on new support staff appointments, staff redeployment, performance management of researchers, PhD requirements for new research appointments, and the introduction of professional career development programmes. Financial governance was also strengthened, including the return of unutilised strategic funds to Central Finance, the ring-fencing of project savings within faculty-department entities, the reclaiming of funds from inactive researchers, and the establishment of a Sustainability Fund to support research and third-stream income growth.

Looking ahead, further restructuring is underway within CGS, LIS, and the Directorate for International Partnerships and Relations to align resources and framework more closely with the research portfolio, including a review of the postgraduate bursary framework. In addition, a five-year institutional commitment of R19 million per annum for UFS research chairs, together with the continued development of the CAF, positions the university to strengthen its research capacity, competitiveness, and long-term sustainability.

1.1.2 Implement and monitor the research strategies and agenda, and revise accordingly

In 2025, the university shifted from conceptualisation to implementation of its updated research strategies and agenda. A key milestone was the reconfiguration of institutional research themes to ensure sharper alignment with Vision 130, national and continental priorities, and the Sustainable Development Goals. Following extensive consultations with vice-deans of research and 27 senior academics across faculties, the original five themes were consolidated into four institutional research themes:

- Sustainable Futures
- Systems for Societal Development
- Planetary Health and Well-being
- Flourishing Life

These theme titles were finalised by consensus and approved by the University Executive Committee (EXCO) on 4 June 2025.

A detailed implementation plan for virtual thematic research hubs was developed over the ensuing three months and approved on 1 October 2025. This plan outlines governance structures, roles, and responsibilities, performance expectations, and resource pathways for the thematic hubs. A pre-implementation phase commenced in late 2025, focused on preparing staff and institutional systems for theme-aligned changes, including integration with faculty research plans, postgraduate supervision, and external funding strategies.

To drive implementation, the university completed the design and advertising of four Theme Champion (Director) posts. Advertisements were finalised for release by 30 November 2025, with appointments envisaged for 1 March 2026. Vacancies were advertised in December 2025 and January 2026. Where suitable candidates are not identified through the initial round, positions will be re-advertised, and high-potential candidates will be actively headhunted.

Through these developments, the UFS has begun to institutionalise its research agenda through clearly defined themes, leadership roles, and virtual hubs, supported by revised resourcing modalities. While 2025 represented a transition year in which key design and implementation steps were completed, the full impact of these changes on research outputs, collaboration, and societal impact will materialise over the medium term as the thematic hubs become fully operational and embedded in faculty-level planning and performance management.

Objective 1.2: Increase the quantity, quality, and diversity of academic staff with renowned global reputation

The UFS has successfully implemented the activities towards this objective. Despite the provision of annual incentives for NRF rating advancement, a proportion of researchers remain insufficiently motivated to progress from a C rating to higher A and B rating categories. This suggests that existing incentive structures may not adequately address the underlying drivers of advancement. However, a significant constraint is the prolonged turnaround time by the National Research Foundation (NRF) in providing feedback on A and B ratings. The UFS has experienced delays of almost one year. This lag adversely impacts the institution’s ability to accurately reflect progress and achieve targeted growth for this KPI.

To improve on this KPI, the DRD provides faculty-specific rating workshops and provides dedicated proposal development support. Consistent feedback requests are sent to the NRF via the Deputy Vice-Chancellor to try to reduce the prolonged turnaround period. It is further recommended to investigate the feasibility and potential impact of coupling current incentives with capacity-building interventions such as A/B-rated peer mentoring programmes. Therefore, the focus remained on increasing the proportion of NRF A-, B-, and P-rated researchers, broadening the base of publishing academics, and deepening international research collaboration. Progress was made in each area, although performance against some institutional targets continues to reflect structural constraints in the academic pipeline and the time lag in NRF ratings.

1.2.1 Continue implementation and monitor the programme output and impact, and revise accordingly

The institutional KPI requires that 6% of permanent instructional/research staff hold NRF A, B, or P ratings (global recognition). As of July 2025, the university had achieved 2,88% (25 of 869 staff), increasing from 2,1% (19 of 906 staff) in June 2025. While this represents incremental improvement, it still falls materially short of the 6% target and underscores the need for sustained, multi-cycle interventions.

The 2025 NRF rating profile shows a concentration in mid-tier categories – A1 (3), A2 (1), B1 (7), B2 (5), B3 (8), and P (1) (spaces), and P(1) — with limited gender and racial diversity (80% male; 88% white). This persistent underperformance against the institutional targets reflects a small cohort of globally recognised researchers, uneven disciplinary distribution across faculties, and a constrained pipeline of emerging scholars.

An important factor influencing performance is the multi-year nature of the NRF peer-review cycle. Ratings inherently lag real-time research performance, which means that the institutional percentage cannot shift rapidly in a single year. Applying for a rating too early risks locking in a lower rating for an entire cycle, while missing renewal windows may result in rating lapses. This confirms that the KPI can only be substantively improved through long-term pipeline development and multi-cycle planning, rather than short-term interventions.

In 2025, the university continued to implement a suite of institutional initiatives to strengthen the pipeline. These include structured mentoring programmes pairing emerging scholars with highly rated researchers, as well as writing and grant-development initiatives such as proposal bootcamps and optimised use of SPIN and other funding tools. Verified datasets (October 2025) confirm 25 NRF-rated academics and research fellows among 844.67 FTE instructional/research staff (2,97%), indicating a slow but upward trend and reaffirming the substantial gap relative to the 6% APP target. Overall, while measurable progress has been made, the university remains significantly below the KPI, with improvements constrained by long review cycles, limited pipeline readiness, and disciplinary concentration on existing ratings.

1.2.2 Continue monitoring, and review the efficacy of the policy and its impact in terms of research reputation and societal impact

Considering the research reputation and societal impact, there is a clear pattern of improvement over the 2023 to 2025 period. Scholarly output shows a year-on-year increase, with 2024 exceeding 2023 levels and 2025 (despite being incomplete) already demonstrating sustained productivity. More importantly, there is a progressive shift in the quality of outputs: the proportion of publications in top 10% journals increases over time, and the distribution of outputs shows a growing concentration in Q1 journals. This indicates not only increased productivity, but a systemic movement towards higher-impact publishing. In parallel, research activity in 2025 reflects stronger alignment with priority Sustainable Development Goals, suggesting a maturing focus on strategic and societally relevant research areas. Together, these trends point to a positive trajectory in both the quantity and quality of scholarly output over the three-year period.

While multiple factors contribute to these trends, the alignment between the timing of revised promotion criteria and the observed improvements suggests that these criteria have played an enabling and directional role.

1.2.3 Monitor output and impact in terms of graduate desirability and continue to nurture existing partnerships and establish new ones

International research collaboration remains a central lever for enhancing the university's research visibility, citation impact, and graduate desirability. According to the 2025 Scopus institutional profile, the UFS exceeds its

48% KPI target for international collaboration, achieving 52,8% (566 of approximately 999 publications), which is 4,8 percentage points above the target, or roughly 86 more internationally co-authored publications than required. Collaboration-mode outputs were distributed as follows:

- International multi-institution: 566 publications (56,7%)
- National multi-institution: 185 publications (18,5%)
- UFS multi-author (internal): 143 publications (14,3%)
- UFS single-author: 105 publications (10,5%).

The Field-Weighted Citation Impact (FWCI) for international outputs was 1.27, indicating that these publications were cited 27% above the global average, while outputs without international co-authors showed significantly lower citation performance. Although Scopus coverage favours disciplines with stronger international orientation, the high collaborating score reflects the impact of institutional internationalisation strategies and partnership-driven models on the UFS research profile.

Library and Information Services (LIS) plays an enabling role in this area by enhancing research visibility, supporting student publishing, and strengthening graduate research capacity. In 2025, 84 postgraduate student publications were produced in collaboration with academics, distributed across faculties as follows: Economic and Management Sciences (3), Education (23), Health Sciences (11), Natural and Agricultural Sciences (45), The Humanities (1), and Support Services (1). Due to the exhaustion of Open Access funding in September 2025, only 23 such publications could be funded later in the year, compared to 84 in the prior semester, illustrating both demand for and constraints on Open Access support.

Undergraduate research visibility also continued to grow through FigShare, which recorded 4 683 views and 3 706 downloads of UFS undergraduate outputs in 2025, with the highest engagement from the United States (2 617 views) and Brazil (291 views). This increasing international interest in undergraduate research suggests an important future opportunity to strengthen the research pipeline and graduate profile through early research exposure, publication support, and global dissemination.

Objective 1.3: Promote academic offerings and practices that produce desirable graduates

In 2025, the university continued to promote academic offerings and practices that enhance the desirability and success of its graduates. Efforts focused on strengthening industry-faculty partnerships, expanding and tracking the uptake of enhanced teaching methodologies, and improving the postgraduate environment. Faculties reported a broad and diversified portfolio of collaborations across teaching and learning, research and community engagement, while the Centre for Teaching and Learning (CTL) delivered extensive staff development and curriculum renewal support across the institution.

Figure 1 below shows a slight increase in graduates at undergraduate level from 6 547 in 2023 to 6 778 in 2025. This should be a decrease rather than an increase; however, it can be noted as a small increase. In contrast, PG diploma graduates have steadily increased from 741 in 2023 to 875 in 2025. Honours programmes also showed growth, with graduate numbers rising from 1 046 in 2023 to 1 210 in 2025. This is in line with the necessary Vision 130 shifts. Master’s and doctoral graduates decreased from 617 in 2023 to 181 in 2025 and from 189 in 2023 to 99 in 2025, respectively. It is important to note that this was February 2026 data; by May – after the audit for HEMIS submission – the numbers will be different and most likely better than these figures. This shows that the institution has made some gains towards Vision 130 by increasing the postgraduate graduation rate for the PG diploma and honours, even though more work needs to be done in relation to master’s and doctoral graduation rates.

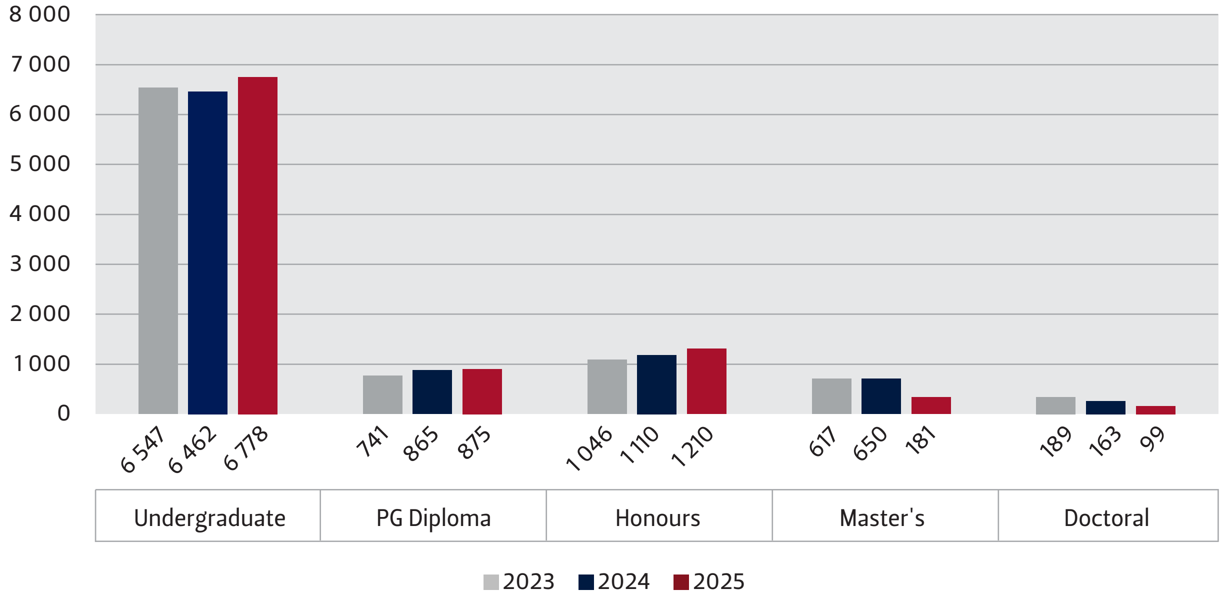


Figure 1: UFS graduates 2023, 2024, and 2025

1.3.1 Evaluate the number and impact of industry collaborations/partnerships and linkages, and amend modes of engagement accordingly

During 2025, the university undertook an analysis of the scope and impact of faculty-industry collaborations and partnerships across its core domains of teaching and learning, research, and community engagement. The review demonstrated that all faculties maintained active and, in several cases, expanding portfolios of engagement with external partners.

- The Faculty of Education reported one (1) research collaboration and seven (7) short learning programmes (SLPs).
- The Faculty of Economic and Management Sciences indicated four (4) teaching and learning initiatives, two (2) research collaborations, and one (1) community engagement partnership.
- The Faculty of The Humanities reflected ten (10) teaching and learning initiatives, two (2) research collaborations, and one (1) community engagement partnership.
- The Faculty of Law recorded four (4) teaching and learning initiatives and one (1) research collaboration.
- The Faculty of Natural and Agricultural Sciences demonstrated a substantial portfolio, with more than twenty (20) collaborations across teaching and learning, research, and community engagement, respectively, in addition to more than ten (10) SLPs.
- The Faculty of Theology and Religion reported two (2) teaching and learning initiatives and one (1) research collaboration.

Across faculties, modes of engagement included research partnerships and contract research, community-engaged scholarship, student experiential and work-integrated learning opportunities, participation in academic advisory boards, international exchange programmes, innovation-driven projects, and consulting services. Collectively, these engagements indicate a diversified and structured approach to strengthening institutional responsiveness to labour market needs, enhancing graduate employability, and contributing to societal impact.

1.3.2 Measure the uptake of enhanced teaching methodologies, and monitor content renewal and relevance

In 2025, the Centre for Teaching and Learning (CTL) continued to scale up staff development and curriculum renewal initiatives to support enhanced teaching and curriculum renewal. Activities were delivered across multiple programmes and quarters, with strong participation from academic staff.

In the first semester of 2025, CTL offered a wide range of training interventions across four main categories:

- General academic training (blended learning, assessment, educational technologies, Blackboard), attended by 1 099 staff
- Teaching Portfolio workshops on the Bloemfontein and Qwaqwa Campuses, with 91 staff participants
- The Curriculum Renewal Programme (CRP), which engaged 66 staff in redesigning modules using backward design, graduate attributes, and blended learning principles
- Support for student integration through the New Academic Student Orientation (NASO) programmes, with 26 staff participants.

In Quarter 3 of 2025, CTL recorded 2 359 participants across its initiatives, driven largely by the UFS Learning and Teaching Conference. General staff development sessions and Assessment Week collectively drew 694 attendees, while specialised programmes such as the Academic Leadership Programme, New Academic Staff Orientation, and the UFS Learning and Teaching Fellowship maintained smaller, focused cohorts of 13-21 participants. Engagements in graduate attribute workshops varied by faculty, with Health Sciences recording the highest participation (45 attendees).

During Quarter 4, CTL sustained its dual focus on broad institutional engagement and targeted professional development. The UFS Learning and Teaching Conference remained the flagship initiative, drawing 1 216 attendees and showcasing 95 presentations, including contributions from national and Southern African universities. The CRP continued to advance curriculum innovation with 64 participants, while the UFS Learning and teaching Fellowship supported a new cohort through workshops and a writing retreat (33 engagements). Leadership development was strengthened through the Academic Leadership Programme (12 participants), and excellence in teaching was highlighted through initiatives such as the Khothatsa Project Awards and the Exceptional Academic Achievers Award.

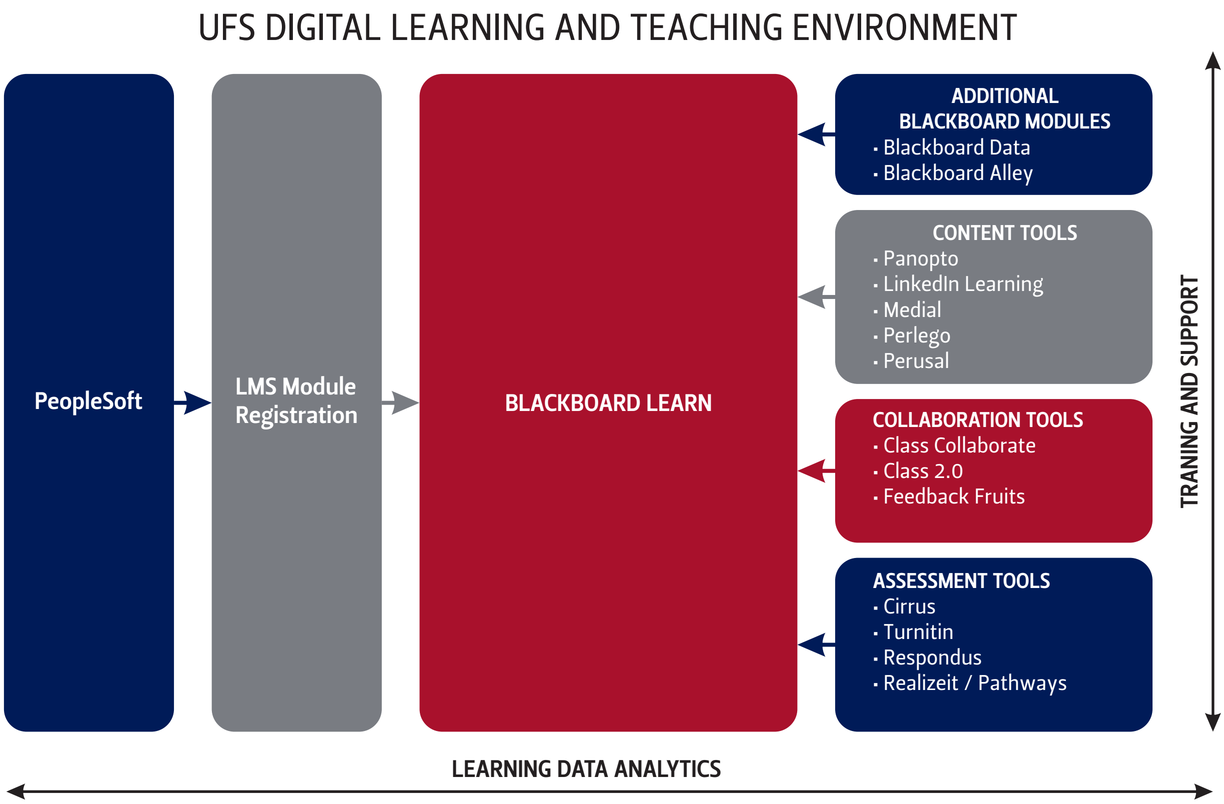


Figure 2: UFS digital learning and teaching environment

Table 8: Summary of software, online applications, and digital learning and teaching systems approved by the ETLS Committee

Project / Request	Short Description	Faculty / Support Department
Review of Turnitin	Given the renewal cycle of the existing Turnitin contract, a request was put forward to review Turnitin as institutional plagiarism checker software. The review found that Turnitin was widely adopted across faculties for plagiarism detection, particularly at the postgraduate level, as well as for integrated grading and marking purposes. Request to renew the Turnitin contract for another three years was approved.	Centre for Teaching and Learning
Review of Blackboard (learning management system)	During 2025, the UFS reviewed Blackboard as institutional learning management system (LMS). The UFS appointed PURCO to assist with the procurement and tender process, and in May 2025, a project steering committee and project team was established with key institutional stakeholders. After a comprehensive review, it was approved that the UFS would move from Blackboard to D2L / Brightspace as new institutional LMS as of 2027. Therefore, 2026 will be used as a migration year during which all modules will be migrated to the new environment, and staff and students will be capacitated in the use of the new system. As part of this request, R4 928 886 of digitalisation funding was re-allocated to support this migration process.	Centre for Teaching and Learning
Digitalisation of FGG360	The Department of Economics and Finance within the Faculty of Economic and Management Sciences requested funding (R2 594 975 from the UFS digitalisation funds) for the digitalisation of the FGG360 venue with state-of-the-art technology for postgraduate students in line with market demands in Economics, Finance, Banking and Business Analytics.	Economic and Management Sciences
Non-renewal of ConnectYard	There has been a notable decline in academic and student engagement on this platform, suggesting that the platform no longer meets their needs or justifies its costs. Given this, ETLS approved that the ConnectYard contract will not be renewed at the end of February 2025.	Centre for Teaching and Learning
MusicPlayOnline	This software allows access to music education curricula, including lesson plan ideas, songs, various methods, and sequences for teaching general music education and recorder. This subscription will assist in curriculum building for all subjects mentioned above. Moreover, the students of these subjects are asked to submit and teach lesson plans for the various community engagement projects throughout the year.	The Humanities
Panopto Contract Extension	Panopto is a cloud-based video streaming and lecture capture system that facilitates the streaming, recording, and sharing of videos, allowing for the capture of screen, audio, and/or video from various devices to record live lectures, presentations, demonstrations, and supplemental materials, with the option to upload and share previously created videos via link or embedding into learning management systems. The UFS has an existing Panopto contract, but given the availability of DHET infrastructure grant funding, a request was put forward to extend the contract for another two years (1 January 2027-31 December 2028. This extension would allow the UFS to leverage the advanced data functionalities, as well as the AI-powered features.	Centre for Teaching and Learning
Mindjoy: Pilot Project	Mindjoy is an AI platform offering 24/7 Socratic tutor support and automated feedback on formative assessments, enhancing real-time feedback, student learning outcomes, and overall experience. The AI tool would support the School of Accountancy in developing competencies across four core third-year modules. In addition to Socratic tutor support and learning pathways, it also provided real-time data to lecturers to identify learning gaps. Running a pilot to support up to 350 third-year BAcc, BCom, PGDip, and BComHons students has been approved.	Economic and Management Sciences

1.3.3 Review the postgraduate environment and revise the strategies accordingly

In 2025, DRD embarked on a process of revising the postgraduate environment, initiated by first drafting the Reorganisation of the Knowledge Enterprise Research and Graduate Support strategic document to inform discussions. As a result, version one of this document was discussed in quarter four to consolidate inputs and integrate or incorporate them into the document for finalisation. More discussions may be necessary in 2026 to ensure a broad embrace of contributions to ensure broad ownership.

3.1.3 Goal 2: To promote an environment of agility, flexibility, and responsiveness based on trust and accountability

There are three KPIs under this goal, two of which were achieved, and one was partially achieved. The implementation of activities under each objective was successful. Most of the work in 2025 was focused on implementing and monitoring initiatives and processes that were initiated in 2023 and 2024. The activities are discussed in detail below.

Objective 2.1: Promote policies, systems, processes, and practices which are appropriate, effective, and efficient

The UFS continued to strengthen the efficiency and responsiveness of academic administration and core operational processes. Building on the Academic and Administration System Renewal Project (AASRP) and related governance work initiated in earlier years, the focus shifted towards consolidating digitised processes, improving registration and admissions workflows, and refining key governance instruments to support faster, more reliable decision-making across the institution.

2.1.1 Determine the efficiency gains and improvement in responsiveness as well as its impact on the environment

The Academic Administration System Renewal Project delivered an improved registration process in 2025, compared to the previous years. In respect of the online application system, the challenges experienced in earlier cycles were addressed and the system was significantly improved through collaborative work between Information Communication Technology Services (ICTS), the Systems and Project Management Directorate (SPMD), Student Academic Services (SAS), and the faculties. These improvements contributed to greater stability, reduced errors, and more efficient processing of applications and registrations, thereby enhancing responsiveness in the academic administration environment.

2.1.2 Monitor the responsiveness of the critical processes

The registration data is constantly monitored and the respective line managers, in consultation with the relevant role players, have implemented intervention measures to increase the number of postgraduate students. A significant increase was also noted in students with higher APS scores. The procedures for awarding degrees are being refined to improve the identification of graduating students and to eliminate incorrect awarding of qualifications. Two critical governance instruments intended to regulate the Admission and Offer Management and Module Capping were prepared for submission to the Executive Committee of Senate (ECS) for final approval during the third quarter. The application and admission statistics, together with an overview of processes, milestones, achievements, challenges, and constraints, were scheduled for presentation at the University Management Committee (UMC) meeting in August 2025.

The 2026 Registration Plan was presented at the June 2025 UMC meeting, and the Admission and Offer Management procedures were approved for implementation by the relevant university structures, including the UMC and ECS. The 2026 Registration Plan, developed through thorough consultation with all relevant role players and stakeholders in the registration process, was approved by the Executive Management Committee (EMC) and the UMC for implementation in 2026.

The online registration plan was approved, tested, and re-tested by various stakeholders, including students, and certified as ready for launch in January 2026. Successful implementation of the online application process, the elimination of previously identified system errors and bugs, and improvements to the online application systems for postgraduate and international students collectively demonstrate active monitoring and enhanced responsiveness of these critical institutional processes.

Objective 2.2: Improve academic structures as well as management and leadership capacity

In 2025, the UFS made further progress in strengthening its academic structures and enhancing data-driven decision-making. The Module Viability Model, which incorporates the core elements of academic departmental viability identified through literature and benchmarking, was consulted with the Qwaqwa Campus management and faculty leadership. With approval of the Module Viability Model by the Academic Committee in 2025, the institution now has a standardised, evidence-based framework to guide future structuring of academic departments and programmes.

2.2.1 Implement new faculty structures

The core elements of Academic Departmental Viability were identified through a review of relevant literature and incorporated into the draft Module Viability Model. These elements were subsequently consulted with Qwaqwa Campus management and faculty leadership as part of broader Module Viability deliberations. Once the Department of Finance finalised the Academic Allocation Model, CTL facilitated dedicated implementation workshops to prepare academic units for operationalisation. The process centres on module-level evaluation and applies the Module Viability Model – approved by the Academic Committee in 2025 – as the new guiding framework for faculty structuring and decision-making.

Objective 2.3: Leverage the use of digital technologies, business intelligence, and analytics to enable evidence-based decision-making

In the area of digitalisation and business intelligence, performance remains below target, with only 14,7% of management accessing BI platforms against the target of 30%, signalling a need for greater adoption and strengthened digital capability across leadership levels. The decline can also be attributed to the continued reliance on ad hoc requests from management, which compensates for the limited platform usage but ultimately reduces the incentive for leaders to engage directly with BI systems. The UFS continued to leverage digital technologies, business intelligence, and analytics in support of evidence-based decision-making. PowerHEDA remained the official monitoring and reporting system, with enrolment and management information updated and validated for the 2025 cycle and the 2026-2030 planning period.

2.3.1 Maintain BI systems, monitor user experience, and revise accordingly

The current PowerHEDA system remained the official monitoring and reporting platform in 2025, with all process functioning and management information tables updated to accurately reflect the institutional position. DIRAP continued finalising the 2025 enrolment data, including validation and funding tests, while enrolment-planning tables for 2026 to 2030 were updated in line with DHET-approved plans and 2026 registrations. Additionally, staff members in DIRAP focusing on institutional information systems completed PowerBI training, and integration-related work between systems commenced in 2025 in close collaboration with ICT, Finance, and Student Academic Services to establish structures on the operational data scores (ODS) for full cross-system integration into a single reporting platform, PowerBI. Continuous training on the ODS for DIRAP staff by ICT supported this process, and DIRAP rolled out the new PowerBI system in January 2026 for monitoring registration progress, while PowerHEDA continued to be used as a management information system.

3.1.4 Goal 3: To advance a transformational institutional culture that demonstrates the values of the UFS

The UFS has performed well in relation to the objective of creating a vibrant space for and acceptance of constructive and critical engagement. Out of 10 KPIs, seven KPI targets were achieved, two were partially achieved and one was not achieved. The activities under the various objectives include the continued monitoring of staff climate and training programmes, monitoring the effectiveness of new committee structures and their impact, promoting and monitoring future-centric dialogue, and many others. The implementation of these activities is discussed in detail under the objectives below.

Objective 3.1: Creating a vibrant space for, and acceptance of, constructive and critical engagement

The UFS continued to strengthen a supportive, inclusive, and future-oriented institutional culture by monitoring staff climate, refining training and development programmes, and consolidating its committee structures. The Department of Human Resources intensified the use of climate and engagement data to shape targeted interventions, with a particular focus on leadership, change management, and conflict resolution. In parallel, the UFS Committee Structure and Framework was implemented, and the remits of existing and newly established committees were reviewed and approved, thereby enhancing governance coherence, accountability, and the effectiveness of institutional decision-making.

3.1.1 Continue monitoring staff climate and refine training programme(s) accordingly

In 2025, the Department of Human Resources continued to foster a supportive and inclusive work environment by monitoring staff climate and refining training and development offerings. Regular engagements with recognised unions were maintained to ensure open communication channels and to proactively address emerging concerns. Insights from onboarding feedback, exit interviews, and the institutional climate and engagement survey were systematically analysed to identify trends and inform targeted interventions. Training programmes were increasingly customised to address faculty- and department-specific needs, with key focus areas including conflict management, coaching, change management, and other critical competencies that support institutional resilience and transformation.

During the reporting period, HR made significant progress in aligning training offerings with the UFS competency framework. Staff performance data identified development needs, and participation in training interventions across campuses was used to refine programme content and delivery. Particular emphasis was placed on aligning training with institutional priorities, addressing identified skills gaps, and enhancing leadership and functional competencies to ensure that the training and development strategy remained responsive, impactful, and aligned with Vision 130. As part of the broader optimisation and standardisation of support services, HR reviewed existing training offerings, streamlined them in line with institutional priorities, and expanded access to targeted development pathways through platforms such as LinkedIn Learning, which now form an integral part of the competency-based training framework for support staff.

An institutional engagement survey was conducted to monitor the organisational climate and gain deeper insight into staff experiences, levels of engagement, and areas requiring focused intervention. The survey outcomes are being used to further refine training content, enhance leadership and management development initiatives, and ensure that support staff development programmes remain evidence-based and responsive to evolving institutional needs.

In the fourth quarter of 2025, continued monitoring of the staff climate was conducted through structured feedback mechanisms, including follow-up engagement sessions and input from leadership and discipline-specific forums. The analysis indicated measurable improvements in areas such as role clarity, supervisory support, and inter-departmental communication, particularly within operational and student-facing environments. Based on these trends, training programmes were refined to include targeted modules on conflict management, performance accountability, and change leadership, with increased emphasis on case-based and scenario-based learning. Monthly forum-based training sessions were further aligned with identified risk areas to ensure that capacity-building interventions remained responsive, data-driven, and strategically integrated with institutional priorities.

3.1.2 Monitor the effectiveness of new committee structures and their impact

In 2025, the university advanced the consolidation and rationalisation of its committee structures to enhance governance effectiveness and alignment with Vision 130. The UFS Committee Structure and Framework was approved by Executive Management (for executive management committees) and by Senate (for Senate and faculty committees) during the third quarter of 2025.

Following this approval, the remits of newly established committees were drafted, and the remits of existing committees were reviewed during the fourth quarter of 2025. The revised remits of existing and reconfigured committees, as well as those of the newly established committees, were presented to and approved by Senate in October 2025. Council, in respect of management committees, approved the revised and new remits in November 2025 for implementation from 2026.

These developments laid the foundation for more coherent and streamlined governance, clearer lines of accountability, and improved monitoring of committee performance and impact across the institution.

3.1.3 Promote and monitor future-centric dialogue

The Bram Fischer Memorial Lecture took place on 13 October 2025, featuring two leading African scholars, Prof Issa Shivji from the University of Dar es Salaam and Prof Tshepo Madlingozi from the South African Human Rights Commission. The event was hosted by the Free State Centre for Human Rights and the Faculty of Law. The lecture served as an opportunity for reflection on the enduring relevance of justice, truth, and public intellectualism in contemporary society. The engagements also reflected the diversity of human rights experiences on the African continent and highlighted learning opportunities.

Objective 3.2: Become an institution of choice for exceptional students, academics, and support staff

In 2025, the university continued to strengthen its position as an institution of choice by systematically monitoring its external and internal reputation and by advancing the quality and diversity of its academic and professional support staff. The UFS Brand and Reputation Survey provided evidence-based insights to guide targeted communication and positioning initiatives. In parallel, the Department of Human Resources implemented focused recruitment, promotion, and retention strategies to increase the proportion of academics with doctorates and to build a professional support staff cohort that is competent, diverse, and aligned with the Academic Project and institutional values.

3.2.1 Monitor the UFS' reputation through the UFS Brand and Reputation Survey

In 2025, the UFS Brand and Reputation Survey was conducted, after which a comprehensive research report was produced and presented to the Reputation Management Forum (RMF). The RMF adopted the recommendations for implementation, with follow-up work focusing on the prioritisation and integration of actions into existing communication and marketing plans.

The implementation phase was combined with a process of socialising the survey findings across key institutional structures in order to entrench an evidence-based approach to reputation management and decision-making. The impact of the initiatives flowing from the survey is expected to become visible in 2026, when more substantive trend analysis and reporting will be possible.

3.2.2 Employ and promote a diverse and talented academic staff complement, prioritising staff with doctorates

The Department of Human Resources continued to support the employment and promotion of a diverse and talented academic staff complement by implementing targeted recruitment strategies that prioritised employment equity, transformation, and the appointment of staff with doctoral qualifications. In partnership with faculties, recruitment panels received training on bias mitigation, and academic advertisements explicitly highlighted the institutional priority of appointing staff with PhDs.

Newly appointed academic staff members participated in a comprehensive onboarding programme that monitored their integration and development over a 12-month period through formal induction sessions, mentorship, regular check-ins, and developmental workshops. This approach was intended to support long-term academic success and retention at the university.

During the fourth quarter of 2025, measurable progress was made towards the objective of employing and promoting a diverse, academically strong staff complement. Targeted recruitment strategies were implemented in scarce and priority disciplines, with shortlisting processes aligned with employment equity targets and the institutional goal of strengthening the professoriate. Several academic appointments at the doctoral level were concluded, contributing to an incremental increase in the overall percentage of staff with PhDs. Internal promotion processes also reflected the continued progression of suitably qualified academics.

Structured support through staff development initiatives and doctoral completion programmes further strengthened the pipeline of emerging scholars. Collectively, these interventions have demonstrated sustained movement towards enhancing academic excellence, research capacity, and demographic diversity within the academic workforce.

3.2.3 Recruit and retain a professional support staff complement that supports the Academic Project and promotes an inclusive and vibrant work ethos

In 2025, the university continued to recruit and retain a professional support staff complement that meets technical and professional requirements while aligning with the values and transformation goals of the UFS. The recruitment strategy remained focused on attracting individuals who can effectively support the Academic Project and contribute to an inclusive and vibrant work ethos.

Performance management and recognition systems were further refined to integrate career progression, development opportunities, and workplace wellness initiatives. Particular emphasis was placed on succession planning, talent development, and mentorship in order to build a strong internal pipeline for future leadership roles. Employment equity considerations remained central to all recruitment and promotion processes, ensuring that practices actively promoted diversity, inclusion, and a sense of belonging.

Progress was made in recruiting and retaining professional support staff across critical functions, with key appointments contributing to improved staff engagement and operational stability. Recruitment processes were streamlined and aligned with the optimisation and standardisation of support services, and targeted development initiatives – supported by refined training programmes, LinkedIn Learning pathways, and structured capacity-building interventions – enhanced the skills base and career progression prospects of support staff.

Insights from the engagement survey enabled HR to implement responsive measures to promote inclusivity, well-being, and an improved workplace climate. During the fourth quarter, progress was made in strengthening recruitment and retention, in line with institutional sustainability objectives. Recruitment processes were refined to improve role–competency alignment, reduce turnaround times in critical operational portfolios, and support targeted sourcing in scarce-skill areas linked to teaching, learning, and research.

Retention initiatives were reinforced through structured onboarding, monthly training interventions within specialised forums, and leadership development programmes aimed at enhancing supervisory capability and workplace cohesion. Feedback from engagement and exit surveys informed targeted interventions to improve role clarity, workload distribution, and internal mobility pathways. Collectively, these measures contributed to greater workforce stability, enhanced service delivery, and a more inclusive, accountable, and performance-oriented work ethos.

3.2.4 Review and obtain feedback through the Student Experience Survey

The university runs an institution-wide climate survey every three years as part of the UFS Institutional Culture study. It is a longitudinal study meant to provide evidence to university management about the challenges and improvements being made across the institution as part of the transformation agenda. Therefore, the climate survey was used to monitor the experience of students.

Objective 3.3: Become a home for staff and students from diverse backgrounds

The university continued to strengthen its position as a welcoming, supportive home for a diverse student and staff community. The Division of Student Affairs expanded holistic student-life, wellness, sport, and engagement initiatives across all campuses, while Student Counselling and Development and Kovsie Health consolidated their services within the Health and Wellness Centre. In parallel, the Department of Human Resources enhanced workforce planning and retention measures by monitoring early-attrition trends, refining development pathways, and embedding employment equity and inclusion across recruitment and retention practices. These efforts collectively supported a more inclusive institutional culture and improved the overall experience of students and staff at the UFS.

3.3.1 Review and monitor the student experience for continuous uptake

Student Life

The University of the Free State continued to provide a dynamic and holistic student experience that supports personal, academic, and professional growth. Key initiatives included targeted support for first-year students, enhanced career-development services, and expanded opportunities for student leadership.

Career Services assisted 585 students in securing employment, while 4 768 students completed two or more recruitment activities, reflecting strong engagement with employability initiatives. Student Leadership Development programmes remained a core focus, with 434 students participating in the Future Lead Challenge and 121 receiving certificates of completion. Students also demonstrated a strong commitment to sustainability and social impact. At the Green Campus Conference, UFS students secured the Best Exhibition award, and efforts to address student hunger and malnutrition continued through the distribution of 12 936 food parcels and the implementation of 21 nutrition education campaigns. The UFS ACCESS volunteer programme expanded to 1 300 participants, facilitating a wide range of student-driven community projects.

Digital engagement with students was strengthened through KovsieX, which achieved high engagement rates and received a top MACE award. This was supported by the professional development of more than 60 student volunteers, ensuring a sustained and influential student voice in the university's digital storytelling. Through these initiatives, the UFS continued to enrich the student experience, foster community impact, and prepare students for life beyond university, ensuring that students from diverse backgrounds can grow, contribute, and succeed.

Student Experience

The UFS remained committed to fostering a dynamic and holistic student experience, ensuring that students had access to meaningful opportunities for personal, academic, and professional growth across all three campuses.

The First-Year Experience Committee (FYEC) played a critical role in supporting student transition by coordinating 12 targeted support projects during the pre-registration, registration, and post-registration periods. In addition, 874 peer mentors were trained to provide socio-emotional support, ensuring that first-year students received guidance throughout their transition to higher education.

Career Services achieved significant milestones in enhancing student employability through career fairs, company presentations, and on-campus interviews. The Career Hub facilitated 585 graduate placements and recorded approximately 13 000 users who engaged with job opportunities and career-development resources. The implemented communication strategy resulted in substantial growth in reach and engagement across social media platforms. Students' work-readiness was further strengthened through advanced training in CV development, LinkedIn optimisation, professional branding, and interview preparation. The KovsieACT Office (Active Civic Teaching) made a tangible social impact during 2025. The Ubuntu Street Store initiative provided clothing, bread, and soup to more than 900 individuals, reinforcing a culture of social responsibility among students.

The Eco-Vehicle Skills Programme completed its eighth annual race and further enhanced its mentoring component through Mediated Learning Experiences. Institutional collaboration expanded with the inclusion of new partners such as the Nelson Mandela University (NMU) and the University of South Africa (UNISA), while industry partners, including SA Truck Bodies, were engaged to strengthen the link between academia and industry.

Student leadership development was further strengthened through the Future Lead Challenge (FLC), in which 434 students participated and 121 earned certificates of completion. The 'What Should Students Know' talk series hosted six sessions with a total of 248 attendees. Student governance capacity was enhanced through induction training, reaching 375 student leaders on the Bloemfontein and South Campuses and 120 on the Qwaqwa Campus. Student hunger and malnutrition were addressed through four cross-functional initiatives: Food Parcels, the No Student Hungry (NSH) food bursary programme, Vegetable Gardens, and the Eat and Succeed campaign. The Food Environment Office distributed 12 936 food parcels across campuses, while the NSH bursary programme provided daily nutritious meals to 85 students. The university harvested and distributed approximately 2,1 tons of fresh vegetables, and 21 nutrition-education campaigns were successfully implemented.

Engaged scholarship, student-driven initiatives continued to grow. The UFS ACCESS Volunteer Programme expanded to 1 300 active participants who engaged in weekly outreach activities. Through the Global University of Lifelong Learning (GULL) pathway, students led projects focusing on vermiculture, gender-based violence prevention, women's health, and eco-bricks. Through these combined initiatives, the UFS continued to enrich the student experience, foster community impact, and prepare students for life beyond university, ensuring that every student can grow, contribute, and succeed.

KovsieSport, Arts and Culture

KovsieSport, Arts and Culture continued to strengthen the university's competitive standing nationally and internationally through outstanding performances across multiple sporting codes and an integrated focus on student-athlete well-being.

At University Sport South Africa (USSA) level, the UFS sent 374 student-athletes to 18 tournaments across South Africa, with dance sport, e-sports, and cheerleading making their first appearance on the national stage. The UFS teams again demonstrated consistency and excellence by securing top-five finishes, reinforcing the institution's reputation as one of the country's leading university sport programmes. These achievements reflected the depth of talent within the university, the quality of coaching and support structures, and the commitment of student-athletes to balancing academic and sporting excellence.

On the high-performance national stage, the UFS celebrated exceptional success by being crowned Varsity Football champions, signalling the programme's strategic growth and sustained institutional investment in football development. The netball team delivered another strong campaign, finishing as runners-up in Varsity Netball, while Kovsie Rugby advanced to the semi-finals of the Varsity Cup. Collectively, these outcomes elevated the UFS brand nationally and showcased the resilience, discipline, and competitive culture embedded within sport at the university.

KovsieSport, Arts and Culture also extended its excellence onto the global stage at the 2025 FISU World University Games in Rhine-Ruhr, Germany, where the world's top student-athletes from more than 150 countries competed across 18 sports. The UFS was represented by five student-athletes (four in athletics and one in archery), one team administrator (athletics), and one coach (swimming), with three UFS athletes contributing to South Africa's overall medal success.

The university achieved Platinum status in the FISU Healthy Campus Programme on its first attempt following affiliation, positioning the UFS among a select group of global institutions recognised for excellence in promoting physical activity, mental health, healthy nutrition, sustainability, and social responsibility. This milestone underscored the university's integrated approach – one that values performance, well-being, and community impact equally – and affirmed KovsieSport's role as a catalyst for a healthier, more active university community.

Housing and Residence Affairs

In 2025, Housing and Residence Affairs advanced the UFS' strategic objective of fostering student belonging and well-being through the implementation of the Residence Life and College Communities model. Key interventions focused on structured welcoming and orientation programmes, the expansion of the day residence system, peer mentorship, and human rights education within residences. These initiatives contributed to improved student integration, increased participation across both residential and commuter student cohorts, and a strengthened sense of belonging. Additionally, the integration of sport, arts, and culture, together with targeted student development programmes, supported a holistic student experience, while the capacitation of student leaders enhanced the effectiveness of residence-based support systems.

Even though positive progress has been made, continuing challenges remain in relation to capacity constraints, programme consistency, and infrastructure. These areas will require continued strategic focus to sustain and further enhance the student experience.

Health and Wellness Centre

The year 2025 was a pioneering year, marked by the merger of Student Counselling and Development (SCD) and Kovsie Health Services (KHS) to form the Health and Wellness Centre (HWC). Although the merger officially took place on 1 October 2024, 2025 was a year of learning, integration, and collaboration as a newly conceptualised centre. The 2025 annual report highlights the student-centred, multifaceted role that the HWC fulfils across the three campuses of the University of the Free State. The centre serves not only a curative function, but also a preventative one.

Kovsie Health and the HIV Office

The Health and Wellness Centre (HWC) completed its first full year of operation following the merger of Student Counselling and Development (SCD) and Kovsie Health Services (KHS). The year under review focused on consolidating systems, practices, and teams into a single, integrated centre.

The HWC assumed a student-centred, multi-faceted role across all three campuses, providing both curative and preventative services. Its activities reflected a holistic approach to student well-being, combining primary health care, mental-health support, and health-promotion initiatives to proactively address the physical, psychological, and social needs of the student body.

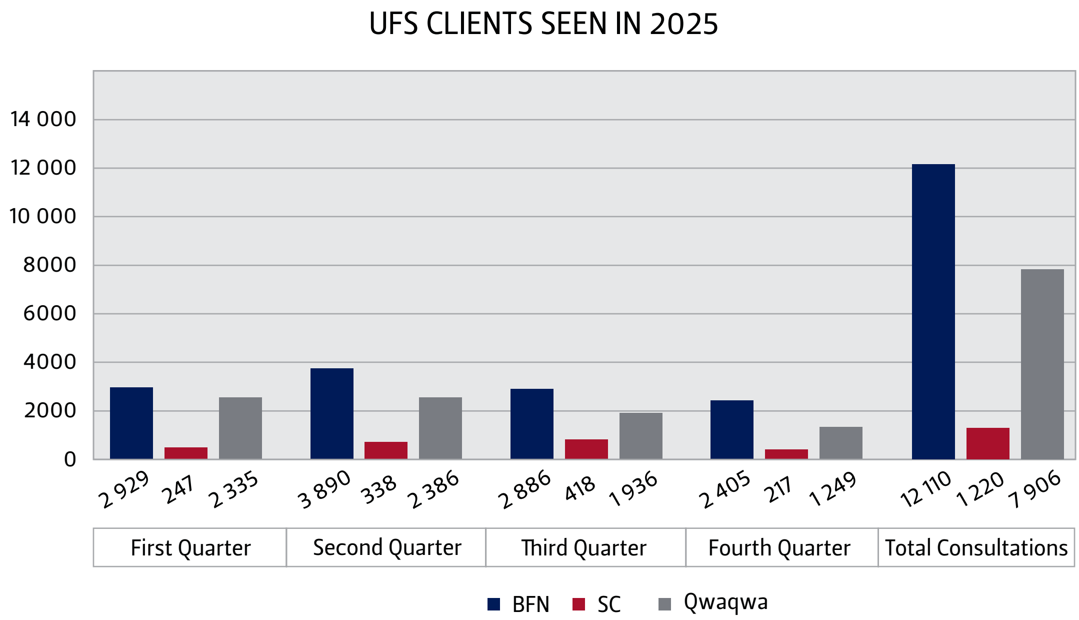


Figure 3: UFS clients seen in 2025

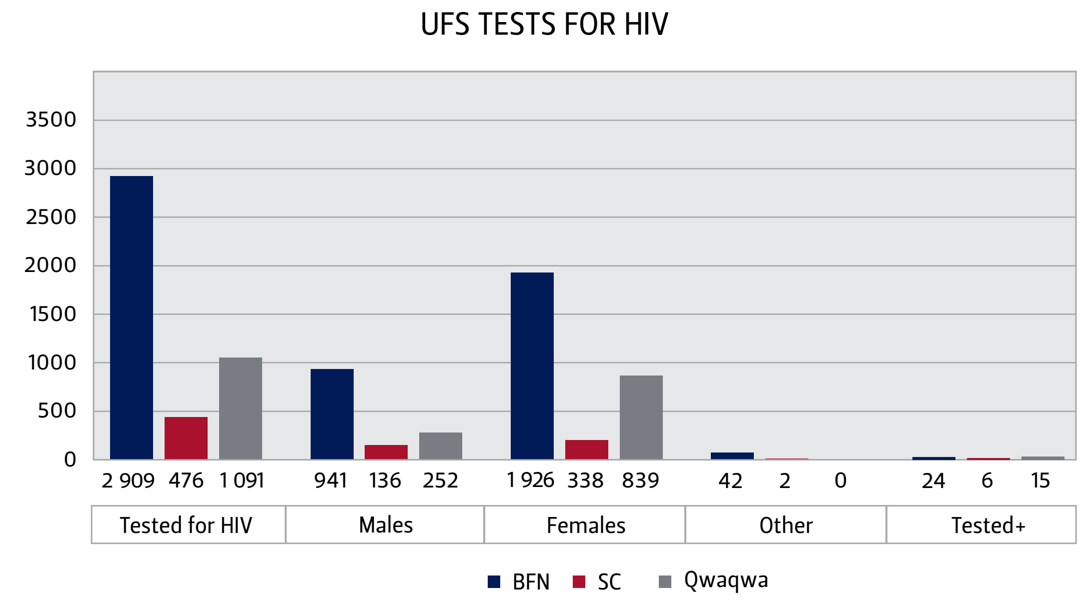


Figure 4: UFS tests for HIV

Student Counselling and Development

The Department of Student Counselling and Development (SCD) at the UFS offers free services to all registered students. Located on the Qwaqwa, South, and Bloemfontein Campuses as part of the Centre for Health and Wellness, SCD staff include clinical and counselling psychologists, registered counsellors, counselling psychology interns, social workers, social work interns, and administrative staff. Both undergraduate and postgraduate students can access a range of services, including individual therapy, group sessions, workshops, developmental programmes, skills groups, and career counselling. SCD caters to a diverse student body from various cultural backgrounds across South Africa, as well as international students, with its strategic direction based on three pillars: Psychological Interventions, Training and Development, and Research and Innovation.

Individual, confidential counselling is offered to support students in resolving psychological, emotional, and developmental challenges that may impede their potential. Sessions are held by appointment, with telephonic, online video, or face-to-face counselling options. SCD also provides confidential counselling for emergency-related issues such as suicide attempts, suicidal thoughts, and trauma, with individual appointments set aside for emergency sessions. Career Counselling assists students in understanding themselves and the world of work to make informed career, educational, and life decisions, including a complete psychometric evaluation and intensive decision-making process with a counselling psychologist.

Table 8: Student sessions for psychological and social support in 2025

Psychological Services	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
Total Sessions Booked	60	376	829	726	901	670	599	979	1 047	1 159	818	112	8 276
Total Sessions Attended	53	300	570	437	607	398	378	667	672	676	546	71	5 375
Difference	7	76	259	289	294	272	221	312	375	483	272	41	2 901
Cancelled by Student	1	19	61	78	104	87	87	101	87	148	88	8	869
Cancelled (other)	0	17	64	49	43	36	21	53	76	88	27	7	481
Missed by Students	7	40	144	155	164	169	112	145	216	225	153	26	1 556
Total	8	76	269	282	311	292	220	299	379	461	268	41	2 906
New Students Booked	41	218	452	209	269	158	149	209	174	195	99	8	2 181
New Students Attended	32	191	337	151	211	112	106	173	124	120	73	8	1 638

The table above shows student sessions for psychological and social support throughout 2025. A total of 5 375 sessions were attended, highlighting the support available to students across all three campuses to ensure student well-being.

Table 9: Student sessions for psychological and social support in 2025

Social Work Services	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sessions Booked	38	88	161	95	222	79	68	244	182	171	117	9	1 474
Total Sessions Attended	33	84	144	78	182	63	51	190	128	117	85	9	1 164
Difference	5	4	17	17	40	16	17	54	54	54	32	0	310
Cancelled by Student	0	1	0	6	3	8	3	31	13	19	8	0	92
Cancelled (other)	0	0	3	3	1	0	0	23	6	0	1	0	37
Missed by Students	0	7	9	8	37	5	10	36	34	31	23	0	200
Total	0	8	12	17	41	13	13	90	53	50	32	0	329
New Students Booked	37	80	127	64	108	54	32	87	56	83	38	2	759
New Students Attended	37	80	122	45	96	44	30	91	49	63	35	3	695

The table above shows student sessions focusing on social work services, with 1 164 sessions attended, while the previous table focused on psychological services provided to students at the UFS in 2025.

Table 10: Top 10 reasons why students visited SCD in 2025

Top 10 Reasons for Students Visiting SCD		
1	Overthinking	1 016
2	Anxiety	957
3	Family-related matters	670
4	Depression	645
5	Academic performance	635
6	Suicidal thoughts/plans/attempts	575
7	Stress-related matters	569
8	Eat/sleep	507
9	Poor self-esteem	443
10	Panic attacks	428

The table above shows the 10 reasons for students visiting the Student Counselling and Development offices for support. The three top reasons being overthinking, anxiety, and family-related matters.

During the reporting period, the South African Depression and Anxiety Group (SADAG) played a valuable role in supporting Student Counselling and Development by conducting screening assessments for every new client. This partnership strengthened early identification of mental health concerns, ensured appropriate triage and referral, and enhanced the efficiency of service delivery. The collaboration improved access to care and more streamlined support for students requiring psychological services. The table below provides a comparative overview of the number of students assisted by SADAG per month from 2022 to 2025, reflecting the growth and impact of this continued partnership.

Table 11: SADAG comparison from 2022 to 2025

SADAG Comparison				
Month	2022	2023	2024	2025
January	367	361	368	390
February	375	389	476	513
March	392	548	598	537
April	409	548	594	498
May	392	625	599	476
June	416	423	407	428
July	402	581	458	545
August	434	632	449	625
September	486	687	479	581
October	502	668	527	579
November	538	643	497	540
December	389	391	383	460
TOTAL	*5 102*	*6 496*	*5 635*	*6 172*

The table shows the students who were helped by SADAG. The numbers have increased since 2022, from a total of 5 102 in 2022 to 6 172 in 2025.

Student Governance

Student Representative Council

Democratic participation at the UFS continued to strengthen in 2025, reflecting the institution's firm commitment to Section 35 of the Higher Education Act No. 101 of 1997 (as amended), which requires public higher education institutions to establish Student Representative Councils (SRCs) as part of their governance framework. This legislative requirement is embedded in the UFS Statute and the Institutional Student Representative Council (ISRC) Constitution. Currently, the UFS operates within a multi-campus model and comprises the Institutional Student Representative Council (ISRC), Campus Student Representative Councils (CSRCs), Faculty Student Councils (FSCs), and co-governance structures such as the Institutional Student Parliament (ISP), Institutional Student Court (ISC), Campus Student Parliament (CSP), and Campus Student Court (CSC). Collectively, these structures ensure participatory decision-making, cooperative governance, accountability, and the advancement of student-centredness.

Student representation at the UFS remains structured and intentionally embedded within core institutional governance and management processes as discussed above under Section 2.2.5. The voter turnout in the 2025 SRC elections remained strong across campuses, with the Qwaqwa Campus recording 69,31% (74,49% in 2024), the South Campus 49,99% (52,26% in 2024), and the Bloemfontein Campus 44,58% (44,30% in 2024), resulting in an overall institutional turnout of 49,58% (50,17% in 2024). Therefore, participation levels remained comparatively high, reflecting sustained democratic engagement. Additionally, student representatives were elected across faculties on three UFS campuses.

Finally, the Student Governance Office (SGO) continues to provide platforms for student self-organisation through recognised student associations and organisations, which contribute to leadership development, academic enrichment, social cohesion, and community engagement.

3.3.2 Monitor the number and characteristics/ profile of staff leaving the university within the first three years of appointment

In 2025, the Department of Human Resources (HR) continued to foster a supportive, inclusive, and high-performing work environment across all campuses by monitoring staff climate, performance, development needs, and participation in training and support interventions. Central to these efforts was the prioritisation of employment equity, transformation, and the attraction and retention of a diverse and talented academic and professional support workforce aligned with the needs of the Academic Project and the university's strategic objectives, including Vision 130.

To strengthen academic excellence and institutional resilience, HR supported the employment and promotion of a diverse academic staff complement by implementing targeted recruitment strategies that prioritised transformation and the appointment of staff with doctoral qualifications. Recruitment panels were trained on bias mitigation, academic advertisements highlighted the institutional priority of appointing staff with doctorates, and newly appointed academics participated in a structured 12-month onboarding programme comprising induction sessions, mentorship, regular check-ins, and developmental workshops. During the reporting period, measurable progress was achieved in increasing the proportion of academics with doctorates, strengthening promotion pathways, and supporting emerging scholars through doctoral completion initiatives and development pipelines.

Parallel efforts focused on enhancing the recruitment, development, and retention of professional support staff. Recruitment processes were further streamlined and aligned with the optimisation and standardisation of support services, ensuring competency-based selection, improved turnaround times, and targeted sourcing in scarce-skills areas. Retention strategies – including career development pathways, recognition mechanisms, structured onboarding, wellness support, monthly training sessions, and leadership development programmes – contributed to improved staff engagement and organisational stability. Employment equity remained a core consideration across all recruitment and promotion activities, reinforcing a workplace culture that values diversity, inclusion, and a sense of belonging.

To support institutional capability building, HR made significant progress in refining and strengthening staff development and training programmes. Training offerings were increasingly customised to address faculty- and department-specific needs, with particular emphasis on conflict management, coaching, change management, leadership, and functional competencies. All training offerings were progressively aligned with the UFS competency framework, while platforms such as LinkedIn Learning became an integral part of the competency-based training framework, providing expanded access to targeted development pathways for support staff. Continuous climate monitoring – through engagement sessions, leadership forums, surveys, and other structured feedback mechanisms – yielded measurable improvements in role clarity, supervisory support, and interdepartmental communication.

A key component of HR's workforce planning and retention strategy in 2025 was the systematic monitoring of early attrition, specifically staff exiting within the first three years of appointment. Strengthened tracking mechanisms within the HR information system enabled detailed analysis of demographic profiles, job levels, functional areas, reasons for leaving, and employment-equity profiles. Exit-interview feedback was consolidated to identify underlying factors such as work environment, career development opportunities, supervisory alignment, workload pressures, and role clarity. Where patterns of early resignation were detected, HR engaged with line managers and relevant stakeholders; in critical academic roles, deputy vice-chancellors engaged directly with senior lecturers and above when indications of potential resignation emerged. Targeted interventions – including onboarding follow-ups, mentoring for early-career academics, structured supervisory training, and refined support measures – enhanced the university's ability to proactively manage risk areas and strengthen workforce retention.

Across these initiatives, HR continued to refine performance-management and recognition systems, strengthen succession-planning processes, expand mentorship programmes, and integrate wellness initiatives to support holistic staff well-being. Collectively, the measures implemented during 2025 demonstrated sustained progress in strengthening HR practices, enhancing institutional culture, enabling organisational stability, and advancing the university's long-term academic and operational goals.

Objective 3.4: Improvement in the equity profile of academic leadership

In 2025, the Department of Human Resources strengthened the monitoring of newly appointed staff members' experiences, with particular focus on those from designated groups, to support their integration and progression into academic leadership roles. A structured onboarding process – combining central induction, faculty-level orientation, and mentorship – was complemented by surveys and feedback sessions that assessed role clarity, supervisory support, inclusion, and access to developmental opportunities. Findings informed targeted interventions such as improved mentorship pairing (especially for women and black academics), enhanced line manager training on inclusive leadership and career development conversations, and clearer communication of promotion pathways. These measures contributed to a more supportive environment for new staff and reinforced institutional efforts to improve the equity profile of academic leadership at the UFS.

3.4.1 Monitor the experiences of new staff members, in particular those from designated groups

The Department of Human Resources (HR) has intensified its monitoring of the experiences of newly appointed staff members, with particular attention to those from designated groups, to support their integration, retention, and progression into academic leadership roles. This monitoring formed part of a broader effort to create an inclusive, supportive, and equitable work environment that enables new staff to thrive and contribute meaningfully to the Academic Project.

Structured onboarding processes were strengthened across campuses, combining a central induction programme with faculty- and department-specific orientation, mentorship, and regular follow-up engagements. New staff members were invited to complete onboarding surveys and participate in feedback sessions during their first year of appointment. The data collected focused on key dimensions of their experience, including integration into institutional culture, clarity of role expectations, access to resources, supervisory support, collegial relationships, and perceptions of inclusion and belonging.

Particular emphasis was placed on understanding the experiences of staff from designated groups in order to identify potential barriers to participation and advancement. HR worked closely with employment equity representatives, line managers, and deans to review feedback and address concerns regarding workload distribution, participation in decision-making, exposure to developmental opportunities, and access to mentoring. Where challenges were identified, targeted interventions were implemented, including additional coaching for supervisors, formalised mentorship arrangements, and clearer communication regarding promotion criteria and career-development pathways.

During the fourth quarter of 2025, continued monitoring through the structured onboarding survey, follow-up interviews, and inputs from faculty and support forums indicated steady improvement in several areas. New staff reported greater satisfaction with the quality of orientation, increased awareness of institutional support structures, and improved peer support within departments. At the same time, the analysis highlighted continuing needs, including access to mentors in similar disciplines or demographic groups, and more explicit guidance on performance expectations in the first three years.

In response, HR refined the onboarding framework to strengthen mentorship pairing for newly appointed academics – particularly women and black academics – and to enhance line manager support through targeted training on inclusive leadership, feedback, and career-development conversations. These refinements were aligned with the broader transformation initiatives aimed at improving the equity profile of the professoriate and academic leadership.

Overall, the monitoring and responsive interventions implemented in 2025 contributed to a more coherent and supportive experience for new staff members, reinforced the university's commitment to transformation and equity, and laid a stronger foundation for the long-term diversification of academic leadership at the UFS.

3.1.5 Goal 4: To promote stewardship and prioritisation of institutional resources for strategic intent

The university did not achieve all of the KPIs set out for this goal. Out of six KPIs, the university achieved three KPI targets, while two were partially achieved, and one was underachieved. However, most of the activities set out for this objective have been realised. For example, initiating an institution-wide redesign process of non-academic support structures, continuing with the implementation of investment in infrastructure and relevant technologies, identifying potential research centres of excellence and continuing with the establishment of research chairs, continuing with the streamlining of the PQM in accordance with the agreed indicators as reflected in the PQM Viability Index, reducing modules by less than the threshold to allow for the introduction of other critical modules, and monitoring staff experience in relation to workload.

The partial achievement and underachievement reflected in the KPIs may be due to the time needed to realise the impact on initiatives, which may not be immediate for some of the activities achieved.

Objective 4.1: Improve the efficiency of the non-academic support structures and systems

In 2025, the university continued to improve the efficiency and effectiveness of its non-academic support structures and systems as part of the broader financial sustainability and digital transformation agenda. Building on work initiated through the Academic Administration System Renewal Project (AASRP) and change-management processes, efforts focused on reviewing and optimising administrative structures, strengthening ICT and HR governance platforms, and streamlining key operational processes. Although procurement delays affected the finalisation of certain online registration and infrastructure projects, significant progress was made in upgrading core ICT infrastructure, digitising recruitment and HR processes, and standardising support services to enhance service delivery, reduce costs, and align with Vision 130. The following section outlines the institution-wide redesign initiatives undertaken to support these aims.

4.1.1 Initiate an institution-wide redesign process of non-academic support structures

ICT Services was unable to finalise procurement for the Online Registration Project during the 2025 financial year, as tenders were at various stages of completion. During the reporting period, however, ICTS continued to manage the life cycle of key platforms, networks, and infrastructure, investing in data centre server capacity, network upgrades, and audio-visual improvements across all three campuses. Workstations were upgraded from Windows 10 to Windows 11 to comply with vendor support timelines, hardware load balancing and top-of-rack switching equipment in the data centre were replaced, and Pure Storage flash arrays were procured to enhance disaster recovery and high-availability capabilities across multiple data centres.

High-performance computing (HPC) capacity was expanded by adding three nodes with five GPUs and an additional two GPUs; firewall equipment was installed; configurations were migrated to the Palo Alto Strata Cloud Manager; and 113 Aruba wireless access points were installed to strengthen campus connectivity. Dell server and Pure Storage infrastructure were delivered and implemented, with all virtual servers and underlying storage successfully migrated. The MBAM project was completed, with 732 devices replaced; AV equipment in 22 venues across the three campuses was upgraded; and the Qwaqwa Senate Hall AV project was finalised.

The 2025 cycle reflected continued investment in digital HR governance infrastructure, including strengthened PeopleSoft HR data integrity and reporting capability, the auditing and uploading of staff remuneration data to Remchannel, streamlined digital recruitment and compliance processes, enhanced pre-employment screening systems, and improved HR risk-monitoring frameworks. No print advertising was used in 2025, with all recruitment processes fully digitised to support operational efficiency and cost containment. Collectively, these initiatives contributed to the redesign and optimisation of non-academic support structures and systems, laying the groundwork for further integration and efficiency gains in subsequent years.

Objective 4.2: Promote the principles of investment to enable academic excellence, with particular emphasis on research and postgraduate activity

The UFS continued to apply structured investment principles to support academic excellence, with a particular focus on research and postgraduate activity. Within a constrained funding environment, the annual budget and sustainability processes were used to prioritise infrastructure, digital systems, and governance platforms that directly enable the Academic Project. Short-term sustainability measures, the consolidation of a sustainability reserve, and the realignment of unutilised funds towards strategic priorities formed part of a broader effort to safeguard long-term institutional resilience and create an enabling environment for research-led teaching and postgraduate growth. The section below highlights key infrastructure and technology investments implemented to advance this objective.

4.2.1 Continue with the implementation of investment in infrastructure and relevant technologies

In 2025, the university made further progress in implementing targeted investments in infrastructure and relevant technologies to support academic excellence, research, and postgraduate activity. On the ICT side, high-performance computing capacity was expanded by implementing three new nodes with five GPUs, supplemented by an additional two GPUs, thereby strengthening support for data-intensive research across faculties. Core network security was enhanced by installing new firewall equipment and migrating all existing configurations to the Palo Alto Strata Cloud Manager, while the configuration and implementation of Juniper core routers and 90 network switches progressed subject to global supply-chain delays.

Campus connectivity and teaching spaces were strengthened through the installation of 113 Aruba wireless access points and the replacement of audio-visual equipment in 22 venues across the three campuses, including the completion of the Qwaqwa Senate Hall AV upgrade. Dell server and Pure Storage infrastructure were delivered and implemented, with the migration of all virtual servers and underlying storage completed, thereby improving system performance, stability, and disaster-recovery capability. The MBAM project was finalised with the replacement of 732 devices, ensuring a more secure and standardised workstation environment for staff.

The 2025 cycle also reflected continued investment in digital HR governance infrastructure, which underpins the sustainability of the academic workforce. Key developments included strengthened PeopleSoft HR data integrity and reporting capability, the auditing and uploading of staff remuneration data to Remchannel, streamlined digital recruitment and compliance processes, enhanced pre-employment screening systems, and an improved HR risk-monitoring framework. No print advertising was utilised in 2025, as all recruitment processes were fully digitised to support operational efficiency and cost containment.

Objective 4.3: Increase our research and innovation competitiveness

The UFS continued to advance its research and innovation competitiveness by consolidating institutional research themes, strengthening third-stream income targets, and progressing the establishment of research chairs and centres of excellence in key strategic areas. These efforts formed part of a broader shift from conceptual design to implementation readiness, with a focus on creating flagship entities that can attract external funding, support high-impact research collaborations, and enhance the university's profile as a research-led institution in line with Vision 130.

4.3.1 dentify potential research centres of excellence and continue with establishment of research chairs

In 2025, substantial and measurable progress was achieved in advancing the UFS' strategic objective of establishing flagship research themes and associated centres of excellence, as articulated in Vision 130 and the APP. A key milestone was the formal advertisement of four institutional Research Theme Leader positions, namely Planetary Health and Well-being, Flourishing Life, Sustainable Futures, and Systems for Societal Development. These posts are designed as five-year, senior academic leadership appointments at Associate Professor or Professor level and represent the foundational leadership layer required to operationalise the university's flagship research agenda. The role profiles explicitly mandate interdisciplinary, multidisciplinary, and transdisciplinary research leadership, international positioning, competitive external funding acquisition, postgraduate pipeline development, and the translation of research into societal impact – core attributes of a sustainable centre-of-excellence model.

The recruitment process has progressed beyond advertisement into formal governance structures, with the constitution of selection committees and a clearly defined shortlisting and interview process approved and scheduled. This reflects not only operational momentum but also adherence to institutional governance, transparency, and academic integrity requirements. In parallel, a comprehensive institutional plan for the establishment, governance, and sustainability of academic, research, and service entities has been developed and tabled for consideration by the Executive Management Committee (EMC). This framework provides, for the first time, a consolidated and coherent policy architecture for the establishment, oversight, review, and potential realignment of centres, institutes, research hubs, and themes. It clarifies typologies, reporting lines, approval pathways, financial sustainability expectations, and monitoring cycles, thereby de-risking institutional expansion and ensuring that centres of excellence are established on a sound governance footing rather than as ad hoc structures.

Importantly, progress during 2025 reflects a shift from conceptual design to implementation readiness. The research themes are explicitly positioned as institutional-level coordinating mechanisms that will integrate and elevate existing and emerging faculty-based strengths into coherent centres of excellence over time. This phased approach allows the university to consolidate excellence, avoid duplication, and ensure alignment with national and global priorities such as the Sustainable Development Goals, the DSI Decadal Plan, and African Union science frameworks.

A further significant development is the alignment of institutional targets with faculty-level baselines and performance indicators. The approved APP now reflects a cascading model in which institutional research ambitions are translated into faculty-specific targets, ensuring accountability, ownership, and differentiated implementation pathways across disciplines. This enables faculties to contribute to centres of excellence in ways that are contextually appropriate, while remaining aligned with common institutional outcomes and performance metrics.

Collectively, these developments demonstrate that the university has moved decisively beyond strategy articulation towards structural, leadership, and governance implementation. By the end of 2025, the foundational conditions for the establishment of centres of excellence – namely leadership recruitment, governance frameworks, performance alignment, and executive oversight – were firmly in place. The next phase, planned for early 2026, will focus on finalising appointments, securing EMC approval for the new academic entities, and operationalising the research themes through funded programmes, postgraduate pipelines, and external partnerships.

This trajectory confirms that the APP target relating to the establishment of centres of excellence is not only on track but is also being implemented in a manner that is deliberate, institutionally integrated, and sustainable over the medium to long term.

Objective 4.4: Promote efficiency in academic programmes, offerings, and academic support systems

The university continued to improve the efficiency and strategic alignment of its academic programmes, offerings, and support systems. Building on the Programme and Qualification Mix (PQM) and Module Viability models developed in previous years, efforts focused on streamlining the PQM to align with institutional priorities, reducing low-viability modules to create space for critical offerings, and strengthening the alignment among workload, resource allocation, and programme sustainability. These initiatives were designed to ensure that the academic portfolio remains responsive, research-led, and financially sustainable in support of Vision 130.

4.4.1 Continue with the streamlining of the PQM in accordance with the agreed indicators as reflected in the PQM Viability Index

In 2025, consultation workshops were held with faculty management and Qwaqwa Campus leadership to refine and finalise the PQM Viability Model. Faculties were given the second quarter to provide final feedback, ensuring that the model reflected both institutional strategy and faculty-level realities. Two indicators were prioritised for implementation in 2025: Strategic Alignment and Sustainability, with work commencing on Strategic Alignment as the first focus area.

The viability of the UFS PQM was assessed against the Strategic Alignment indicator, which evaluates each programme's contribution to research development and the institutional priority to grow postgraduate provision in pursuit of Vision 130. Additional considerations included whether programmes were professional, strongly innovation- and impact-orientated, or located within natural and health sciences-related CESMs. Programmes were scored on a scale of one to five, with PhD and master's research programmes assigned the highest scores, followed by master's coursework, honours, and postgraduate diplomas, and strategically important undergraduate and NQF 5–6 qualifications. Analysis of the programme portfolio showed that 91% of programmes scored between three and five, indicating strong alignment with institutional objectives and confirming that the majority of offerings actively support research development, innovation, and strategic transformation goals. These processes provide an evidence-based foundation for future decisions on PQM growth, consolidation, and renewal.

4.4.2 Reduce modules with less than the threshold to allow for the introduction of other critical modules

During 2025, the university advanced its work on module-level rationalisation to support a more focused and sustainable academic offering. The Module Viability Model and the associated teach-out plan template for phasing out programmes and modules were consulted with faculties until 16 May 2025 as part of a structured institutional process. This process aims to ensure that reductions in low-enrolment or low-viability modules are carried out transparently, systematically, and in compliance with accreditation and quality-assurance requirements.

Following extensive consultation, the Academic Committee approved the final draft of the Module Viability Model and the Teach-out Plan template. Implementation, which will be phased over several years, is guided by the model's core variables and indicators. Low-viability modules are identified and flagged for further discussion with faculties, after which teach-out plans are developed and submitted for approval, and replacement or revised modules are introduced to address strategic gaps, emerging fields, or workload imbalances. This rationalisation process is intended to create capacity for new, high-priority offerings while maintaining academic integrity and protecting student progression.

4.4.3 Monitor staff experience in relation to workload

As part of the Department of Human Resources' commitment to staff well-being and operational effectiveness, Human Resources has incorporated workload monitoring more explicitly into its organisational development and optimisation processes to ensure that academic and support staff workload remain sustainable and aligned with institutional priorities. Line managers were engaged to identify departments where workload concerns had been raised, and structured feedback was collected through formal discussions, grievance processes, exit interviews, and wellness reports (including Careways referrals).

Workload analysis was integrated into broader organisational development reviews and job profile alignment exercises as part of optimisation and standardisation projects. Data relating to workload distribution, role clarity, and task allocation were gathered and analysed to identify pressure points and misalignments. These insights informed recommendations on role redesign, process improvements, and the redistribution of responsibilities within and across units. The continued monitoring of staff experience in relation to workload, combined with targeted organisational development interventions, contributed to more evidence-based decision-making on staffing, resource allocation, and academic planning, and supported efforts to maintain staff well-being and long-term institutional sustainability.

Conclusion: 2025 Performance

Overall, the University of the Free State demonstrated solid institutional performance in 2025, achieving 18 of the 28 KPI targets set out in the Annual Performance Plan. While seven targets were partially achieved and three were not achieved, only those three posed material institutional risk, and in each case, the responsible divisions – Research Development, Student Affairs, and Finance – implemented mitigating initiatives to ensure delivery in 2026 and beyond.

The year reflected meaningful progress towards academic excellence, research impact, graduate desirability, and institutional agility. Notable advances have been made in strengthening the research enterprise through revised resourcing modalities, the consolidation of institutional research themes, and increased international collaboration. At the same time, sustained investment in teaching innovation, academic administration reform, digital systems, and governance frameworks enhanced institutional responsiveness and operational efficiency. Performance challenges were largely structural and temporal in nature, particularly where outcomes were influenced by long review cycles, external dependencies, or lagged measurement indicators – most evident in NRF ratings and citation-based metrics. These constraints were addressed through refined KPIs, longer-term pipeline interventions, and improved measurement frameworks in the 2026–2028 planning cycle.

Significant strides have also been made in advancing a supportive, inclusive, and future-orientated institutional culture, strengthening staff and student experience, refining leadership and governance structures, and enhancing the university's reputation as an institution of choice. Within a constrained funding environment, the university continued to apply disciplined investment and sustainability principles to safeguard long-term resilience while prioritising research, postgraduate growth, and digital transformation.

The 2025 performance reflects an institution that is largely on track, with foundational systems, strategies, and governance now in place. The focus in the next cycle will be on consolidating implementation, accelerating impact realisation, and translating institutional reforms into sustained performance gains aligned with Vision 130.

3.2 Financial report

3.2.1 Statement by Council on financial sustainability

Section 3.2 provides an overview and review of the financial sustainability of the UFS during 2025. It does so through an overview of performance in 2025, where applicable trends are cited and a review of the results itself is conducted. This is to create an understanding and provide evidence of the going concern status of the UFS as the basis on which the consolidated and stand-alone financial statements have been compiled. This section further derives all data from the financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), International Financial Reporting Interpretations Committee (IFRIC) interpretations, and have been prepared in the manner prescribed by the Minister of Higher Education, Science and Innovation in terms of the Higher Education Act no 101 of 1997, as amended by Act 54 of 2000. The aforementioned, read with the consolidated financial statements, concludes with the financial executive's statement on the 2025 financial results.

The UFS was able to successfully close the 2025 financial year against the 2025 budget approved by Council in November 2024.

Financial Environment

The financial environment at the University of the Free State (UFS) remains under sustained pressure as the institution navigates a complex and shifting higher education funding landscape. Complexities include, among others, the student funding model, increased accommodation needs, delays in the release of government funding, and NSFAS inefficiencies. While the university continues to demonstrate sound financial discipline and long-term planning, several systemic risks are escalating and directly impacting financial sustainability.

An increase in the government block grant from 2024 to 2025 has relieved some of the pressure on the institutional budget, although the university is still heavily reliant on tuition fees, which accounts for 45% of Council-controlled income. Historically, the UFS has maintained relatively low tuition fees compared to peer institutions, limiting its ability to adjust the base income required to meet the rising costs associated with delivering quality higher education. Moreover, 64% of the UFS' tuition income is derived from students funded through NSFAS. This significantly constrains the university's ability to increase fees beyond ministerial guidelines, which are generally aligned with consumer inflation and do not account for the higher cost escalations typical in the higher education sector.

The university is also managing rising levels of student debt, driven by broader economic stagnation and increasing financial pressures on households. As of 2024, the UFS has made provision for potentially irrecoverable student debt at 11% of total tuition fee income. By the end of 2025, student debt amounted to 13% of tuition and accommodation fee income. This debt has been further successfully reduced to 9,87% by March 2026. In line with its access-focused ethos, the university does not charge interest on overdue student accounts, which further complicates revenue recovery. From a strategic perspective, a new integrated debt management strategy was introduced, focusing on identifying and prioritising students who are financially at risk and assisting these students with either financial aid or financial advising. This approach has contributed towards the success in maintaining student debt and mitigating the adverse effect on sustainability.

Uncertainty regarding earmarked funding has introduced additional volatility. As of 31 December 2025, the Infrastructure and Efficiency Grant allocation for 2025 was still outstanding, as well as 74% of the University

Capacity Development Grant allocation for 2025. This presents material risks to the university's ability to fulfil key academic and developmental mandates.

In response to these challenges, the UFS continues to implement a robust financial sustainability framework, with strategic focus on the following:

- Enhancing operational efficiencies
- Optimising resource utilisation
- Diversifying and expanding revenue streams

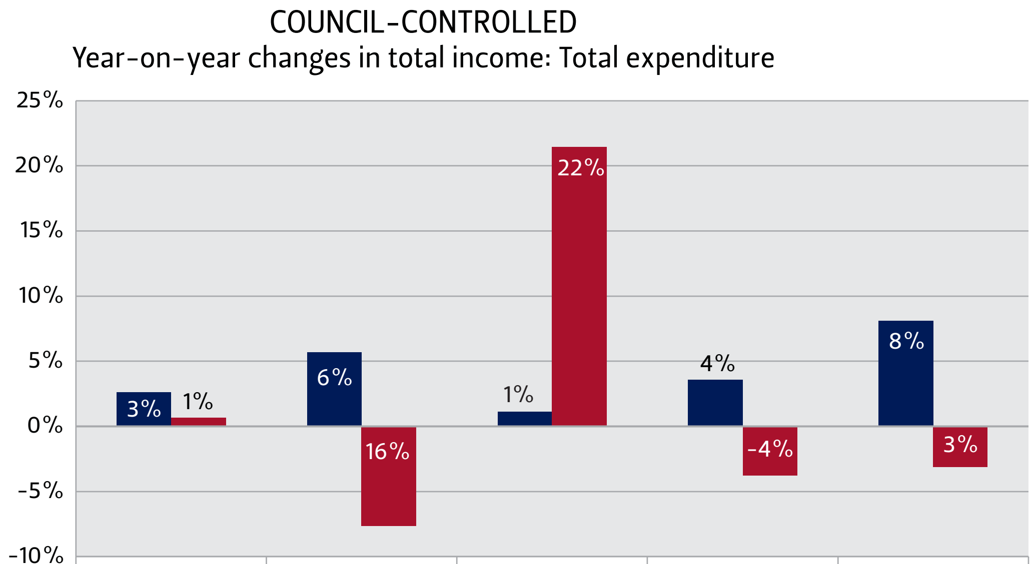
These measures form part of the university's commitment to safeguarding institutional resilience and ensuring the continued delivery of high-quality teaching, learning, research, and engaged scholarship.

Overview of Indicators

The sustainability model developed and used consists of determinants for parameters set to fund, analyse, and review Council-controlled revenue and expenditure to maintain sufficient funding levels for the three core educational pillars of teaching and learning, research and innovation, and engaged scholarship. The financial results in the context of achieving, maintaining, and enhancing financial sustainability should thus be read as an integral part of the reports on the core educational pillars.

Total Council-controlled income grew by 8% as per Figure 5, compared to the previous year's growth of 3% and will be elaborated on per revenue component below.

Total Council-controlled expenditure increased by 3% compared to the 4% decrease in 2024. The low increase in expenditure in 2025 was mainly a result of a focus on intentional spending and optimisation of resources that resulted in efficiencies. Another contributing factor was the decrease in impairment losses (student and commercial debtors) through the statement of profit and loss and other comprehensive income.

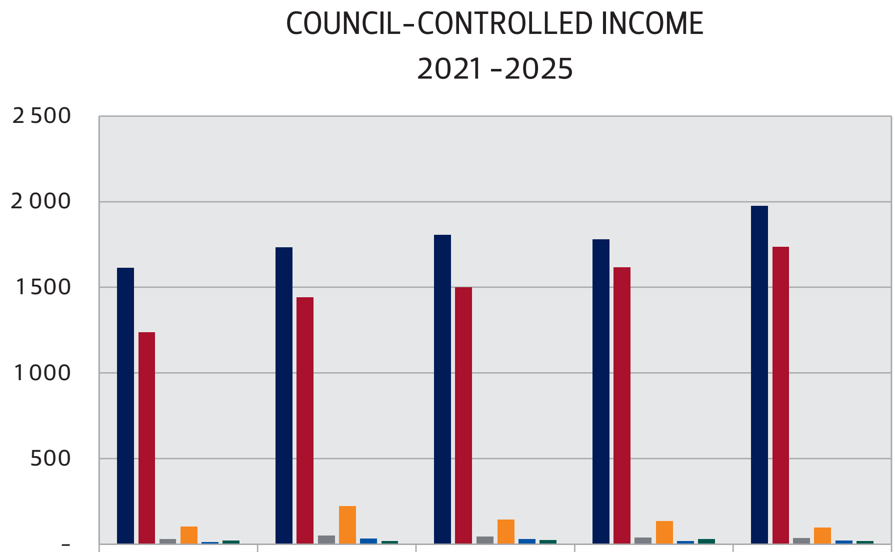


	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Total income	3%	6%	1%	4%	8%
Total expenditure	1%	16%	22%	-4%	3%

Figure 5: Council-controlled funds: year-on-year changes in income and expenditure

Council-controlled Income (CCI)

CCI includes state appropriations, fees, sales of goods and services, private gifts, and other income. The figure below presents the total income per revenue category.



	2021 R '000	2022 R '000	2023 R '000	2024 R '000	2025 R '000
State appropriations - subsidies and grants	1 596 594	1 739 703	1 788 679	1 772 573	1 986 289
Tuition and other fee income	1 252 367	1 426 388	1 499 830	1 620 506	1 742 054
Income from contracts	21 963	49 364	43 368	51 818	32 960
Sales of goods and services	91 395	209 268	132 007	134 298	110 114
Income from short learning programmes	16 305	26 318	25 804	23 652	24 351
Private gifts and grants	23 250	19 032	18 496	33 910	22 282

Figure 6: Council-controlled income

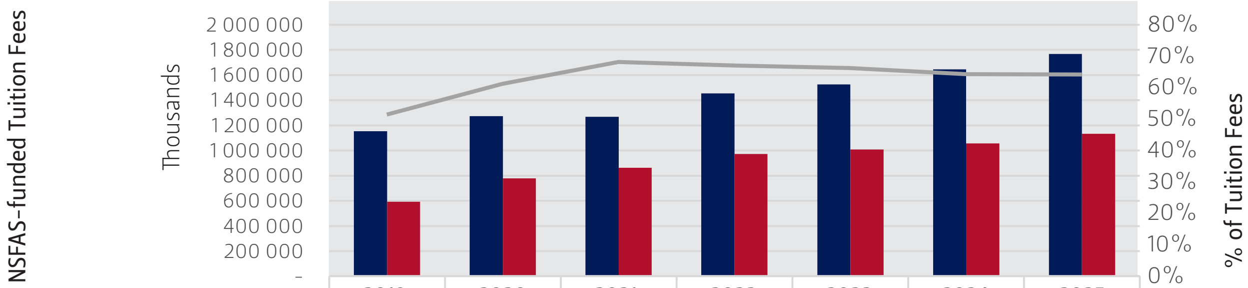
The State Appropriations

The 'Block Grant' increased from R1,77 billion in 2024 to R1,99 billion in 2025, in line with the university's share of the national funding allocation by the DHET. This increase is mainly attributable to a 6% increase in funded teaching input units, together with an 11% increase in the teaching input unit value. In addition, the increase was supplemented by a 4% growth in research output units from 2022 to 2023. Although teaching output units decreased by 12%, the impact was offset by the significant increase in teaching input subsidy.

Tuition and Other Fee Income

Total tuition and other fee income, although separately identifiable income streams, has also become highly dependent on government funding due to the large share of students funded through NSFAS, as per Figure 7. Tuition fees charged to students who are dependent on NSFAS funding increased from R1 055 154 million in 2024 to R1 132 065 million in 2025, which represent 64% of tuition and other student fee income. From a recoverability perspective it can be confirmed that NSFAS has materially settled all tuition fees by February 2026.

DEPENDENCY ON GOVERNMENT FUNDING FOR TUITION FEES



	2019 R '000	2020 R '000	2021 R '000	2022 R '000	2023 R '000	2024 R '000	2025 R '000
Tuition and other fee income	1152 064 8	1271 971 5	1268 672 4	1452 705 5	1525 634 5	1644 157 4	1766 404 7
NSFAS funded	591 915 00	778 040 00	863 791 00	972 946 15	1008 807 3	1055 153 6	1132 064 8
NSFAS as a % of total income	51%	61%	68%	67%	66%	64%	64%

Axis Title

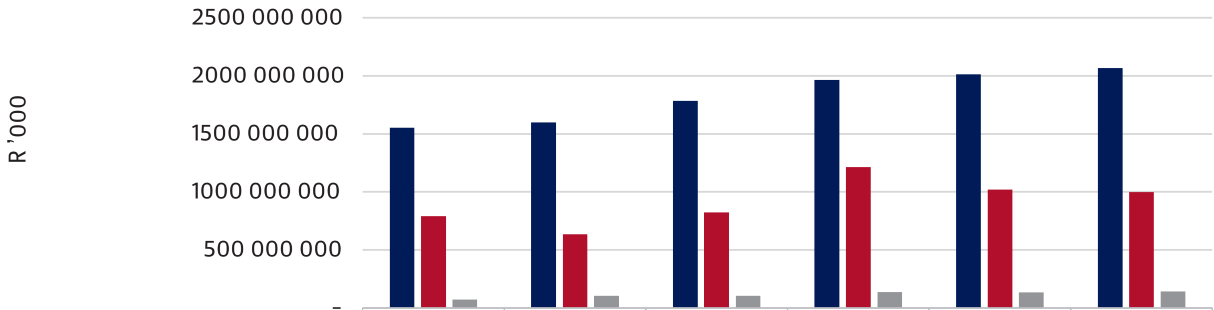
Tuition and other fee income | NSFAS Funded | NSFAS as a % of total income

Figure 7: Tuition and other fee income from NSFAS-funded students

Council-controlled Expenditure

Council-controlled expenditure consists mainly of personnel costs, operational expenditure (including impairment losses on student and commercial debtors), and depreciation and amortisation as per Figure 8.

COUNCIL-CONTROLLED
Expenditure trends 2020-2025



	2020 R '000	2021 R '000	2022 R '000	2023 R '000	2024 R '000	2025 R '000
Personnel costs	1551 570 44	1598 619 64	1784 415 71	1965 579 52	2012 875 14	2065 914 09
Other operating expenses	790 049 116	634 137 823	823 055 056	1213 790 94	1020 940 39	997 840 497
Depreciation and amortisation	71 711 825	105 597 801	105 016 859	135 738 917	134 387 061	141 051 859

Figure 8: Council-controlled expenditure

From 2024 to 2025, operating expenditure gradually declined from 28% to 26% of total income, reflecting a focus on intentional spending and resource optimisation.

Personnel costs decreased from 55% to 53% of total income due to a focus on resource optimisation introduced by the institution since 2024.

Specifically Funded Activities

Specifically funded activities, which funds are by nature restricted in use, include all activities associated with grants other than the institutional subsidy, research contracts, and other contracts.

Income from Contracts for Research and Other Activities

The UFS is a research-led, student-centred, and regionally engaged university. In order to enhance financial sustainability, one of its KPIs is to increase non-government-derived sources of income. Income from contracts for either research, teaching and learning, or other activities such as engaged scholarship is seen as such sources.

Restricted in use, income and its associated expenditure may only be incurred in line with the accompanying terms and conditions as defined by the agreement with funders. Therefore, consideration was given to contract income to include both Council-controlled and restricted income. Income from contracts increased from R425 million in 2024 to R447 million in 2025, which represent a 5% increase. Despite the growth, specific income targets for 2025 relating to research contracts were not met, and the UFS will continue to focus on resolving challenges and focusing on growth in this area during 2026.

Earmarked Grants

The UFS relies on several earmarked grants from the Department of Higher Education and Training (DHET) to support its teaching and learning mandate, particularly in areas such as clinical training, foundational provisioning, and institutional development. These grants play a crucial role in maintaining educational quality and promoting equity in terms of teaching and learning delivery, degree attainment, and employability.

Towards the end of 2024, the minister announced cuts to some of these earmarked grants. This unexpected reduction posed significant challenges, as resources had already been allocated based on the initial funding commitments. No such cuts were experienced in 2025, but – as previously indicated – significant delays were experienced in the release of funding. At year-end the Infrastructure and Efficiency Grant allocation for 2025 was still outstanding, as well as 74% of the University Capacity Development Grant allocation for 2025.

Figure 9 below further demonstrates the ratio of the earmarked grants compared to the block grant allocation from DHET.

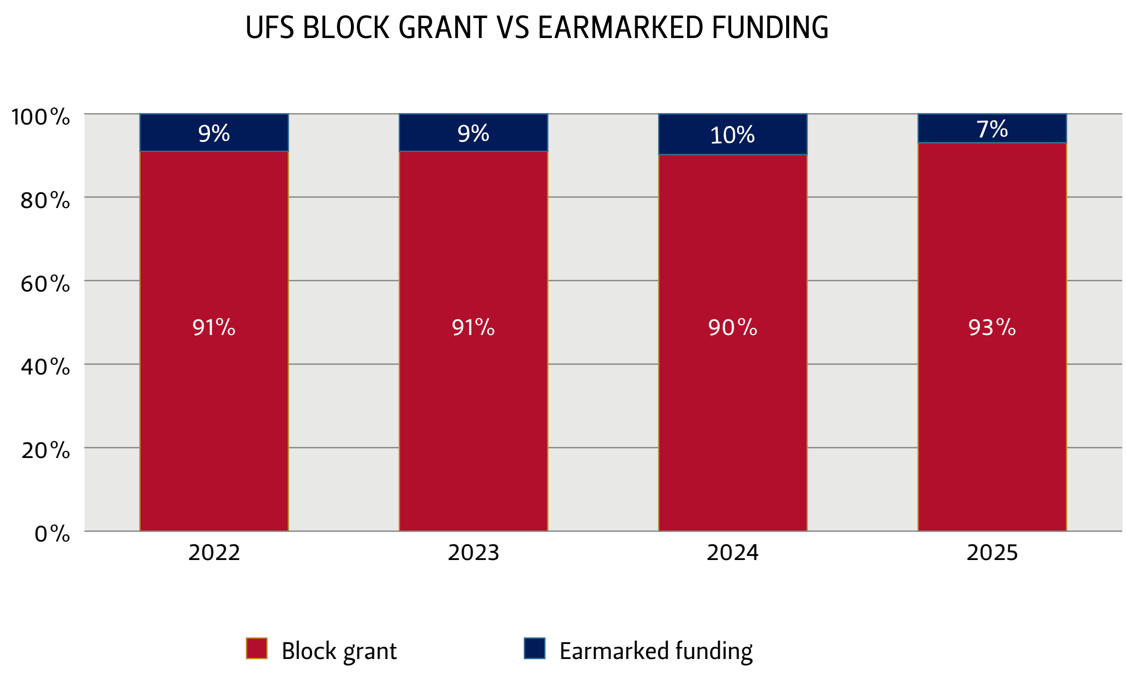


Figure 9: UFS block grant versus earmarked funding

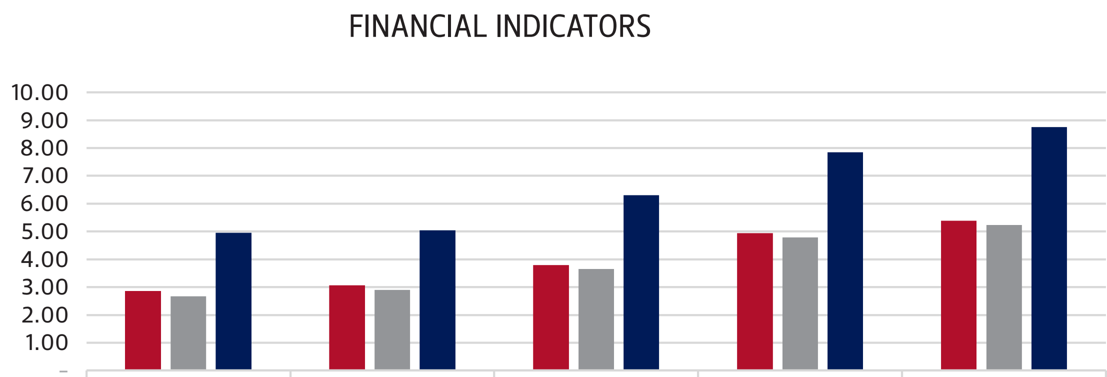
Cash Flows

The university has generated sufficient levels of cash through its operational activities in order to maintain investment activities and service debt.

As at 31 December 2025, we had R203 million (2024: R179 million) in cash and cash equivalents, and short-term investments of R3,980 billion (2024: R3,776 billion) invested in debt instruments. The available cash, plus net cash flows in 2026, will be sufficient to fulfil our institution's capital and other obligations. We also have the ability to realise long-term investments at short notice in order to cover possible liquidity risks, as indicated by the liquidity ratio of 5.23 below.

Financial Indicators

Three indicators are used to monitor the university's financial sustainability: current ratio, liquidity ratio, and the solvency ratio. The university's performance against these three indicators is presented in Figure 10.



	2021	2022	2023	2024	2025
Current ratio	2.86	3.06	3.79	4.94	5.39
Liquidity ratio	2.67	2.90	3.65	4.78	5.23
Solvency ratio	4.96	5.04	6.30	7.84	8.76

Current ratio   Liquidity ratio   Solvency ratio

Figure 10: Financial indicators

Current ratio: *Current assets/Current liabilities.*
Generally accepted ratio: 2:1

Liquidity ratio: *(Current assets – inventory – student debt) / current liabilities.*
Generally accepted ratio: Above 1

Solvency ratio: *(Total assets minus PPE) / Total liabilities.*
General rule: Total liabilities should not exceed 20%–30% of total assets.

Main influencers of the above ratios: Effective spending of earmarked grants has reduced deferred income to lower levels compared to similar institutions. The UFS maintains a strong investment portfolio, with a significant amount of investments in our current assets to manage the risk of unexpected funding cuts and irregular NSFAS payments. Further limited long-term debt and well-maintained employee benefit obligations contribute to desirable ratios.

These ratios indicate that the short-term funds at the university's disposal were sufficient to cover the short-term liabilities, as well as the long-term liabilities.

Available Funds

The UFS places a high premium on sound corporate and financial management and does everything in its power to ensure that finances are managed in a transparent and judicious manner. Part of sound financial management is to manage responsible levels of reserve funds with a view to long-term systemic sustainability. Reserve funds take the form of funds intended for various environments to be used only according to specific guidelines and conditions. Funds comprise both restricted and unrestricted funds. Restricted funds, amounting to R969,258 million (2024: R905,480 million) as at 31 December 2025, consist of funding restricted in terms of legal and other agreements. These funds are not available for discretionary use to Council and may only be used in accordance with the relevant provisions. Unrestricted funds, in turn, may be used at Council's discretion. These funds amounted to R9,877 billion (2024: R8,505 billion) as at 31 December 2025. Unrestricted funds are subdivided into unrestricted use funds and unrestricted designated funds. Designated funds amount to R6,781 billion (2024: R5,892 billion) as at 31 December 2025. The balance of R3,096 billion (2024: R2,614 billion) is available for discretionary use by Council. This represents 12 month's revenue, which is an acceptable level of contingency.

3.2.2 Statement from the financial executive on the financial results

The Public Audit Act of 2004, as amended (Act), prescribes the Auditor-General to be the external auditor of the university. The audit is currently performed by SNG, who are also responsible for the external audit under the auspices of the Auditor-General in accordance with the requirements of the Act. Section 28(1) of the Act requires the external auditor to reflect such opinions and statements as may be required by any legislation applicable to the university, but this must reflect at least an opinion or conclusion on

(i) whether the financial statements of the university fairly present, in all material respects, its operations and cash flow for the period which ended on 31 December of each year, in accordance with the applicable financial framework and legislation;
(ii) the university's compliance with any applicable legislation relating to financial matters, financial management, and other related matters; and
(iii) the reported information relating to the performance of the university against predetermined objectives.

The governance and management of the UFS provides assurance for financial sustainability, and the UFS has received unqualified audit reports in all of the periods included in this report.

Ms M Nel (CA) SA
CFO

3.3 Statement of Council on transformation

Vision 130 Implementation

The implementation of Vision 130 was initiated in 2023 through the Strategic Plan 2023-2028 and the APP 2023. In other words, 2025 was the midway point in the implementation of the 2023-2028 strategy as the institution evolved from the Integrated Transformation Plan (ITP), which informed the previous strategy. The major highlights related to the transformation of the UFS are highlighted below:

Teaching and Learning

In 2025, the UFS continued steps to enhance the transformation of learning and teaching through a greater emphasis on the digitalisation of systems and processes, including investment in digital infrastructure to support blended learning and teaching.

This is to ensure the substantial transformation and realignment required to accommodate the changing realities and needs of a high-performance 21st-Century African university that is globally, nationally, and continentally relevant. Moreover, the funding and sustainability of educational technologies within higher education institutions has become a critical issue to ensure innovation and implementation of technologies in a budget-constrained environment. Challenges also remain in relation to student success and throughput, as well as curriculum responsiveness and relevance, technological innovation, etc. The Educational Technology and Learning Spaces Committee (ETLSC) has been firmly established as a consultative platform where the implementation of new technology is scrutinised to ensure that quality as well as financial controls are optimised.

Deliverables in terms of academic staff development included 53 accepted presentations as part of the UFS Annual Learning and Teaching Conference, with 1 861 staff members attending the four-day hybrid conference. In 2025, a total of 147 UFS staff members participated in the Curriculum Renewal Programme (CRP), aimed at assisting staff to redesign their modules by considering the purpose, their students, and the UFS context through good curriculum design, while 22 new and prospective academic leaders participated in the Academic Leadership Programme (ALP).

The institution has increased collaborations and strategic partnerships with funders, government, the public and private sectors, industry, and fellow institutions to maximise/leverage capacity and resources, and to create (among others) productive communities of practice. This enables the UFS to better align with the needs of employers and the job market in producing graduates with desirable attributes. Stakeholders in these collaborations include the Michael and Susan Dell Foundation (MSDF), the Kresge Foundation, the Council on Higher Education (CHE), as well as the South African Graduate Employers Association (SAGEA). During 2025, a total of 378 academics attended 71 interventions. From a student success support perspective, 14 331 students earned digital skills certificates through the GPS@UFS project, 15 070 at-risk students were identified through predictive analytics and provided with proactive support, and the UFS expanded its network of employees by 473%. In order to further the continuing transformation agenda, the UFS initiated an internal process to develop a learning and teaching strategy that is aligned with Vision 130 and the new Strategy 2023-2028.

Research Internationalisation and Innovation

The research goal of the UFS is to increase its contribution to local, regional, and global knowledge, to address fundamental and strategically important developmental questions, and to make an economic, social, and cultural impact on society, from the local borders to the international context.

The revised UFS Research Strategy has been adopted or aligned with the UFS institutional strategy 2023-2028 and Vision 130. Hence, the strategy aims to achieve the following objectives:


NORTH BLOCK

- To increase emphasis on research that advances societal and knowledge impact (Objective 1.1).
- To ensure the quantity, quality, and diversity of academic staff with renowned global reputation (Objective 1.2).

The guiding principles underpinning these strategic aims are the following:

- Responsible stewardship of human, financial, and other resources.
- A focus on relevance, excellence, and impact.
- A culture of continuous reflection and improvement in strategies, actions, and systems.
- A culture of people-centred, flexible, and accurate service delivery.
- Responsiveness to market needs and demands for human resources, expertise, and products.
- Integration, collaboration, and synergy, where appropriate, for better performance.

Given its fundamental contribution to the university's core business and strategic intent (to become a research-led university), its implementation and performance in relation to the goals are monitored and measured through the APP for sustained impact relevance and institutional transformation.

Engaged Scholarship

The UFS recognises the importance of engagement and involvement of identified stakeholders in ensuring that their voices are incorporated into the research process and output. Hence, the university places a strong emphasis on interdisciplinarity and encourages and supports scholars from different disciplines and communities to work together in a spirit of cooperation and integration, mobilising their respective knowledge for the benefit of communities and society.

The UFS' engaged scholarship strategy promotes social change and provides a framework to support and promote scholarship within the relevant academic disciplines and their aligned communities. The strategy includes the following components:

Engaged Research, which incorporates reciprocal knowledge practices in the discovery, teaching, integration, application, development, and mobilisation of knowledge for mutual public benefit and academic interests. In the long run, supporting transformation.

Engaged Citizenship, which includes academic, student, and university citizenship, is an educational platform that prepares and supports staff and students to play a leading role by building sustainable partnerships with other stakeholders, responding to pressing societal challenges by deploying intellectual, human, and other resources for the development of communities.

Student Experience

Students in need of food support were assisted by the institution. The distribution of food support to students was facilitated and monitored by the UFS Food Environment Technical Committee (FETC). This is a multifunctional institutional committee that determines, monitors, and evaluates projects related to the UFS food environment.

Initiatives were implemented to address gender-based violence (GBV). The KovsiesCare GBV Campaign, launched in 2023 with the aim of consolidating efforts against gender-based violence (GBV) across all three campuses of the UFS, continued its work in 2025. Spearheaded by the university's Department of Communication and Marketing, the campaign focused on themes of care, embrace, and connectedness.

In terms of health and wellness, a holistic approach was followed during consultations in 2025, focusing not only on the main complaint, but also on screening for possible non-communicable diseases and on providing treatment, education, and support to ensure that students returned to class as soon as possible and were aware of unhealthy behaviour. HIV support was provided to HIV-infected and -affected students. Additionally, awareness campaigns were conducted.

Staff Experience

The university has initiatives in place to support academics on their intellectual journey to professorship. In 2025, this included work through the Future Professoriate and Emerging Scholars Accelerator Programme (ESAP) programmes. In the Transformation of the Professoriate Group (including the Future Professoriate and Women Influencing and Shaping Education (WISE) Group), 13 members were promoted to Associate Professor level. Seven members of the Future Professoriate Programme received NRF ratings, three of whom received Y1 ratings, one a Y2 rating, and three received C2 ratings. Eight members of the programme submitted rating applications in March 2025 and are awaiting the outcome. These support initiatives are also intended to contribute towards a better staff experience, where academics can see their future at the institution and are willing to invest more than average efforts towards their students and the campus community.

The Unit for Institutional Change and Social Justice (ICSJ) has framed its work in 2025 to contribute to the realisation of Vision 130 by promoting future-centric dialogue within the university community and beyond. The cornerstone was public lectures (Bram Fischer Lecture) delivered in collaboration with the Free State Centre for Human Rights in the Faculty of Law.

B-BBEE Performance and Compliance

The UFS maintained its status as a Level 4 contributor with a B-BBEE procurement recognition level of 100%. The university improved its generic scorecard from 80,52 in 2023 to 81,40 in 2024 to 83,11 in 2025. The skills development score also increased from 16,41 in 2023 to 19,05 in 2024 to 20,15 in 2025. The management control score increased from 9,50 in 2023, 10,00 in 2024 to 11,63 in 2025. This is evidence of a continued commitment to transforming the capacity and capability of the university's staff.


IN VERITATE SAPIENTIAE LUX
UNIVERSITY OF THE FREE STATE
UNIVERSITEIT VAN DIE VRYSTAAT
YUNIVESITHI YA FREISTATA
ECONOMIC AND MANAGEMENT SCIENCES
EDUCATION

4 CONCLUSION

4. CONCLUSION

The 2025 Annual Report highlights the University of the Free State's significant achievements, milestones, and progress over the past year. It reflects the UFS' unwavering commitment to producing graduates and knowledge that are both locally and globally competitive. Through the efforts of the UFS Council, dedicated faculties, exceptional academic and support staff, and the support of stakeholders and communities, the UFS has advanced its vision of being a research-led, student-centred, and regionally engaged university. This vision contributes to development and social justice through impactful research and the production of desirable graduates at the local and international levels. This reporting period marked the third year of implementing the 2023 - 2028 strategy towards realising Vision 130. As the institution moves forward, it remains committed to academic excellence, reputation, and impact, and to transforming lives through education. The UFS expresses its gratitude to all who have contributed to its success in 2025 and looks forward to the opportunities and challenges that lie ahead. The UFS leadership, along with its valued stakeholders, students, staff, and alumni, will continue to empower the next generation of leaders, thinkers, and changemakers to inspire excellence and transform lives through quality, impact, and care.

5. APPENDICES

Appendix 1: Audited Annual Financial Statements 2025

Appendix 2: Code of Conduct for the UFS Council and Members of the Council

Appendix 3: Policy of the UFS on Conflict of Interest by the Members of the UFS Council

Appendix 4: Disciplinary Procedure for Members of the UFS Council

UNIVERSITY OF THE
FREE STATE
UNIVERSITEIT VAN DIE
VRYSTAAT
YUNIVESITHI YA
FREISTATA

Appendix 1:

Audited Annual Financial Statements 2025

UNIVERSITY OF THE FREE STATE
UNIVERSITEIT VAN DIE VRYSTAAT
YUNIVESITHI YA FREISTATA

UNIVERSITY OF THE FREE STATE

CONSOLIDATED AND STAND ALONE FINANCIAL STATEMENTS
for the year ended 31 December 2025

CONTENTS

UNIVERSITY OF THE FREE STATE

GENERAL INFORMATION

CHAIRMAN OF THE COUNCIL	Mr D Noko
VICE-CHANCELLOR AND PRINCIPAL	Prof HC. Klopper
POSTAL ADDRESS	PO Box 339 Bloemfontein 9300
STREET ADDRESS	Nelson Mandela Drive Bloemfontein 9301
AUDITOR	SNG Grant Thornton Registered Auditor Bloemfontein
BANKER	ABSA Bank

UNIVERSITY OF THE FREE STATE

COUNCIL'S STATEMENT OF RESPONSIBILITY FOR THE CONSOLIDATED AND STAND ALONE FINANCIAL STATEMENTS

The council is responsible for the preparation, integrity and fair presentation of the consolidated and stand alone financial statements of the University of the Free State. The consolidated and stand alone financial statements, presented on pages 10 to 84, have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Minister of Education as prescribed by the Higher Education Act, 1997 (Act No. 101 of 1997), as amended, and include amounts based on judgements and estimates made by management. The council also prepared the other information included in the annual report and is responsible for both its accuracy and consistency with the consolidated and stand alone financial statements.

The going concern basis has been adopted in preparing the consolidated and stand alone financial statements. The council has no reason to believe that the University of the Free State will not be a going concern in the foreseeable future based on forecasts and available cash resources. The viability of the University of the Free State is supported by the financial statements.

The consolidated and stand alone financial statements have been audited by the independent accounting firm, SNG Grant Thornton Inc., who were given unrestricted access to all financial records and related data, including minutes of meetings of the council and all its committees. The council believes that all representations made to the independent auditor during their audit were valid and appropriate.

APPROVAL OF THE CONSOLIDATED AND STAND ALONE FINANCIAL STATEMENTS

The consolidated and stand alone financial statements set out on pages 10 to 74 were approved by the council on 18 June 2026 and signed on its behalf by:

Vice-Chancellor and Principal
Prof HC. Klopper

Chairman of the Council
Mr D Noko

Chief Financial Officer
Mrs M Nel

Independent auditor's report to the Minister of Higher Education, Science and Innovation and the Council of the University of the Free State on the University of the Free State

Report on the audit of the consolidated and stand alone Financial Statements

Opinion

1. We have audited the consolidated and stand alone financial statements of the University of the Free State and its subsidiaries (the group) set out on pages 97 to 186, which comprise the consolidated and stand alone statement of financial position as at 31 December 2025, the consolidated and stand alone statement of profit or loss and other comprehensive income, the statements of changes in funds, and the statement of cash flow statements for the year then ended, as well as notes to the consolidated and stand alone financial statements, including a summary of material accounting policies.

2. In our opinion, the consolidated and stand alone financial statements present fairly, in all material respects, the consolidated and stand alone financial position of the group as at 31 December 2025, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa, 1997 (Act no. 101 of 1997).

Context for opinion

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated and stand alone financial statements section of our report.

4. We are independent of the group in accordance with Independent Regulatory Board for Auditors' *Code of Professional Conduct for 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)*.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

6. In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities , published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

7. The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and stand alone financial statements.

8. Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and stand alone financial statements as a whole.

9. Based on our professional judgement, we determined final materiality for the consolidated and stand alone financial statements as follows:

Materiality considerations	Consolidated financial statements	Separate financial statements
Final materiality amount	R122,2 million	R122,0 million
Basis for determining materiality	3% of expenditure, as disclosed in the statement of financial performance to the financial statements	3% of expenditure, as disclosed in the statement of financial performance to the financial statements
Rationale for benchmark applied	Benchmark is an appropriate quantitative indicator of materiality as the University of the Free State is a public institution that receives substantial funding from the Department of Higher Education (DHET). Consequently, DHET is considered a key user of the financial statements and focuses on how the university allocates and spends the provided funds to full fill its mandate of offering higher education services.	Benchmark is an appropriate quantitative indicator of materiality as the University of the Free State is a public institution that receives substantial funding from the Department of Higher Education (DHET). Consequently, DHET is considered a key user of the financial statements and focuses on how the university allocates and spends the provided funds to full fill its mandate of offering higher education services.

Group audit scope

10. We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, considering the structure of the group and the accounting processes and controls.

11. Due to the fact that the entites included in the group financial statements are not considered to be material, additional audit effort was limited to the consolidation process.

Key audit matters

12. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and stand alone financial statements for the current period. These matters were addressed in the context of our audit of the consolidated and stand alone financial statements as a whole and in forming our opinion, and we do not provide a separate opinion on these matters.

13. We have determined that there are no key audit matters to communicate in respect of the consolidated and stand alone financial statements.

Responsibilities of Council for the consolidated and stand alone Financial Statements

14. The Council, which constitutes the accounting authority, is responsible for the preparation and fair presentation of the consolidated and stand alone financial statements in accordance with International Reporting and the requirements of the Higher Education Act of South Africa, 1997 and the regulations for reporting by the Public Higher Education Institutions, 2014, issued in terms of the Higher Education Act of South Africa, 1997 (Act no. 101 of 1997) and for such internal control as the accounting authority determines is necessary to enable the preparation of consolidated and stand alone financial statements that are free from material misstatement, whether due to fraud or error.

15. In preparing the consolidated and stand alone financial statements, the Council is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and stand alone Financial Statements

16. Our objectives are to obtain reasonable assurance about whether the consolidated and stand alone 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 the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and stand alone financial statements.

17. A further description of our responsibilities for the audit of the consolidated and stand alone financial statements is included in the annexure to this auditor's report. This description, which is located at page 107, forms part of our auditor's report.

Report on the audit of the annual performance

18. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, we have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. The Council is responsible for the preparation of the annual report.

19. We selected the following objectives presented in the annual performance report for the year ended 31 December 2025 for auditing. We selected objectives that measures the university's performance on its primary mandate functions and that are significant national, community or public interest.

Objective	Page numbers	Purpose
1.1 Placing increased emphasis on research that advances societal and knowledge impact	18	To improve our academic excellence, reputation, and impact
3.2.2 Share of permanent academic staff with PhD	20	To advance a transformational institutional culture that demonstrates the values of the UFS.
3.4 Improving the equity profile of academic leadership	20	To advance a transformational institutional culture that demonstrates the values of the UFS.
4.3 Increasing our research and innovation competitiveness	21	To promote stewardship and prioritization of institutional resources for strategic intent.

20. We evaluated the reported performance information for the selected objectives against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the university's planning and delivery on its mandate and goals.

21. We performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the university's mandate and the achievement of its planned goals
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently.
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
- there are adequate supporting evidence for the achievements

22. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

23. We did not identify any material findings on the reported performance information of the University of the Free State of selected subject matters.

Other matters

24. We draw attention to the matters below.

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Council is responsible for the university's compliance with legislation

26. We performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

27. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the university, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report

28. We did not identify any material non-compliance with the selected legislative requirements

Other information in the annual report

29. The Council is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and stand alone financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.

30. Our opinion on the financial statements and my findings on the reported performance information and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.

31. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand alone financial statements and the selected objectives presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

32. We have nothing to report in this regard.

Internal control deficiencies

33. We considered internal control relevant to our audit of the consolidated and stand alone financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.

34. We did not identify any significant deficiencies in internal control.

Other reports

35. We draw attention to the following engagements conducted by SNG Grant Thornton Inc. These reports did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.

36. Agreed upon procedures were performed (and will be performed) on the following grants received by the University of the Free State:

Agreed-upon procedure engagements and ISA 805 engagements

Entity Name/ Engagement	Type of engagement	Period covered	Status of engagement
DHET - New generation of Academic Programme (NGAP)	Agreed-upon procedure	1 April 2025 – 31 March 2026	Report Issued
Foundation Grant	Agreed-upon procedure	1 January 2025 to 31 December 2025	Report issued
DHET - Clinical Training Grant (CTG)	Agreed-upon procedure	1 April 2025 – 31 March 2026	Report issued
National Research Foundation Grant	Agreed-upon procedure	1 January 2025 to 31 December 2025	Report issued
DHET - University capacity development programme (UCDG)	Agreed-upon procedure	1 January 2025 to 31 December 2025	Report issued
DHET - Infrastructure Grant	Agreed-upon procedure	1 April 2025 – 31 March 2026	Report issued
Nurturing Emerging scholars Programme (NESP)	Agreed-upon procedure	1 April 2025 – 31 March 2026	Report issued
Research output grant	Agreed-upon procedure	1 January 2025 to 31 December 2025	Report issued
HEMIS	Agreed-upon procedure	1 January 2025 to 31 December 2025	In progress
South Arican Health Products Regulatory Authority (SAHPRA)	Agreed-upon procedure	1 June 2025 to 31 May 2026	In progress
DHET - Financial Data Submission	Agreed-upon procedure	1 January 2025 to 31 December 2025	Report issued

Auditor tenure

28. In terms of the IRBA rule published in Government Gazette No. 39475 dated 4 December 2015, we report that SizweNtsalubaGobodo Grant Thornton Incorporated has been the auditor of the University of the Free State for four years.

SizweNtsalubaGobodo Grant Thornton Inc

Herman Leach CA (SA)
SizweNtsalubaGobodo Grant Thornton Inc.
Director
Registered Auditor
26 June 2026
101 Olympus Drive, 101 Olympus Suite 4, Helicon Heights, Bloemfontein, 9301

Annexure to the auditor's report

The annexure includes the following:

- The auditor's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the separate and consolidated financial statements, and the procedures performed on the reported performance information for selected goals and on the University's compliance with respect to the selected requirements in key legislation.

Consolidated and stand alone Financial statements

In addition to our responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, we also:

- identify and assess the risks of material misstatement of the consolidated and stand alone 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 University's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the Council's use of the going concern basis of accounting in the preparation of the consolidated and stand alone financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the University of the Free State and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and stand alone financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the consolidated and stand alone financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause a university to cease operating as a going concern.
- evaluate the overall presentation, structure, and content of the consolidated and stand alone financial statements, including the disclosures, and determine whether the consolidated and stand alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and stand alone financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

Communication with those charged with governance

We communicate with the accounting authority 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.

We also provide the accounting authority with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand alone financial statements of the current period and are therefore key audit matters. We describe these matters in this auditor's report unless law and regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in this auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

1. Legislation	2. Sections or regulations
3. Public Audit Act 25 of 2004 (PAA), GN 3018 of 8 February 2023: Audit Directive for 2023 4. Regulations for Reporting by Public Higher Education Institutions 5. Higher Education Act 101 of 1997.	6. Annual Financial statements • PAA 14(2)(b) • RRPHEI 7(4)(b)(xii) • HE Act 41(1)(b)(ii)
7. 8. Higher Education Act 101 of 1997 9.	10. Asset Management • HE Act 20(5) • HE Act 40(3)(a)(i) • HE Act 40(3)(a)(ii) • HE Act 40(3)(a)(iii)
11. Prevention and Combating of Corrupt Activities Act 12 of 2004.	12. Consequence Management • PRECCA 34(1).
13. Regulations for Reporting by Public Higher Education Institutions.	14. Strategic Planning • RRPHEI 4(1) • RRPHEI 4(2) • RRPHEI 5(1) • RRPHEI 5(2)(a) • RRPHEI 5(2)(d) • RRPHEI 5(2)(g)

1. Legislation	2. Sections or regulations
	• RRPHEI 5(2)(m) • RRPHEI 6(2) • RRPHEI 6(2)(d) • RRPHEI 6(3)
15. Higher Education Act 101 of 1997 16.	17. Procurement and Contract Management • Higher Education Act s34(4)(a) • Higher Education Act s34(4)(b) • Higher Education Act s34(5) • Higher Education Act s34(6) • Higher Education Act s27(7)(c) • Higher Education Act s27(7)(e) & s27(7)(A)-(C)

UNIVERSITY OF THE FREE STATE

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025 (all amounts in R'000)

		2025					2024 (Restated)				
Group	Notes	Council controlled Unrestricted	Specifically funded activities Restricted	SUB - TOTAL	Student & staff accommodation Restricted	TOTAL	Council controlled Unrestricted	Specifically funded activities Restricted	SUB - TOTAL	Student & staff accommodation Restricted	TOTAL
TOTAL INCOME		3 918 050	581 855	4 499 905	278 646	4 778 551	3 636 756	578 784	4 215 540	250 777	4 466 317
State appropriations - subsidies and grants	6.	1 986 289	148 531	2 134 820	-	2 134 820	1 772 573	191 591	1 964 163	-	1 964 163
Tuition and other fee income	7.	1 766 405	-	1 766 405	276 758	2 043 163	1 644 157	(161)	1 643 997	249 036	1 893 033
Income from contracts	8.	32 960	414 170	447 130	-	447 130	51 818	373 756	425 575	-	425 575
Sales of goods and services	9.	110 114	6 104	116 218	1 888	118 106	134 298	5 196	139 494	1 740	141 234
Private gifts and grants	10.	22 282	13 050	35 332	-	35 332	33 910	8 402	42 312	-	42 312
TOTAL EXPENDITURE		3 270 853	559 554	3 830 407	242 230	4 072 637	3 168 203	478 817	3 647 019	218 710	3 865 729
Personnel costs	12.	2 065 914	182 944	2 248 858	87 817	2 336 674	2 012 875	181 837	2 194 712	75 854	2 270 566
Other operating expenses	13.	982 961	376 435	1 359 396	148 496	1 507 892	941 495	296 810	1 238 305	142 583	1 380 888
Impairment loss - Loan to related party	17.2	66 047	-	66 047	-	66 047	-	-		-	-
Impairment losses	22.2.2.1	14 879	-	14 879	2 074	16 953	79 446	-	79 446	273	79 718
Depreciation and amortisation	18.1; 18.2; 18.3	141 052	175	141 227	**3 844**	145 071	134 387	170	134 557	-	134 557
OPERATING SURPLUS /(LOSS) FOR THE YEAR		647 197	22 301	669 498	36 415	705 913	468 554	99 967	568 521	32 066	600 587
Other income		991 015	42 695	1 033 710	-	1 033 710	664 793	40 175	710 617	-	704 968
Interest and dividends	14.1	587 221	21 961	609 182	-	609 182	606 918	32 396	639 314	-	639 314
Investment income	14.2	437 169	19 669	456 838	-	456 838	64 781	6 419	71 200	-	71 200
Share of net profit /(loss) from associate accounted for using the equity method	24.3	-	(121)	(121)	-	(121)	-	103	103	-	103
Impairment losses relating to investment in associates	25.4	-	-	-	-	-	-	-	-	-	-
Miscellaneous income / (expense)	11.	(33 375)	1 186	(32 189)	-	(32 189)	(6 906)	1 257		-	(5 649)
Administration cost on financial assets	15.	(15 893)	(417)	(16 310)	-	(16 310)	(34 618)	(1 021)	(35 639)	-	(35 639)
Interest paid on loans	17.6	-	-	-	(15 828)	(15 828)	-	-	-	(21 080)	(21 080)
Net surplus for the year before market value adjustments on investments		1 622 319	64 579	1 686 898	20 587	1 707 485	1 098 729	139 121	1 243 499	10 987	1 248 837
Revaluation of investments to market value at year end	17.4	530 852	1 638	532 490	-	532 490	930 498	3 655	934 152	-	934 152
Net surplus for the year before income tax		2 153 171	66 217	2 219 388	20 587	2 239 975	2 029 227	142 776	2 177 651	10 987	2 182 989
Income tax expense	16.	-	-	-	-	-	-	-	-	-	-
NET SURPLUS / (LOSS)		2 153 171	66 217	2 219 388	20 587	2 239 975	2 029 227	142 776	2 177 651	10 987	2 182 989
OTHER COMPREHENSIVE INCOME											
Items that will not be reclassified to profit or loss											
Recognition of post-retirement group life actuarial gains /(loss)	18.6.4	(5 325)	-	(5 325)	-	(5 325)	(1 246)	-	(1 246)	-	(1 246)
Recognition of post-retirement medical actuarial gains	18.6.3	(19 022)	-	(19 022)	-	(19 022)	1 981	-	1 981	-	1 981
Recognition of post-retirement pension actuarial gains /(loss)	18.6.2	24 575	-	24 575	-	24 575	76 745	-	76 745	-	76 745
TOTAL COMPREHENSIVE SURPLUS FOR THE YEAR		2 153 399	66 217	2 219 616	20 587	2 240 202	2 106 707	142 776	2 255 131	10 987	2 260 469

Note:
The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

UNIVERSITY OF THE FREE STATE
UNIVERSITEIT VAN DIE VRYSTAAT
YUNIVESITHI YA FREISTATA

UNIVERSITY OF THE FREE STATE

STAND ALONE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024 (all amounts in R'000)

University	Notes	2025 Council controlled Unrestricted	2025 Specifically funded activities Restricted	2025 SUB - TOTAL	2025 Student & staff accommodation Restricted	2025 TOTAL	2024 (Restated) Council controlled Unrestricted	2024 (Restated) Specifically funded activities Restricted	2024 (Restated) SUB - TOTAL	2024 (Restated) Student & staff accommodation Restricted	2024 (Restated) TOTAL
TOTAL INCOME		3 918 050	575 571	4 493 621	278 646	4 772 267	3 636 756	571 412	4 208 168	250 777	4 458 944
State appropriations - subsidies and grants	6.	1 986 289	148 531	2 134 820	-	2 134 820	1 772 573	191 591	1 964 163	-	1 964 163
Tuition and other fee income	7.	1 766 405	-	1 766 405	276 758	2 043 163	1 644 157	(161)	1 643 997	249 036	1 893 033
Income from contracts	8.	32 960	414 170	447 130	-	447 130	51 818	373 756	425 575	-	425 575
Sales of goods and services	9.	110 114	2 037	112 151	1 888	114 039	134 298	156	134 455	1 740	136 195
Private gifts and grants	10.	22 282	10 833	33 115	-	33 115	33 910	6 069	39 978	-	39 978
TOTAL EXPENDITURE		3 270 853	552 300	3 823 154	242 230	4 065 384	3 168 203	471 668	3 639 871	218 710	3 858 581
Personnel costs	12.	2 065 914	181 604	2 247 518	87 817	2 335 335	2 012 875	180 533	2 193 408	75 854	2 269 262
Other operating expenses	13.	982 961	370 697	1 353 658	148 496	1 502 154	941 495	291 135	1 232 630	142 583	1 375 214
Impairment loss - Loan to related party	17.2	66 047	-	66 047	-	66 047	-	-		-	-
Impairment losses	22.2.2.1	14 879	-	14 879	2 074	16 953	79 446	-	79 446	273	79 718
Depreciation and amortisation	18.1; 18.2; 18.3	141 052	-	141 052	3 844	144 896	134 387	-	134 387	-	134 387
OPERATING SURPLUS /(LOSS) FOR THE YEAR		647 197	23 271	670 467	36 415	706 882	468 554	99 743	568 297	32 066	600 363
Other income		991 015	38 568	1 062 958	-	1 029 583	664 793	37 385	702 178	-	702 178
Interest and dividends	14.1	587 221	20 919	608 140	-	608 140	606 918	31 157	638 075	-	638 075
Investment income	14.2	437 169	17 770	454 939	-	454 939	64 781	6 125	70 906	-	70 906
Share of net profit /(loss) from associate accounted for using the equity method		-	(121)	(121)	-	(121)	-	103	103	-	103
Miscellaneous income / (expenses)	11.	(33 375)	-	(33 375)	-	(33 375)	(6 906)	-	(6 906)	-	(6 906)
Administration cost on financial assets	15.	(15 893)	(391)	(16 284)	-	(16 284)	(34 618)	(947)	(35 564)	-	(35 564)
Interest paid on loans	17.6	-	-	-	(15 828)	(15 828)	-	-	-	(21 080)	(21 080)
Net surplus / (loss) for the year before market value adjustments on investments		1 622 319	61 448	1 717 142	20 587	1 704 354	1 098 729	136 181	1 234 910	10 987	1 245 897
Revaluation of investments to market value at year end	17.4	530 852	-	530 852	-	530 852	930 498	-	930 498	-	930 498
NET SURPLUS / (LOSS)		2 153 171	61 448	2 247 994	20 587	2 235 206	2 029 227	136 181	2 165 408	10 987	2 176 395
OTHER COMPREHENSIVE INCOME											
Items that will not be reclassified to profit or loss											
Recognition of post-retirement group life actuarial gains / (loss)	18.6.4	(5 325)	-	(5 325)	-	(5 325)	(1 246)	-	(1 246)	-	(1 246)
Recognition of post-retirement medical actuarial gains	18.6.3	(19 022)	-	(19 022)	-	(19 022)	1 981	-	1 981	-	1 981
Recognition of post-retirement pension actuarial gains /(loss)	18.6.2	24 575	-	24 575	-	24 575	76 745	-	76 745	-	76 745
TOTAL COMPREHENSIVE SURPLUS / (LOSS) FOR THE YEAR		2 153 399	61 448	2 248 222	20 587	2 235 434	2 106 707	136 181	2 242 888	10 987	2 253 875

Note:
The above stand alone statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

UNIVERSITY OF THE FREE STATE
UNIVERSITEIT VAN DIE VRYSTAAT
YUNIVESITHI YA FREISTATA

UNIVERSITY OF THE FREE STATE

CONSOLIDATED AND STAND ALONE STATEMENTS OF FINANCIAL POSITION
as at 31 December 2025 (all amounts in R'000)

		GROUP		UNIVERSITY	
		2025	2024	2025	2024
	Notes	R ' 000	R ' 000	R ' 000	R ' 000
ASSETS					
Non-current assets					
Property, plant and equipment	18.1	**2 733 607**	2 452 392	**2 729 402**	2 448 266
Investment property	18.2	**9 769**	10 070	**9 769**	10 070
Intangible assets	18.3	**4 526**	4 405	**4 526**	4 405
Financial assets at fair value through profit or loss (FVPL)	17.4	**10 670 043**	9 110 733	**10 634 608**	9 079 268
Investment in associates	24.3	**744**	865	**744**	865
Student and other loans	17.2	**-**	57 650	**-**	57 650
Retirement benefit surplus	18.6.2	**354 655**	299 200	**354 655**	299 200
Deferred tax asset	18.8	**-**	-	**-**	-
Total non-current assets		**13 773 343**	11 935 315	**13 733 704**	11 899 724
Current assets					
Financial assets at fair value through profit or loss (FVPL)	17.4	**3 984 359**	3 779 585	**3 980 057**	3 775 598
Inventory	18.4	**7 694**	9 146	**7 694**	9 146
Biological assets	18.5	**11 154**	8 672	**8 757**	6 077
Trade and other receivables	17.1	**477 999**	240 890	**477 612**	240 504
Student and other loans	17.2	**-**	5 342	**-**	5 342
Cash and cash equivalents	17.3	**205 341**	181 110	**202 863**	179 304
Total current assets		**4 686 547**	4 224 746	**4 676 984**	4 215 972
Total assets		**18 459 890**	16 160 061	**18 410 687**	16 115 696

Note:
The above consolidated and stand alone statement of financial position should be read in conjunction with the accompanying notes.

UNIVERSITY OF THE FREE STATE

CONSOLIDATED AND STAND ALONE STATEMENTS OF FINANCIAL POSITION
as at 31 December 2025 (all amounts in R'000)

		GROUP		UNIVERSITY	
	Notes	2025 R ' 000	2024 R ' 000	2025 R ' 000	2024 R ' 000
FUNDS AND LIABILITIES					
Funds and reserves					
Unrestricted funds - Education and general		9 876 742	8 505 347	9 876 742	8 505 347
Unrestricted use funds		3 095 811	2 613 657	3 095 811	2 613 657
Unrestricted designated funds		6 780 931	5 891 689	6 780 931	5 891 689
Restricted funds - Education and general		804 527	760 984	789 610	745 968
Funds for specific purposes		615 676	577 170	615 676	577 170
Trust and endowment funds		188 850	183 815	173 934	168 799
Restricted funds - Residences		179 648	159 512	179 648	159 512
Financial instruments at fair value through profit and loss reserves		3 046 804	2 514 314	3 034 900	2 504 048
Fixed assets fund property plant and equipment		2 743 376	2 462 462	2 739 171	2 458 336
Total funds and reserves		16 651 097	14 402 619	16 620 071	14 373 210
Non-current liabilities					
Borrowings	17.6	140 691	154 885	140 691	154 885
Post employment medical obligation	18.6.3	521 777	475 883	521 777	475 883
Post employment group life insurance obligation	18.6.4	44 491	39 166	44 491	39 166
Accrued leave provision	18.6.1	215 769	218 791	215 769	218 791
Total non-current liabilities		922 728	888 725	922 728	888 725
Current liabilities					
Trade and other payables	17.5	797 128	796 819	778 952	781 862
Deferred income	18.7	67 179	56 005	67 179	56 005
Borrowings	17.6	12 894	9 504	12 894	9 504
Accrued leave provision	18.6.1	8 863	6 389	8 863	6 389
Total current liabilities		886 065	868 717	867 888	853 760
Total funds and liabilities		18 459 890	16 160 061	18 410 687	16 115 696

Note:
The above consolidated and stand alone statement of financial position should be read in conjunction with the accompanying notes.

UNIVERSITY OF THE FREE STATE
UNIVERSITEIT VAN DIE VRYSTAAT
YUNIVESITHI YA FREISTATA

UNIVERSITY OF THE FREE STATE

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS

for the year ended 31 December 2025 (all amounts in R'000)

Group

Description	Notes	Total	Accumulated fund	Designated	*SUB - TOTAL*	Funds for specific purposes	Trust and endowment funds	*SUB - TOTAL*	Residence fund	Financial instruments at FVPL reserves	Fixed assets fund PPE	*SUB - TOTAL*
Balance at 31-12-2023		12 140 601	2 399 088	5 079 729	7 478 817	568 903	148 269	717 172	148 898	1 580 161	2 215 553	3 944 612
Net surplus /(loss)		2 182 989	214 569	1814 657	2 029 227	104 280	38 496	142 776	10 987	-	-	10 987
Reallocation of financial assets at fair value through profit or loss to designated reserves		-	-	(930 498)	(930 498)	-	(3 655)	(3 655)	-	934 152	-	934 152
Reallocation of funds		-	-	74 675	74 675	(74 675)	-	(74 675)	-		-	-
Distribution from Lila Theron		-		241	241		(241)	(241)	-	-	-	-
Other additions		1 548		560	560		988	988	-	-	-	-
Fixed asset reallocation		-	-	(225 156)	(225 156)	(21 339)	(42)	(21 381)	(373)	-	246 910	246 536
Recognition of post-retirement group life actuarial gains / (losses)	18.6.4	(1 246)	-	(1 246)	(1 246)	-	-	-	-	-	-	-
Recognition of post-retirement medical actuarial gains	18.6.3	1 981	-	1 981	1 981	-	-	-	-	-	-	-
Recognition of post-retirement pension actuarial gains / (losses)	18.6.2	76 745	-	76 745	76 745	-	-	-	-	-	-	-
Balance at 31-12-2024		14 402 619	2 613 657	5 891 690	8 505 347	577 169	183 815	760 984	159 512	2 514 314	2 462 462	5 136 288
Net surplus /(loss)		2 239 975	482 154	1671 017	2 153 171	62 601	3 615	66 217	20 587	-	-	20 587
Reallocation of financial assets at fair value through profit or loss to designated reserves		-	-	(530 852)	(530 852)	-	(1 638)	(1 638)	-	532 490	-	532 490
Reallocation of funds		-	-	2 826	2 826	(2 826)	-	(2 826)	-	-	-	-
Distribution from Lila Theron		-		779	779	-	(779)	(779)	-	-	-	-
Distribution from Kovsie Alumni Trust		-		2 372	2 372	-	(2 372)	(2 372)	-	-	-	-
Other additions		8 276	-	1 987	1 987	-	6 289	6 289	-	-	-	-
Fixed asset reallocation		-	-	(259 115)	(259 115)	(21 268)	(79)	(21 348)	(451)	-	280 914	280 463
Recognition of post-retirement group life actuarial gains / (losses)	18.6.4	(5 325)	-	(5 325)	(5 325)	-	-	-	-	-	-	-
Recognition of post-retirement medical actuarial gains	18.6.3	(19 022)	-	(19 022)	(19 022)	-	-	-	-	-	-	-
Recognition of post-retirement pension actuarial gains / (losses)	18.6.2	24 575	-	24 575	24 575	-	-	-	-	-	-	-
Balance at 31-12-2025		16 651 097	3 095 811	6 780 931	9 876 742	615 676	188 850	804 527	179 648	3 046 804	2 743 376	5 969 828

Notes: The above consolidated statement of changes in funds should be read in conjunction with the accompanying notes

UNIVERSITY OF THE FREE STATE

STAND ALONE STATEMENT OF CHANGES IN FUNDS
for theyear ended 31 December 2025 (all amounts in R'000)

University

Description	Notes	Total	Accumulated fund	Designated	*SUB - TOTAL*	Funds for specific purposes	Trust and endowment funds	*SUB - TOTAL*	Residence fund	Financial instruments at FVPL reserves	Fixed assets fund PPE	*SUB - TOTAL*
Balance at 31-12-2023		12 117 546	2 399 088	5 079 729	7 478 817	568 903	135 909	704 812	148 898	1 573 550	2 211 468	3 933 917
Net surplus /(loss)		2 176 395	214 569	1814 657	2 029 227	104 280	31 901	136 181	10 987	-	-	10 987
Reallocation of financial assets at fair value through profit or loss to designated reserves		-	-	(930 498)	(930 498)	-	-	-	-	930 498	-	930 498
Reallocation of funds		-	-	74 675	74 675	(74 675)		(74 675)	-	-	-	-
Other additions (1)		1 548	-	560	560	-	988	988	-	-	-	-
Distribution from Lila Theron		241	-	241	241	-	-	-	-	-	-	-
Fixed asset reallocation		-	-	(225 156)	(225 156)	(21 339)	-	(21 339)	(373)	-	246 868	246 495
Recognition of post-retirement group life actuarial gains / (losses)	18.6.4	(1 246)	-	(1 246)	(1 246)	-	-	-	-	-	-	-
Recognition of post-retirement medical actuarial gains	18.6.3	1 981	-	1 981	1 981	-	-	-	-	-	-	-
Recognition of post-retirement pension actuarial gains / (losses)	18.6.2	76 745	-	76 745	76 745	-	-	-	-	-	-	-
Balance at 31-12-2024		14 373 210	2 613 657	5 891 689	8 505 347	577 170	168 799	745 968	159 512	2 504 048	2 458 336	5 121 896
Net surplus /(loss)		2 235 206	482 154	1671 017	2 153 171	62 601	(1 154)	61 448	20 587	-	-	20 587
Reallocation of financial assets at fair value through profit or loss to designated reserves		-	-	(530 852)	(530 852)	-	-	-	-	530 852	-	530 852
Reallocation of funds		-	-	2 826	2 826	(2 826)	-	(2 826)	-	-	-	-
Distribution from Lila Theron		779	-	779	779	-	-	-	-	-	-	-
Distribution from Kovsie Alumni Trust		2 372	-	2 372	2 372	-	-	-	-	-	-	-
Other additions		8 276	-	1 987	1 987	-	6 289	6 289	-	-	-	-
Fixed asset reallocation		-	-	(259 115)	(259 115)	(21 268)	-	(21 268)	(451)	-	280 834	280 384
Recognition of post-retirement group life actuarial gains / (losses)	18.6.4	(5 325)	-	(5 325)	(5 325)	-	-	-	-	-	-	-
Recognition of post-retirement medical actuarial gains	18.6.3	(19 022)	-	(19 022)	(19 022)	-	-	-	-	-	-	-
Recognition of post-retirement pension actuarial gains / (losses)	18.6.2	24 575	-	24 575	24 575	-	-	-	-	-	-	-
Balance at 31-12-2025		16 620 071	3 095 811	6 780 931	9 876 742	615 676	173 934	789 610	179 648	3 034 900	2 739 171	5 953 719

Notes: The above consolidated statement of changes in funds should be read in conjunction with the accompanying notes

UNIVERSITY OF THE FREE STATE

CONSOLIDATED AND STAND ALONE STATEMENTS OF CASH FLOWS
for the year ended 31 December 2025

	Notes	Group 2025 R' 000	Group 2024 R' 000	University 2025 R' 000	University 2024 R' 000
Cash flow from operating activities					
Cash generated from operations	20	463 283	652 785	459 390	651 729
NET CASH INFLOW FROM OPERATING ACTIVITIES		463 283	652 785	459 390	651 729
Cash flow from investing activities					
Interest income	14	339 455	365 280	339 243	364 960
Administration cost financial assets	15	(16 310)	(35 639)	(16 284)	(35 564)
Purchase of property, plant and equipment and cost of patents	18.1	(464 273)	(393 303)	(464 017)	(393 085)
Inflow of grant income designated for the purchase of property, plant and equipment		9 734	18 125	9 734	18 125
Purchase of property, plant and equipment and cost of patents relating to grants		(9 734)	(18 125)	(9 734)	(18 125)
Proceeds on disposal of financial assets		3 299 987	3 160 469	3 299 987	3 160 469
Purchase of financial assets		(3 581 651)	(3 686 562)	(3 581 651)	(3 686 562)
Proceeds on disposal of assets	18.1	2 277	2 472	2 277	2 472
Proceeds on disposal of trust funds		8 276	1 548	8 276	1 548
Loans granted to related parties		(180)	(24 645)	(180)	(24 645)
Distribution from subsidiary		-	-	3 151	241
NET CASH OUTFLOW FROM / (UTILISED IN) INVESTING ACTIVITIES		(412 419)	(610 379)	(409 199)	(610 166)
Cash flow from financing activities					
Repayments on borrowings	20.2	(10 804)	(19 107)	(10 804)	(19 107)
Interest paid on borrowings	20.2	(15 828)	(21 080)	(15 828)	(21 080)
Increase in borrowings	20.2	-	-	-	-
NET CASH OUTFLOW FROM / (UTILISED IN) FINANCING ACTIVITIES		(26 633)	(40 187)	(26 633)	(40 187)
Increase / (decrease) in cash and cash equivalents		24 231	2 218	23 559	1 376
Cash and cash equivalents at beginning of year		181 109	178 891	179 304	177 928
Cash and cash equivalents at end of year	12	205 340	181 109	202 863	179 304

The above consolidated and stand alone statements of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED AND STAND ALONE FINANCIAL STATEMENTS
for the year ended 31 December 2025

Contents of the notes to the financial statements — Page

How are the numbers calculated?

Risk

Group structure

Unrecognised items

Other information

Notes to the financial statements

1 General information

The financial statements were authorised for issue by the Council on 18 June 2026.

The University of the Free State is a Public University established under the Higher Education Act no 101 of 1997, as amended by Act 54 of 2000. The University of the Free State is domiciled in South Africa and the operations and principal activities of the university relate to education, research and community service, based on its vision and mission.

The financial statements is for the group, consisting of the University of the Free State and its subsidiaries.

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these consolidated annual financial statements are set out below. Where an accounting policy relates to separately disclosed transactions or balances, it is included under that specific note. These policies are consistently applied for all years presented, unless otherwise stated.

2.1 Basis for preparation

The consolidated and stand alone financial statements have been prepared in accordance with IFRS® Accounting Standards, International Financial Reporting Interpretations Committee (IFRIC ®) interpretations and are prepared in the manner prescribed by the Minister of Higher Education and Training in terms of the Higher Education Act no 101 of 1997, as amended by Act 54 of 2000. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB®).

The consolidated and stand alone financial statements have been prepared under the historical cost basis, except where otherwise specified in the individual accounting policy notes in the financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the university's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 21.1 "Critical accounting estimates and judgements".

The presentation currency of the university is South African Rands. All amounts are rounded to the nearest thousand Rand.

The consolidated annual financial statements comprise the financial statements of the university and its subsidiaries as at 31 December 2024.

2.1.1 Going concern

The university's forecast and projections, taking account of reasonably possible changes in operating circumstances, show that the university should be able to operate within its current financing.

Council has a reasonable expectation that the university has adequate resources to continue in operation existence for the foreseeable future. The university therefore continues to adopt the going concern basis in preparing its annual financial statements.

3. Changes in accounting policies and disclosures

3.1 New and amended standards adopted by the university

The group has adopted the following new standards and amendments for the first time for their annual reporting period commencing 1 January 2025.

<u>Amendments to IAS 21 – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)</u>

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not.

The effect of the adoption of the above amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3.2 Standards, amendments and interpretations to existing standards effective after 1 January 2025

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and amendments is set out below:

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The group does not expect these amendments to have a material impact on its operations or financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements. The group does not expect this standard to have an impact on its operations or financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
- for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

4. Segment reporting

A segment is a recognised component of the university that is engaged in undertaking activities and providing services that are subject to risks and returns different from those of other segments. Segmentation provided in the Statement of Comprehensive Income of these financial statements is in terms of the guidelines prescribed by the Department of Higher Education and Training.

How are the numbers calculated?

5. Statement of profit or loss and other comprehensive income: Separate activities

The format of the statement of profit or loss and other comprehensive income is designed to disclose separately:

- the utilisation of resources that are under the absolute control of the Council (Council controlled Unrestricted);
- the utilisation of those resources which are prescribed in terms of the legal requirements of the providers of such resources (Specifically funded activities restricted); and
- the provision of accommodation for students and / or staff (Student and Staff accommodation restricted).

General accounting policies pertaining to the statement of profit or loss and other comprehensive income:

Council controlled unrestricted

The Council-controlled segment predominantly represents the teaching component of the university. Decision making rights relating to income earned in this segment rest with Council.Included in council controlled unrestricted income, is designated unrestricted income. Although the funds are under the control of council, they are designated for specific purposes. In all instances any such income is recognised as income in the financial period when the university is entitled to use those funds. The funds will not be used until some specified future period or occurrence and are held in an appropriate fund until the financial period in which the funds can be used.

Income on assets representing restricted funds

Investment funds are pooled and the investment income is apportioned to the various participating funds in proportion to their balances. Interest, dividends and other income received or due on assets representing endowment is recognised via profit or loss to the respective funds.

Interdepartmental income

interdepartmental income and expenditure are eliminated.

6. State appropriations: Subsidy and grant income

Accounting policy:

State subsidies and grants for general purposes are recognised as income in the financial year to which the subsidy relates. A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the university will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are offset against the carrying amount of the relevant asset and unspent government grants relating to property, plant & equipment are presented as deferred income in the balance sheet.

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
State subsidy for general purpose assistance	**1 986 289**	1 772 573	**1 986 289**	1 772 573
Earmarked grants	**148 531**	191 591	**148 531**	191 591
	2 134 820	1 964 163	**2 134 820**	1 964 163

There are no unfulfilled conditions or other contingencies attached to the subsidies and grants that have been recognised above, some of which are classified as restricted income. Also refer to note 18.7 for deferred revenue relating to government grants.

7. Tuition and other fee income

Accounting policy:

Revenue is measured based on the transaction price in accordance with the university's fee structure and is recognised as and when the service is provided (during the academic year). As the academic year is consistent with the financial year, a receivable is recognised at year-end for any unpaid student fees relating to that particular year. Where student fees are received in advance, the advance amount received, is included under payables.

Tuition and residence fees charged are applicable to one academic and financial year and are recognised in that year. The university has assessed that the students simultaneously receive and consume the benefits provided within the year, as such revenue is recognised in the academic year when the students register. Scholarships, bursaries and other financial aid provided by the university to students for tuition and residence fees are recognised as a reduction of fees.

Also refer to note 22.2.2.1 for the accounting policy on measuring expected credit losses.

		Group		University	
		2025	2024	**2025**	2024
		R ' 000	R ' 000	**R ' 000**	R ' 000
Tuition fees	#	**1 744 382**	1 620 510	**1 744 382**	1 620 510
Student accommodation		**274 429**	248 871	**274 429**	248 871
Income from short learning programmes		**24 351**	23 652	**24 351**	23 652
		2 043 163	1 893 033	**2 043 163**	1 893 033

	# of students 2025	# of students 2024
Number of students enrolled at the university	**39 984**	40 187
Number of students utilising hostel accommodation on campus	**6 483**	6 228

- Refer to note 13 relating to the accounting treatment of internal bursaries that is reflected as a discount on tuition fees.

8. Income from contracts

Accounting policy:

Bundled goods or services that are distinct will be separately recognised, and any discounts or rebates on the contract price will be allocated to the separate elements.

Research and other income

In additional to the accounting policies under note 5, in certain instances contracts are received for specific purposes with a contractual outcome and the funding does not allow for the retention of any of the capital or any of the profit by the Group. Unspent income is treated as income in advance in the statement of financial position, and is returned to the sponsor at the end of the contract period as required. The balance of the restricted funds on contract close-out will become unrestricted if all obligations in terms of the contract have been met, and where the requirement to return such funds to the sponsor has been waived. These funds are then utilised to support ongoing research. Actual work performed method is used to account for research and other contracts. In addition, judgements are required when recognising and measuring any variations or claims on each contract.

Research and other expenditure relating to contracts

Research and other expenditure relating to contracts is recognised as an expense when incurred. Costs that are directly attributable to the development of intangible assets are capitalised. Refer to note 18.3 for additional disclosures.

Research and other income

In additional to the accounting policies under note 5, in certain instances contracts are received for specific purposes with a contractual outcome and the funding does not allow for the retention of any of the capital or any of the profit by the Group. Revenue from research contracts is measured based on the contract value or the specific milestone values in the contract. In determining the transaction price for the research contracts revenue, the university considers the effects of variable consideration. If the consideration in a contract includes a variable amount, the university estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. Progress payments are received over the period of the contracts and recognised as revenue as performance obligations are fulfilled or milestones reached. Unspent income is treated as income in advance in the statement of financial position, and is returned to the sponsor at the end of the contract period as required. The balance of the restricted funds on contract close-out will become unrestricted if all obligations in terms of the contract have been met, and where the requirement to return such funds to the sponsor has been waived. These funds are then utilised to support ongoing research. Actual work performed method is used to account for research and other contracts. In addition, judgements are required when recognising and measuring any variations or claims on each contract. If the consideration in a contract includes a variable amount, the university estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer.

Area of significant management judgement and estimation

The group uses it's judgement to determine what performance obligations in contracts are and if this obligations are satisfied to recognise revenue in accordance to the accounting policy stipulated above. Judgement is also used to allocate the transaction price over the performance obligations, where this is not explicitly specified in contracts.

	Group		University	
	2025	2024	**2025**	2024
Income from contracts	**R ' 000**	R ' 000	**R ' 000**	R ' 000
for research	**235 821**	208 448	**235 821**	208 448
from third parties	**134 317**	124 636	**134 317**	124 636
from the NRF	**101 504**	83 812	**101 504**	83 812
for other activities	**211 309**	217 127	**211 309**	217 127
	447 130	425 575	**447 130**	425 575

Financing components

It is not the practice of the group to provide finance facilities. The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

9. Sales of goods and services

Accounting policy:

Income is generally recognised at the fair values of the amounts of goods or services received or receivable with consideration of the 5 step approach above. Income is shown net of value-added tax, returns, rebates and discounts. Income derived from occasional sales and services are thus recognised in the period in which the performance obligations are met. Performance obligations are generally met when the services or the goods are delivered or at the point of sale. The amount recognised as income is the invoiced amount. A receivable is recognised when the services are rendered or the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

No warranties or related obligations for the group exist.

Sales of goods and services	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Letting of facilities	**12 422**	18 432	**12 422**	18 432
Transport income	**23 773**	22 630	**23 773**	22 630
Other trade revenue *	**25 853**	37 971	**23 819**	34 505
Laboratory income	**8 288**	9 073	**8 288**	9 073
Income from self-sustainable university enterprises	**11 769**	11 242	**11 769**	11 242
Income from sale of academic notes	**4 851**	4 717	**4 851**	4 717
Miscellaneous **	**31 149**	37 169	**29 117**	35 596
TOTAL	**118 106**	141 234	**114 039**	136 195

* Other trade revenue relate mostly to entrepeneurial income and page fee income on academic publications.

** Miscellaneous revenue relate to smaller revenue sources, for example hotel accommodation, insurance income, UFS workshops and seminars, etc.

Financing components

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

10. Private gifts and grants

Accounting policy:

Donations and gifts are recognised upon receipt when the funder can be specifically identified and there are no donor requirements to utilise the donation over a period. When donations are received and a specific period of utilisation is prescribed, the donation is recognised over time. When not identified, the receipts are treated as a liability and subsequently allocated to revenue when the funder can be identified and it can be determined if any conditions should be met. Donations in kind are recognised at fair value, based on external valuations, except when it is received in cash.

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
General donations	**22 333**	33 954	**22 333**	33 954
Donations for bursaries and scholarships	**13 000**	8 357	**10 782**	6 024
	35 332	42 312	**33 115**	39 978

11. Other income

Accounting policy:

Profit on disposal of property, plant and equipment

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gains or losses are recognised when the ownership of the assets is transferred or when no future economic benefits are expected from its continued use or disposal. These gains or losses are included in profit or loss.

Gain on revaluation of biological assets

Refer to note 18.5 for the accounting policies relating to biological assets.

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Profit / (loss) on disposal of property, plant and equipment	**(35 889)**	(9 627)	**(35 889)**	(9 621)
Gain / (loss) on revaluation of biological assets	**3 700**	3 979	**2 514**	2 715
	(32 189)	(5 649)	**(33 375)**	(6 906)

12. Personnel costs

Accounting policy:

Personnel costs are charged to the Statement of profit or loss when related services are rendered.

	Notes	2025			
		Group	University		
Salaries and wages			Academic	Other	Total
Salaries and wages		**2 339 260**	**1 014 668**	**1 323 253**	**2 337 921**
Current and past service costs: Pension plan	18.6.2	**(29 458)**	**-**	**(29 458)**	**(29 458)**
Current and past service costs: Post retirement medical fund	18.6.3	**26 872**	**-**	**26 872**	**26 872**
Total salaries and wages		**2 336 674**	**1 014 668**	**1 320 667**	**2 335 335**

	Notes	2024			
		Group	University		
Salaries and wages			Academic	Other	Total
Salaries and wages		2 282 122	982 806	1 274 900	2 257 706
Current and past service costs: Pension plan	18.6.2	(20 173)	-	(20 173)	(20 173)
Current and past service costs: Post retirement medical fund	18.6.3	31 729	-	31 729	31 729
Total salaries and wages		2 270 566	982 806	1 286 456	2 269 262

Average monthly number of people employed by the university* during the year:	**2025 Number**	2024 Number
Full time - Lecturing	**1 061**	1 069
Full time - Support	**2 125**	2 156
Part time - Lecturing	**893**	1 373
Part time - Support	**2 001**	1 564
	6 080	6 162

* The numbers disclosed do not include people employed on the joint staff establishment of the Free State Department of Health or employees of the subsidiaries.

12.1 Remuneration of Executive Management

The following information is provided in compliance with the Higher Education Act (Act 101 of 1997, as amended) and the regulations for Annual Reporting by Higher Education Institutions (section 7.4). Remuneration of executive staff is based on the cost of employment to the university.

Remuneration of executive management relating to the university		2025 R ‘ 000	2024 R ‘ 000
Name	**Designation**		
Klopper HC, Prof	Vice-Chancellor and Principal (from 1 February 2025)	5 253	-
Rhoda A, Prof	Acting Vice-Chancellor and Principal (from 1 October 2024 to 31 January 2025)	369	1 121
Petersen FW, Prof	Vice-Chancellor and Principal (until 30 September 2024)	-	4 702
Qhobela, M. Dr	Deputy Vice-Chancellor: Institutional Change, Strategic Partnerships and Societal Impact	3 359	3 217
Rhoda A, Prof	Deputy Vice-Chancellor: Academic (from 1 January 2024 until 30 September 2024, and from 1 February 2025)	3 183	1 881
Burger P, Prof.	Acting Deputy Vice-Chancellor: Academic (from 1 October 2024 to 31 January 2025)	231	771
Reddy V, Prof	Deputy Vice-Chancellor: Research and Internationalisation	3 807	3 596
Naidoo P, Prof	Deputy Vice-Chancellor: University Operations (until 31 December 2024)	-	3 287
Van Jaarsveld, S	Acting Chief Operating Officer (from 1 January to 31 December 2025)	2 664	-
Nel, M	Chief Financial Officer (from 1 January 2025)	2 730	-
Ntsababa N, Mr	Registrar	3 320	3 180
Hlasho, T. Mr	Executive Director: Student affairs	2 975	2 849
Ngobeni P, Prof	Qwa-Qwa Campus Principal (from 1 February 2024)	2 565	2 267
Sithole P, Prof	Qwa-Qwa Campus Vice-Principal (until 31 August 2024)	-	1 456
Burger P, Prof.	Dean: Economic and Management Sciences (From 1 January 2022 until 30 September 2024 and from 1 February 2025)	2 201	1 631
Prinsloo F, Prof	Acting Dean: Economic and Management Sciences (from 1 October 2024 to 31 January 2025)	303	773
Van Zyl GJ, Prof *	Dean: Health Sciences	1 445	1 390
Tsoka-Gwegweni, JM Prof	Acting Dean: Health Sciences 16 January 2025 to 5 May 2025	495	-
Janse van Vuuren, EC Prof	Acting Dean: Health Sciences (from 6 May 2025 to 31 December 2025)	1 419	-
Masoga M, Prof	Dean: Humanities	2 435	2 331
Djoyou Kamga	Dean: Law	2 348	2 258
Oberholster P, Prof	Dean: Natural and Agricultural Sciences (from 1 January 2024)	2 442	2 369
Jita LC, Prof	Dean: Education	3 051	2 881
Tolmie DF, Prof	Acting Dean: Theology (acting from 1 March 2023 until 31 March 2024)	-	408
Klaasen J, Prof	Dean: Theology (from 1 April 2024)	2 332	1 599
Total remuneration of Executive Management		48 925	43 968

* also appointed on the joint staff establishment of the Free State Department of Health. (Remuneration excluded)

Remuneration of executive management relating to the group in addition to that of management of the university disclosed above.			2025 R’000	2024 R’000
Name	**Designation**	**Related entity**		
Mr. R. Rauch	Farm manager	Lila Theron Farm	264	184

No lump sum payments in excess of R0.250m was made during 2023 or 2024 to an executive staff member of the University of the Free State.

The following table represents the disclosure required in terms of IAS 24 in respect of key management:

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Compensation of key management				
Short-term employee benefits	**44 028**	40 100	**43 764**	39 915
Post-employment pension and medical benefits	**5 161**	4 053	**5 161**	4 053
Total compensation paid to key management personnel	**49 189**	44 152	**48 925**	43 968

The post-employment pension and medical benefits reflected above for key management represents payments made to the university's retirement fund.

Payments for attendance at meetings of the Council and its Committees or any directors meetings
Remuneration to Council and Committee members were implemented from 2020. For 2024 the amount approved per Council meeting was R1650 for a Council member, R1865 for a Chair of Committee, R2097 for the Deputy Chair of Council and R2330 for the Chairperson of Council. To date most members waived the option of remuneration. No directors of any subsidiaries receive remuneration for attendance of directors meetings.

Members of Council and committees				
- Reimbursement of expenses and remuneration.	**819**	543	**819**	543

13. Other operating expenses by nature

Accounting policy:

Expenses are recognised as expenses are incurred. Services are thus recognised when satisfactorily performed and expenses relating to products when the product was delivered and the rights relating to ownership was transferred.

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
The following items are included:				
Supplies and services	**1 044 345**	988 162	**1 038 861**	982 717
Cost of maintenance services	**130 608**	110 045	**130 494**	109 918
Cost of small alterations	**4 049**	7 306	**4 049**	7 306
Research and development expenditure	**212 605**	192 534	**212 605**	192 534
Bursaries *	**111 260**	79 994	**111 250**	79 994
Auditor's remuneration	**5 025**	2 848	**4 894**	2 745
- Audit fee	**2 222**	2 032	**2 114**	1 936
- Other special investigations and special reports	**2 804**	816	**2 780**	809
Total other operating expenses	**1 507 892**	1 380 888	**1 502 154**	1 375 214

* Bursaries, excluding bursaries funded by third party contracts. Bursaries to the amount of R108,539m (2024: R60,913m) is included in Research and development expenditure, as these related to research specific bursaries. Please refer to the table below for a more detailed analysis on bursaries paid by the institution. Internal bursaries to the value of R179,672m (2024: R137,291m) were recognised in accordance to IFRS 15 as a discount on tuition fees.

2025 Bursary analysis	Bursaries funded from the Internal funds	Bursaries funded from contracts with stakeholders	Bursaries funded by the NRF	Alternatively funded bursaries	Total
Post graduate bursaries (Excl merit bursaries)	83 702	41 476	62 940	295	188 413
Undergraduate bursaries (Excl merit bursaries)	58 189	339	-	39 064	97 591
Academic Merit bursaries	37 781	-	-	-	37 781
	179 672	41 814	62 940	39 358	323 785

2024 Bursary analysis	Bursaries funded from the Internal funds	Bursaries funded from contracts with stakeholders	Bursaries funded by the NRF	Alternatively funded bursaries	Total
Post graduate bursaries (Excluding merit bursaries)	91 381	27 134	55 788	29 119	203 422
Undergraduate bursaries (Excluding merit bursaries)	15 384	6 884	-	21 981	44 249
Academic Merit bursaries	30 526	-	-	-	30 526
	137 291	34 018	55 788	51 100	278 198

14. Interest and dividends

Accounting policy:

Interest income:

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income is recognised in the statement of profit or loss as part of other income.

Dividend income:

Dividends are received from financial assets measured at FVPL . Dividends are recognised as other income in profit or loss when the right to receive payment is established.

Investment income:

Profit or losses on the disposal of government bonds, shares and other investments are recognised in the statement of profit and loss at the time of the disposal. The profit/loss is measured as the difference between the carrying amount and the proceeds and the time of disposal.

	Group		University	
	2025 R ' 000	2024 R ' 000	2025 R ' 000	2024 R ' 000
14.1 Interest and dividends				
Interest income	519 956	566 863	519 255	565 900
Dividend income	89 226	72 450	88 885	72 175
Total interest and dividend income	609 182	639 314	608 140	638 075

Refer to note 24.4 for detail on interest income and dividend income from related parties.

14.2 Investment income

	Group 2025	Group 2024	University 2025	University 2024
Profit/(loss) on disposal of government bonds	103 497	11 386	103 148	11 343
Profit/(loss) on disposal of shares	364 948	48 862	363 421	48 611
Profit/(loss) on disposal of other investments	(11 607)	10 952	(11 630)	10 952
	456 838	71 200	454 939	70 906

15. Administration cost of financial assets

> *Accounting policy:*
>
> Expenses relating to the administration cost of financial assets are recognised as expenses when the related services were performed.

Investment management fees	16 310	35 639	16 284	35 564
Total administration cost financial assets	16 310	35 639	16 284	35 564

16. Income Tax

No provision for normal South African income tax was made for the university, as the university is exempt in terms of section 10(1)(cA)(i) of the South African Income Tax Act. All income taxes disclosed below relate to Farmovs Pty Ltd, a wholly owned subsidiary of the university up to 1 March 2022. After the sale of the the controlling interest in Farmovs, it is consolidated as an associate and income tax remain.

17. Financial assets and financial liabilities

This note provides information about the group's financial instruments, including:

- an overview of all financial instruments held by the group
- specific information about each type of financial instrument
- accounting policies
- information about determining the fair value of the instruments, including judgements and estimation uncertainty involved.

The group holds the following financial instruments

		Group		University	
		2025	2024	2025	2024
	Notes	R ' 000	R ' 000	R ' 000	R ' 000
Financial assets					
Financial assets at amortised cost					
Student and trade receivables	17.1	**477 999**	240 890	**477 612**	240 504
Student and other loans	17.2	**-**	62 992	**-**	62 992
Cash and cash equivalents	17.3	**205 341**	181 110	**202 863**	179 304
Financial assets at fair value through profit or loss (FVPL)	17.4	**14 654 401**	12 890 317	**14 614 666**	12 854 866
Financial liabilities					
Liabilities at amortised cost					
Trade and other payables **	17.5	**756 049**	754 314	**737 873**	739 357
Borrowings	17.6	**153 585**	164 389	**153 585**	164 389

** Excluding non-financial liabilities

The group's exposure to various risks associated with the financial instruments is discussed in note 22. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

> *Accounting policy:*
>
> <u>Classification</u>
>
> The group classifies its financial assets in the following measurement categories:
> - those to be measured subsequently at fair value (through profit or loss), and
> - those to be measured at amortised cost.
>
> The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The group reclassifies debt investments when and only when its business model for managing those assets changes. (Also refer to note 21.3)
>
> <u>Recognition and derecognition</u>
>
> Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Equity instruments

The group subsequently measures all equity investments at fair value. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable.

Impairment

The group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For student and trade receivables, as well as loans receivable, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 22.2.2 for further details.

Subsequent measurement

Assets carried at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial.

Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss. Management is primarily focused on fair value information relating to its investments, which includes equity and debt instruments, and uses that information to assess the assets' performance and to make decisions. The business model is to manage and evaluate investments on a fair value basis, to hold investments for capital appreciation and to preserve the real value of the capital base. As a result, the university's investments have been classified at fair value through profit and loss with net changes in fair value recognised in the Consolidated Statement of Comprehensive Income. This category includes derivative instruments, listed equity investments, collective investment schemes, unlisted equity investments, debt instruments such as government and corporate bonds, and money market deposits. Dividends on listed equity investments are also recognised as other income in the Income Statement when the right of payment has been established. All derivative instruments of the university are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Details on how the fair value of financial instruments is determined are disclosed in note 19.

When securities classified as available-for-sale were sold, the accumulated fair value adjustments recognised in other comprehensive income were reclassified to profit or loss as gains and losses from investment securities.

Assets carried at amortised cost

The university recognises an allowance for 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 university 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.

For trade receivables and student fees receivables, the university applies a simplified approach in calculating ECLs. Therefore, the university does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. the university has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Financial assets at amortised cost are written off when there is no reasonable expectation of recovering the contractual cash flows.

If, in a subsequent period, the amount of the Expected Credit Loss (ECL) decreased and the decrease could be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss was recognised in profit or loss. Impairment testing of trade receivables is described in note 19.

17.1 Trade and other receivables

Accounting policy:

Classification as trade receivables

Trade receivables are amounts due from customers or students for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows, and the cash flows represent solely payments of principal and interest. They therefore measures them subsequently at amortised cost using the effective interest method. Details about the group's impairment policies and the calculation of the loss allowance are provided in note 22.2.2.1.

Impairment

For trade receivables and student fees receivables, the university applies a simplified approach in calculating ECLs. Therefore, the university does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The university has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Financial asset at amortised cost are written off when there is no reasonable expectation of recovering the contractual cash flows.Details about the group's impairment policies and the calculation of the loss allowance are provided in note 22.2.2.1.

		Group		University	
		2025	2024	**2025**	2024
	Notes	**R ' 000**	R ' 000	**R ' 000**	R ' 000
Student debtors					
Gross student debtors		**262 506**	317 014	**262 506**	317 014
Less: Allowance for credit losses	22.2.2.1	**(131 717)**	(193 021)	**(131 717)**	(193 021)
Closing net carrying amount		**130 789**	123 993	**130 789**	123 993
Pre-paid expenses		**8 671**	2 501	**8 671**	2 501
Current tax receivable		**234 776**	-	**234 776**	-
Other trade receivables		**67 213**	87 467	**66 826**	87 080
Gross trade receivables		**68 016**	90 401	**67 629**	90 015
Less: Allowance for credit losses	22.2.2.1	**(803)**	(2 935)	**(803)**	(2 935)
Accrued interest on investments		**36 550**	26 929	**36 550**	26 929
Closing net carrying amount		**347 210**	116 897	**346 823**	116 511
Total trade and other receivables		477 999	240 890	477 612	240 504

Fair values of trade and other receivables

Due to the short-term nature of the trade and other receivables, their carrying amount is considered to be the same as their fair value. Also refer to note 19 for further disclosures relating to fair values.

Impairment and risk exposure

Information about the impairment of trade and other receivables and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 22. The group does not hold any collateral as security.

Prepaid expenses

Prepaid expenses comprise that portion of expenses that is paid in the current year, but which only is applicable to the next financial year. Prepaid expenses normally do materialise and credit losses are therefore deemed minimal.

Other trade receivables

Other trade receivables consist of amounts owed by a number of reputable institutions, resulting from various grants / contracts or in accordance with other agreements.

Carrying amount of other trade receivables approximate their fair values.

Accrued interest on investments

Accrued interest is amounts due to the group by their investment portfolio manager on investments within the group's portfolio. Based on the history of no defaults, there is no expectation of defaults, also due to the fact that the portfolios are managed by well established and recognised institutions. A multi-manager approach further mitigates the exposure to credit risk.

17.2 Loans to third parties

Accounting policy:

Loans to students are classified as financial assets measured at amortised cost. They are initially measured at fair value plus transaction costs. Subsequently, items included in this category are measured at the amortised cost, calculated based on the effective interest method, and interest income is included in profit/ loss for the period. The group holds these receivables with the objective to collect the contractual cash flows, and the cash flows represent solely payments of principal and interest. Net gains or losses represent reversals of impairment losses, impairment losses and gains, and losses on derecognition. Net gains or losses are included in other income or other expenses. Short-term receivables with no stated interest rates are measured at the original invoice amount if the effect of discounting is immaterial.

Area of significant management judgement and estimation

The group assesses its student loans for impairment at the end of each reporting period. Details about the group's impairment policies and the calculation of the loss allowance are provided in note 22.2.2.2

Financial assets at amortised cost include the following debt investments:

		Group		University	
		2025	2024	**2025**	2024
	Notes	**R ' 000**	R ' 000	**R ' 000**	R ' 000
Student loans		-	-	-	-
Less: Allowance for credit losses	22.2.2.2	-	-	-	-
Student loans - net		-	-	-	-
Loans to third parties		-	-	-	-
Loans to related parties - Non-current	24.4	-	57 650	-	57 650
Loans to related parties - current	24.4	-	5 342	-	5 342
		-	62 992	-	62 992

Student loans

All non-current student loans are due within 5 years from the relevant year-end. The interest rate is prime less 1 %. None of these loans were re-negotiated and no collateral were taken on any of these loans. Loans to students become repayable on completion of their studies. All loans are dominated in South African Rand.

The classification of these loans are represented as follows:

Current student loans for students still studying - not yet repayable	-	-	-	-
Current student loans for students who completed their studies - repayable	-	-	-	-
	-	-	-	-

Loans to related parties

The loan to Farmovs, an Associate, is considered non-current as an agreement was signed that the repayment of the loan will not commence within the next 12 months. A second loan was provided to Farmovs during 2024 regarding outstanding rental amounts payable by Farmovs to the university. The first instalment date is 31 March 2025. The portion of the loan payable within the next 12 months is classified as current.

The first loan carries no interest and is repayable by 14 December 2026. In accordance with IFRS 9, the fair value of the loan was calculated at the effective date (14 December 2021) and difference between the fair value and the transaction price was accounted for as an investment in the associate. Interest at an annual rate of 7.25% is calculated monthly and debited to the outstanding loan amount.

The second loan regarding the outstanding rental is repayable in 48 equal payments of R534 237 per month, starting from 31 March 2025. The loan carries no interest.

Further information relating to loans to related parties is disclosed in note 24.4

Impairment and risk exposure

Note 22 sets out information about the impairment of financial assets and the group's exposure to credit risk.

The university entered into a loan agreement with FARMOVS (Pty) Ltd on 1 October 2018. FARMOVS (Pty) Ltd was a fully owned subsidiary up to 1 March 2022. Refer to note 17.2 for disclosures relating to the amount of the loan. The holding company of FARMOVS (Pty) Ltd undertook to the UFS that whenever the Company does not pay any amount when due and payable or scheduled to be paid under or in connection with the Guaranteed Obligations, the holding company shall, within 60 business days of written notification by the UFS, pay or procure that such amount due and payable is paid to the UFS. The holding company was however placed under business rescue towards the end of 2025, which makes the recoverability of the loans questionable.

The maximum exposure to credit risk at the reporting date is the fair value of each of the receivables mentioned above.

17.3 Cash and cash equivalents

Accounting policy:

<u>Classification as cash equivalents</u>

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Current assets				
Cash balances managed in investment porfolio's	**43 228**	90 106	**43 228**	90 106
Bank balances	**161 868**	60 692	**159 391**	88 886
Petty cash and vouchers	**245**	313	**245**	313
Cash and cash equivalents	**205 341**	181 110	**202 863**	179 304

Additional information relating to cash and cash equivalents of the university

Although the university has an overdraft account at ABSA, the facility was not utilised as at 31 December 2025 or 2024. The overdraft is managed on the agreement that interest would only be levied if the overdraft exceeds the positive account balance. The unitilised overdraft facility amounts to R26,3 million.

The weighted average effective interest rate on short-term bank deposits was 5.86% (2024: 6.77%).

Cash and bank balances are encumbered by guarantees of R3,5 million provided to Centlec.

Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year. Also refer to note 20 for further detail regarding cash flows of the group.

Risk exposure and fair value measurements

Information relating to risk exposure and fair value measurement can be found in note 22.

The carrying amounts of cash and cash equivalents approximate their fair values.

The group places cash and cash equivalents with reputable financial institutions, mostly banking institutions, to limit credit risk. The maximum exposure to credit risk at the reporting date is the carrying value of the cash and cash equivalents.

17.4 Financial assets at fair value through profit or loss

Accounting policy:

The group classifies the following financial assets at fair value through profit or loss (FVPL):
- debt investments that do not qualify for measurement at either amortised cost,
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

The financial assets were presented as non-current assets unless they matured, or management intended to dispose of them within 12 months of the end of the reporting period.

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Opening net carrying amount	**12 890 317**	11 099 050	**12 854 866**	11 068 339
Additions	**8 865 397**	6 540 298	**8 862 751**	6 539 212
Disposals	**(7 633 803)**	(5 683 183)	**(7 633 803)**	(5 683 183)
Fair value movements through profit and loss.	**532 490**	934 152	**530 852**	930 498
Closing net carrying amount	**14 654 401**	12 890 317	**14 614 666**	12 854 866

Investments comprise marketable securities and cash funds within an investment portfolio, managed by independent fund managers as per approved mandates, that are revalued annually at the close of business on 31 December with reference to Stock Exchange quoted prices.

Non-current financial assets at fair value through profit and loss				
Opening net carrying amount	**9 110 733**	7 782 387	**9 079 268**	7 755 330
Additions	**4 547 753**	2 334 484	**4 545 422**	2 333 730
Disposals	**(3 518 367)**	(1 934 067)	**(3 518 367)**	(1 934 067)
Fair value movements through profit and loss	**529 923**	927 930	**528 285**	924 275
Closing net carrying amount	**10 670 043**	9 110 733	**10 634 608**	9 079 268

Current financial assets at fair value through profit and loss				
Opening net carrying amount	**3 779 585**	3 316 663	**3 775 598**	3 313 009
Additions	**4 317 643**	4 205 814	**4 317 328**	4 205 482
Disposals	**(4 115 436)**	(3 749 116)	**(4 115 436)**	(3 749 116)
Fair value movements through profit and loss	**2 567**	6 223	**2 567**	6 223
Closing net carrying amount	**3 984 359**	3 779 585	**3 980 057**	3 775 598

Investments to the value of R146 million were provided as security for the FirstRand Bank loan (Note 17.6). These investments are managed within the portfolios of the Coronation and Allan Gray fund managers of the university.

Risk exposure and fair value measurements

Information about the group's exposure to price risk is provided in note 22. For information about the methods and assumptions used in determining fair value please refer to note 19 below.

17.5 Trade and other payables

Accounting policy:

Trade and other payables:

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

		Group		University	
		2025	2024	2025	2024
	Notes	R ' 000	R ' 000	R ' 000	R ' 000
Trade payables		**182 686**	157 076	**166 682**	142 114
Other payables	17.5.1	**356 926**	109 638	**354 753**	109 643
Third party payments relating to payroll deductions		**48 832**	46 590	**48 832**	46 590
Student deposits		**7 958**	9 139	**7 958**	9 139
Tuition fees creditors		**47 118**	65 150	**47 118**	65 150
Agency funds *		**153 607**	409 227	**153 607**	409 227
Total trade and other payables		**797 128**	796 819	**778 952**	781 862

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature. Trade and other payables are denominated in South African Rand.

* Agency funds represent funds that the group manage on behalf of third parties. The balance of transactions is repayable to the third parties after transactions are finalised. E.g. Bursaries managed on the behalf of third parties. The mayority of the funds relate to NSFAS

17.5.1 Trade payables classified as non-financial liabilities included in other payables and provisions above

Taxes	**41 079**	42 505	**41 079**	42 505

Other payables consist of:

Income received in advance	**3 361**	15 138	**1 183**	15 138
Creditors control	**6 226**	7 612	**6 226**	7 612
Taxes	**41 079**	42 505	**41 079**	42 505
Residence Committee fees	**12 314**	15 429	**12 314**	15 429
Retention fees: Buildings	**11 793**	9 568	**11 793**	9 568
Student debtors credit balance	**18 719**	5 039	**18 719**	5 039
Suspense accounts	**13 522**	7 535	**13 522**	7 535
VAT control	**150**	5 765	**154**	5 770
Stanlib creditor	**249 270**	-	**249 270**	-
Other	**492**	1 047	**492**	1 047
	356 926	109 638	**354 753**	109 643

17.6 Borrowings

Accounting policy:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. The effective interest method uses a constant rate of interest to discount the estimated future cash flows over the life of the borrowing. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Only Covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current.

Borrowing costs are expensed in the period in which they are incurred.

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Non-current portion of borrowings				
Development Bank of South Africa	**39 000**	44 733	**39 000**	44 733
FirstRand Bank	**101 691**	110 152	**101 691**	110 152
Other loans	**-**	-	**-**	-
Current portion of long term borrowings				
Development Bank of South Africa	**5 706**	4 353	**5 706**	4 353
FirstRand Bank	**7 188**	5 151	**7 188**	5 151
	153 585	164 389	**153 585**	164 389

Borrowings are from FirstRand Bank and the Development Bank of South Africa. Both are denominated in South African Rand.

The borrowings from the Development Bank of South Africa, was entered into on 17 December 2015 and amounted to R64,5 million at inception. The loan matures in 2030 and bears interest at a fixed rate of 12.04% p.a.

The loan from FirstRand Bank matures in 2033 and bears interest at a fixed rate of 10.13% p.a..

Maturity of borrowings (Future cash flows)	**2025** **R ' 000**	2024 R ' 000
Within 1 year	**28 630**	26 536
Between 2 and 3 years	**63 863**	59 192
Between 4 and 5 years	**71 753**	68 404
Between 6 and 7 years	**53 182**	61 529
After 7 years	**-**	29 688

Assets pledged as security
Borrowings from Firstrand Bank is secured by investments as disclosed in note 17.4. Other borrowings are unsecured.

Risk exposure and fair value measurements
Details of the group's exposure to risks arising from current and non-current borrowings are set out in note 22. For information about the methods and assumptions used in determining fair value please refer to note 19 below.

18. Non-financial assets and liabilities

TThis note provides information about the group's non-financial assets and liabilities, including specific information about each type of non-financial asset and non-financial liabilities. Detailed notes are provided on:

- property, plant and equipment (note 18.1)
- investment properties (note 18.2)
- intangible assets (note 18.3)
- inventories (note 18.4)
- biological assets (note 18.5)
- employee benefit obligations (note 18.6)
- deferred income (note 18.7)
- deferred tax balances (note 18.8)

Accounting policy:

Individual accounting policies of non-financial assets and liabilities are disclosed under each separate sub-note of note 18. However, the accounting policy relating to impairment of non-financial assets is disclosed below as this is consistent for all non-financial asset classes.

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are recognised at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

18.1 Property, plant and equipment

Accounting policy:

Land and buildings mainly consist of lecture halls, laboratories, hostels and administrative buildings. All property (including investment properties - note 18.2), plant and equipment are recorded at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment acquired by means of donations are recorded at fair value at the date of the donation through profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Equipment are recognised at cost, excluding donations of books and equipment, which are recognised at fair market values on the date of donation. All equipment is subsequently measured at cost less accumulated depreciation and books are expensed in the year of acquisition. Land is not depreciated as it is deemed to have an indefinite useful life. Other assets are depreciated by using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

The depreciation methods and periods used by the group are disclosed in the note below.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Work in progress is included at cost and not depreciated until completed and brought into use.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Area of significant management judgement and estimation

The group uses its judgement in determining the residual value of assets as well as the useful lives of each category of assets. The useful lives and residual value of assets other than land is estimated in terms of past experience and the features of the specific items.

Group							
2025 Non-current	Land R ' 000	Buildings R ' 000	Vehicles R ' 000	Computer equipment R ' 000	Furniture and equipment R ' 000	Other ** R ' 000	Total R ' 000
At 1 January 2025							
Cost	15 310	2 213 059	49 644	435 846	951 218	15 445	3 680 522
Accumulated depreciation	-	(480 613)	(22 249)	(224 971)	(491 100)	(9 197)	(1 228 130)
Net carrying amount	15 310	1 732 446	27 396	210 875	460 117	6 248	2 452 392
Year ended 31 December 2025							
Additions	-	174 636	4 360	80 295	123 543	2 470	385 304
Buildings under construction	-	78 294	-	-	-	-	78 294
Disposals	-	(811)	(535)	(31 806)	(5 015)	-	(38 167)
Depreciation charge	-	(41 918)	(2 648)	(37 864)	(60 861)	(924)	(144 216)
At 31 December 2025							
Cost	15 310	2 450 154	52 658	463 862	1 060 896	17 406	4 060 287
Accumulated depreciation	-	(507 507)	(24 086)	(242 363)	(543 112)	(9 612)	(1 326 680)
Net carrying amount	15 310	1 942 647	28 573	221 499	517 784	7 794	2 733 607

** Other assets include software cost, art collections and library books

Government grants to the amount of R856,869 million were applied against the cost of the relevant asset when the asset was procured or constructed, in accordance with IAS 20.

University							
2025 Non-current	Land R ' 000	Buildings R ' 000	Vehicles R ' 000	Computer equipment R ' 000	Furniture and equipment R ' 000	Other ** R ' 000	Total R ' 000
At 1 January 2025							
Cost	14 856	2 209 613	49 644	435 811	950 332	15 445	3 675 702
Accumulated depreciation	-	(480 284)	(22 249)	(224 948)	(490 758)	(9 197)	(1 227 436)
Net carrying amount	14 856	1 729 329	27 396	210 863	459 574	6 248	2 448 266
Year ended 31 December 2025							
Additions	-	174 602	4 346	80 295	123 335	2 470	385 049
Buildings under construction	-	78 294	-	-	-	-	78 294
Disposals	-	(811)	(535)	(31 806)	(5 013)	-	(38 166)
Depreciation charge	-	(41 807)	(2 648)	(37 861)	(60 800)	(924)	(144 041)
At 31 December 2025							
Cost	14 856	2 446 674	52 644	463 828	1 059 804	17 406	4 055 213
Accumulated depreciation	-	(507 068)	(24 085)	(242 337)	(542 709)	(9 612)	(1 325 811)
Net carrying amount	14 856	1 939 606	28 559	221 491	517 095	7 794	2 729 402

** Other assets include software cost, art collections and library books

Group							
2024	Land	Buildings	Vehicles	Computer equipment	Furniture and equipment	Other **	Total
Non-current	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000
At 1 January 2024							
Cost	15 310	2 026 540	50 815	395 635	870 806	17 168	3 376 273
Accumulated depreciation	-	(469 332)	(21 515)	(225 015)	(442 837)	(12 393)	(1 171 092)
Opening net carrying amount	15 310	1 557 207	29 299	170 620	427 969	4 776	2 205 181
Year ended 31 December 2024							
Additions	-	137 607	1 125	84 538	93 868	1 999	319 138
Buildings under construction	-	74 274	-	-	-	-	74 274
Disposals	-	(191)	(593)	(7 601)	(3 421)	(161)	(11 967)
Depreciation charge	-	(36 452)	(2 436)	(36 682)	(58 299)	(366)	(134 234)
At 31 December 2024							
Cost	15 310	2 213 059	49 644	435 846	951 218	15 445	3 680 522
Accumulated depreciation	-	(480 613)	(22 249)	(224 971)	(491 100)	(9 197)	(1 228 130)
Net carrying amount	15 310	1 732 446	27 396	210 875	460 117	6 248	2 452 392

** Other assets include software cost, art collections and library books

Government grants to the amount of R 846,475 million were applied against the cost of the relevant asset when the asset was procured or constructed, in accordance with IAS 20.

University							
2024	Land	Buildings	Vehicles	Computer equipment	Furniture and equipment	Other **	Total
Non-current	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000
At 1 January 2024							
Cost	14 856	2 022 995	50 815	395 575	870 135	17 168	3 371 544
Accumulated depreciation	-	(469 027)	(21 515)	(224 973)	(442 540)	(12 393)	(1 170 447)
Opening net carrying amount	14 856	1 553 968	29 299	170 601	427 596	4 776	2 201 097
Year ended 31 December 2024							
Additions	-	137 607	1 125	84 538	93 650	1 999	318 920
Buildings under construction	-	74 274	-	-	-	-	74 274
Disposals	-	(191)	(593)	(7 598)	(3 418)	(161)	(11 960)
Depreciation charge	-	(36 330)	(2 436)	(36 678)	(58 255)	(366)	(134 064)
At 31 December 2024							
Cost	14 856	2 209 613	49 644	435 811	950 332	15 445	3 675 702
Accumulated depreciation	-	(480 284)	(22 249)	(224 948)	(490 758)	(9 197)	(1 227 436)
Net carrying amount	14 856	1 729 329	27 396	210 863	459 574	6 248	2 448 266

** Other assets include software cost, art collections and library books
No property, plant and equipment were pledged as security.

Revaluation, depreciation methods and useful lives

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term as follows:

- Buildings 10 - 50 years
- Components of buildings:
  - Air conditioners 10 - 20 years
  - Lifts 10 - 20 years
- Vehicles 5 - 8 years
- Furniture and equipment 5 - 20 years
- Computer equipment - 3 - 10 years
- Other assets:
  - Museum and art collections are written off in the year of acquisition.
  - Library books are expensed in the year of acquisition

18.2 Investment property

Accounting policy:

Investment property is held to earn income and appreciate in capital value. Excluded are properties used by the Group, as well as those being constructed or developed for future use by the Group.

Investment properties are initially recognised at fair value and subsequently treated as non-current assets. It is then carried at cost less accumulated depreciation. The depreciable amount is systematically allocated over its useful life, which is estimated at 50 years.

Gains and losses on disposal of investment property are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

Area of significant management judgement and estimation

The group uses its judgement in determining the residual value of assets as well as the useful lives of each category of assets. The group also uses it judgement to determine the valuation techniques, which is the discounted cash flow approach as well as the assumptions used to determine the fair value of the property for disclosure purposes.

A discount rate of 11% for 2025 (11% for 2024) was used for the Thakaneng Bridge due to all expenses associated with the property being paid by the landlord and the fact that turnover is only applicable for 10 months of the year.

	Group		University	
	2025	2024	2025	2024
Non-current assets	R ' 000	R ' 000	R ' 000	R ' 000
Cost at the beginning of the year	15 070	15 070	15 070	15 070
Accumulated depreciation beginning of the year	(5 000)	(4 699)	(5 000)	(4 699)
Opening net carrying amount	10 070	10 372	10 070	10 372
Depreciation charge	(301)	(301)	(301)	(301)
Derecognition of investment property	-	-	-	-
Cost at the end of the year	15 070	15 070	15 070	15 070
Accumulated depreciation end of the year	(5 301)	(5 000)	(5 301)	(5 000)
Closing net carrying amount	9 769	10 070	9 769	10 070
Amounts recognised in profit or loss for investment properties				
Rent received on investment property	6 378	6 739	6 378	6 739
Direct operating expenses relating to Investment Property	2 625	3 968	2 625	3 968

Investment property consists mainly of the Thakaneng Bridge on campus, where various shops are let to small businesses, as well as buildings let to Farmovs (Pty) Ltd, which was a subsidiary of the UFS up to 1 March 2022.

Fair value

Fair value of investment property	60 548	63 978	60 548	63 978

Useful live

Property is depreciated over a 50 years economic useful life.

Leasing arrangements

Some of the investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:

Operating lease receivable commitments	Group		University	
The future minimum lease receivables under non-cancellable operating leases are as follows:	2025 R ' 000	2024 R ' 000	2025 R ' 000	2024 R ' 000
Not later than 1 year	8 752	8 456	8 752	8 456
Later than 1 year and not later than 5 years	19 028	23 098	19 028	23 098
Later than 5 years	3 108	2 734	3 108	2 734
Total future cash flows	30 889	34 288	30 889	34 288
Lease income already accrued due to straightlining of leases	(3 250)	(1 800)	(3 250)	(1 800)
Future receivables	27 638	32 488	27 638	32 488

Also refer to note 24.4 for disclosure of related party transactions.

18.3 Intangible assets

Accounting policy:

Research and development

Research expenditure and development expenditure that do not meet the criteria under software above are recognised as an expense as incurred.

Research and development expenditure relating to patents is recognised as an expense except that costs incurred on development projects are recognised as development assets (intangible assets) to the extent that such expenditure is expected to have future economic benefits. However, development costs initially recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have been capitalised are amortised from the registration date at the CIPC on a straight-line basis over the period of their expected benefit.

Amortisation methods and periods

Refer to note below for details about amortisation methods and periods used by the group for intangible assets.

Derecognition

An intangible asset shall be derecognised: on disposal; or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible assets are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

Area of significant management judgement and estimation

The group uses its judgement in determining the residual value of assets as well as the useful lives of each category of assets. The actual useful life may be shorter or longer than 20 years, depending on technical innovations and competitor actions.

	Group		University	
	Patents, trademarks and other rights			
	2025	2024	**2025**	2024
Non-current	**R ' 000**	R ' 000	**R ' 000**	R ' 000
At 1 January				
Cost	**8 103**	8 352	**8 103**	8 352
Accumulated depreciation	**(3 698)**	(3 684)	**(3 698)**	(3 684)
Opening net carrying amount	**4 405**	4 668	**4 405**	4 668
Additions	**675**	(109)	**675**	(109)
Disposals	**-**	(132)	**-**	(132)
Depreciation charge	**(554)**	(22)	**(554)**	(22)
At 31 December				
Cost	**8 777**	8 103	**8 777**	8 103
Accumulated depreciation	**(4 252)**	(3 698)	**(4 252)**	(3 698)
Net carrying amount	**4 526**	4 405	**4 526**	4 405

Intangible assets for the university consist of self-developed patents by the University of the Free State.

Amortisation methods and useful lives

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- Patents - 20 years

18.4 Inventory

Accounting policy:

Inventories mainly comprise consumer goods and stationery. Inventories are stated at the lower of cost, on the basis of weighted average cost for all categories, or net realisable value. The carrying amounts of different classifications of inventory are disclosed. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

	Group		University	
Current assets	**2025**	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Inventories comprise the following items:				
Sundry - mostly stationery, cleaning material, furniture and fuel	**5 786**	6 840	**5 786**	6 840
Food	**1 907**	2 306	**1 907**	2 306
	7 694	9 146	**7 694**	9 146

In 2025 R0,023 m (2024 R 0,006 m) were recognised as write-off of inventory shortages in the consolidated statement of comprehensive income.

Inventory recognised as an expense during 2025 amounts to R34,458 million (2024: R35,481 million)

18.5 Biological assets

Accounting policy:

Livestock is mainly held at experimental farms of the university and by a subsidiary, the Lila Theron Trust. They are assessed based on fair values less estimated point-of-sale costs at appropriate reporting dates. Gains and losses arising from changes in the fair values are recorded in net profit or loss for the period in which they arise. The determination of fair value is based on active markets, at auction of livestock of similar age, breed or genetic merits, with adjustments where necessary to reflect the differences. All the expenses incurred in establishing and maintaining the assets is recognised in the statement of comprehensive income. All costs incurred in acquiring biological assets are capitalised. Finance charges are not capitalised.

	Group		University	
	2025	2024	**2025**	2024
Current assets	**R ' 000**	R ' 000	**R ' 000**	R ' 000
Biological assets comprise the following:				
Opening net carrying amount	**8 672**	7 869	**6 077**	5 166
Livestock purchased	**579**	43	**361**	-
Livestock sold	**(1 797)**	(3 218)	**(195)**	(1 804)
Market value adjustment	**3 700**	3 979	**2 514**	2 715
Closing net carrying amount	**11 154**	8 672	**8 757**	6 077

Livestock is held on the experimental farms and the land held by the Lila Theron Trust. It consists of game, cattle and sheep. Fair values of livestock are based on market prices of similar livestock in the Free State region at year-end. Prices were provided by an independent auctioneer. Fair values are within level 2 of the fair value hierarchy. Refer to note 19 for further disclosures regarding fair values of biological assets.

18.6 Employee benefits

Accounting policy:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The group also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates various post-employment schemes, including both defined benefit and defined contribution pension plans and post-employment medical plans.

The schemes are generally funded through payments to trustee-administered funds, determined by periodic actuarial calculations. The university has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the university pays fixed contributions into a separate entity. The university has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

For defined contribution plans the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Pension obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs. For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

		Group and University					
		2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
	Notes	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000	R ' 000
Leave obligations	18.6.1	(8 863)	(215 769)	(224 632)	(6 389)	(218 791)	(225 180)
Defined pension benefits	18.6.2	-	354 655	354 655	-	299 200	299 200
Post-employment medical benefits	18.6.3	-	(521 777)	(521 777)	-	(475 883)	(475 883)
Post-employment group life insurance	18.6.4	-	(44 491)	(44 491)	-	(39 166)	(39 166)
Total employee benefit obligations		(8 863)	(427 382)	(436 245)	(6 389)	(434 640)	(441 029)

	Group and University	
	2025	2024
Statement of Comprehensive Income charge for:	R'000	R'000
Pension benefits	(29 458)	(20 173)
Post employment medical obligations	26 872	31 729
	(2 586)	11 556
Other Comprehensive Income gain / (loss) for:		
Post employment group life benefit	(5 325)	(1 246)
Pension benefits	24 575	76 745
Post employment medical obligations	(19 022)	1 981
	228	77 480

All employee benefit obligations for the group relate to employees of the university and no additional obligations exist for any of the other group entities. Therefor only information relating to the university is disclosed in notes 18.6.2 to 18.6.3.

18.6.1 Leave obligations

	Group		University	
	2025	2024	2025	2024
	R ' 000	R ' 000	R ' 000	R ' 000
Opening net carrying amount	225 180	238 222	225 180	238 222
Leave payouts	(11 165)	(22 822)	(11 165)	(22 822)
Accrued	10 617	9 781	10 617	9 781
Closing net carrying amount	224 632	225 180	224 632	225 180
Current portion of leave obligations	(8 863)	(6 389)	(8 863)	(6 389)
Non-current portion of leave obligations	(215 769)	(218 791)	(215 769)	(218 791)

From 1 January 2022, the number of vacation leave days for which academic and research staff qualify, is 30 working days per year of which a maximum of five (5) vacation leave days per year will be accumulative. For Support service staff, employees on Peromnes Level 1 - 6 qualify for 30 days vacation leave per year, Peromnes Level 7 - 13 qualify for 28 days vacation leave per year and Peromnes level 14 - 18 qualify for 24 days vacation leave per year. A maximum of five (5) vacation leave days per year will be accumulative. Compulsory vacation leave consists of number of vacation leave a staff member qualifies for, minus five (5) working days which are accumulative. This applies to both academic and support staff. This compulsory leave must be taken during the leave cycle or within six months after the expiry of the cycle. Compulsory leave not taken within 18 months will not be transferred to the next leave cycle.

A maximum of six months' leave gratuity is payable in respect of the vacation leave to a staff member's credit when he or she terminates his or her services as a result of death, retirement, medical unfitness or rationalisation. Staff members that were employed prior to 01 January 2013 and who had a leave credit of more than six (6) months (129.90 days) on 31 December 2012, will be paid the leave credit as on 31 December 2012, up to a maximum of nine (9) months (194.85 days). According to the Basic Conditions of Employment Act (BCEA), staff members are entitled to accrue fifteen (15) days vacation leave in a leave cycle of 12 months, which is the only leave compulsory to be paid out by an employer at termination of service. These prescribed days as per the BCEA will also accrue first for utilisation by a staff member before any additional leave gratuity can be accumulated.

The leave accrual is based on valuations performed by management. The timing and amount of the outflows are unknown, as explained above. The accrual is calculated based on the number of leave days accumulated per employee (capped at the maximum leave days as explained above) and the cost to company per employee per day. Actuarial assumptions regarding the probability of retirement, death, medical unfitness or rationalisation were made to determine the best estimate of probable outflow. For the excess leave days that can be used as vacation leave, the average leave practices for the past 5 years were calculated to determine the best estimate of the liability.

	2025	2024
The principal actuarial assumptions used for accounting purposes were:		
Discount rate	8.95%	10.75%
Future salary increases, excluding merit promotions	3.77%	4.46%

18.6.2 Retirement benefit surplus/ (obligations)

	University	
	2025	2024
	R ' 000	R ' 000
Pension benefits		
The amounts recognised in the statement of financial position and the movements in the net defined benefit obligation over the year are as follows:		
Present value of obligation	1 629 036	1 509 838
Fair value of plan assets	2 062 397	1 858 413
(Funded) / unfunded obligation according to actuarial valuation	(433 361)	(348 575)
Effect of write down to asset ceiling	78 705	49 374
Liability/(assets) in the statement of financial position	(354 656)	(299 201)
Change in defined benefit obligation		
Defined benefit obligation at beginning of year	1 509 838	1 517 486
Interest cost	148 089	158 744
Current service cost	1 577	2 178
Benefit payments	(175 865)	(205 963)
Employee contributions	768	1 046
Actuarial (gain)/loss	144 629	36 347
Defined benefit obligation at end of year	1 629 036	1 509 838
Change in defined benefit asset		
Asset at fair value at beginning of year	1 858 413	1 832 937
Employer contributions	1 422	1 968
Employee contributions	768	1 046
Interest income on defined benefit assets	184 259	193 990
Actual return earned in excess of interest income	193 400	34 435
Benefit payments	(175 865)	(205 963)
Asset at fair value at end of year	2 062 397	1 858 413
The amounts recognised in the statement of comprehensive income are as follows:		
Cost /(credit) recognised in surplus / (deficit) as part of employee cost (note 18)		
Current service cost	1 577	2 178
Interest cost	148 089	158 744
Interest income	(184 259)	(193 990)
Interest on asset ceiling	5 135	12 895
	(29 458)	(20 173)

	University	
	2024	2023
	R ' 000	R ' 000
(Gain) / loss recognised in other comprehensive income		
Adjustment to asset ceiling	24 196	(78 657)
Return on plan assets in excess of interest	(193 400)	(34 435)
Actuarial (gain)/loss	144 629	36 347
Total (gain) / loss	(24 575)	(76 745)

The principal actuarial assumptions used for accounting purposes were:	2025	2024
Discount rate	8.30%	10.40%
Future price inflation	3.50%	5.00%
Future salary increases, excluding merit promotions	4.50%	6.00%
Future pension increases (Cat A and B)	2.80%	4.00%
Future pension increases (Cat C)	1.40%	2.00%
Net discount rate - pre-retirement	3.64%	4.15%
Net discount rate - post-retirement (Cat A and B)	5.35%	6.15%
Net discount rate - post-retirement (Cat C)	6.80%	8.24%

Pension benefit arrangements

The Fund is a hybrid arrangement which includes in-service defined benefit and defined contribution members, defined contribution members with a defined benefit underpin and pensioners paid from the Fund. All new entrants join the defined contribution section of the Fund and the group of in-service defined benefit members is therefore a closed group.

The stated aim of the pension increase policy for category A and B pensioners paid from the Fund is to target pension increases between 75% and 100% of the increase in the Consumer Price Index on an annual basis (with pension increases being considered on 1 April of each year). The stated aim of the pension increase policy for category C pensioners paid from the Fund is to target pension increases equal to between 30% and 60% of the increase in the Consumer Price Index on an annual basis.

Full details of the benefits payable can be found in the rules of the Fund.

Governance

The responsibility for the governance of the Fund rests with the Trustees of the Pension Fund and not with the university.

Regulatory framework

The Fund is subject to the Pension Funds Act ("the PFA"). In terms of the PFA an actuarial valuation of the Fund must be performed at least once every three years. The last such valuation was performed as at 31 January 2025. If the Fund was to be found to be in a deficit position (a financially unsound position), a special scheme designed to restore the solvency of the Fund within an acceptable period would have to be lodged with the Registrar of Pension Funds. Such a scheme, could in certain circumstances, impose minimum funding requirements on the university. The PFA also stipulates that no actuarial surplus can be used for the benefit of the employer unless such actuarial surplus, or a part thereof, has been transferred to an employer surplus account.

Funding arrangements

The employer contributions required for defined contribution members of the Fund are limited to the regular (known) contributions set out in the Rules of the Fund. The university is however responsible for funding the "balance of cost" of providing future defined benefit benefits in respect of defined benefit members and the cost of the "underpin" in respect of Category C members. The university would also be required to make additional contributions to fund any shortfall arising in the assets backing defined benefit member liabilities and "underpin"member liabilities. It is the practice of the Fund Trustees to grant pensioner increases subject to the affordability thereof.

Apportionment of surplus arising after the Fund's surplus apportionment date

At the meeting of the Trustees of the Fund held on 18 June 2013, the Trustees resolved as follows:

- Former members, pensioners and defined contribution members and living annuitants will receive their equitable share of "surplus" in their respective pools. It is therefore only surplus arising in the defined benefit in-service member section which would need to be apportioned in terms of Section 15C of the PFA.
- Future surplus arising in the defined benefit in-service member section of the Fund will be determined and apportioned as follows:
  - Ensure solvency first – this is in the interests of all stakeholders. This means that the full solvency reserve (on a conservative valuation basis) will be fully funded before any future surplus is declared; and
  - Allocate any future surplus to the employer surplus account.

It should be noted that, although the Trustees have agreed to allocate / fund any future surplus / deficit arising from experience of the defined benefit in-service member pool to the employer surplus account, we have not made any allowance for the allocation / funding as at 31 December 2025. The amount to be allocated / funded can only be determined at a statutory valuation date and must be allocated to the employer surplus account by the Trustees. Any (future surplus) amounts allocated to or funded from the employer surplus account will be reflected at subsequent IAS19 valuation dates.

The plan exposes the Group to actuarial risks such as investment risk, longevity risk and inflation risk:

Investment risk – The plan assets at 31 December 2025 are predominantly SA inflation-linked bonds. The fair value of the plan assets is exposed to market volatility, economic and political risks, and potential for underperformance in a low-inflation environment.

Longevity risk – The university is required to provide benefits for life for the members of the defined benefit liability. Increase in the life expectancy of the members will increase the defined benefit liability.

Inflation risk – A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Group's liability. A portion of the plan assets are inflation-linked debt securities which will mitigate some of the effects of inflation.

Financial assumptions

The financial assumptions have been determined by Towers Watson (based on the principles set out in IAS19). These include:

- Discount rate: In the valuation of the liability as at 31 December 2024, the discount rate (10.40% per annum) was determined with reference to the duration of the Fund's DB liability. The duration of the Fund's DB liability was in the order of 8 years. We have determined that the duration of the Fund's DB liability has remained unchanged at 8 years as at 31 December 2025. As such, the discount rate was set by determining the level of the South African zero-coupon bond yield curve as at 31 December 2025 at a duration of 8 years. The discount rate is 8.30% per annum at this duration.
- Long-term price inflation rate: We have assumed a long-term future inflation rate of 3.50% per annum. In setting this rate, we have applied a similar methodology to that used at the previous valuation date, that is: Expected inflation = nominal bond yield less inflation-linked bond yield less inflation risk premium.
  The applicable nominal bond yield has been determined in the same way as the nominal bond yield used in determining the discount rate, i.e. 8.30% per annum.
  In order to determine the yield on inflation linked bonds (on the same basis as for nominal bonds) we have used the level of the South African zero-coupon real yield bond curve as at 31 December 2025. The corresponding yield from this curve (at a term of 8 years) is 4.30% per annum at the valuation date.
  Excluding an allowance for an inflation risk premium, implies an expected future inflation rate of 4.00% per annum (8.30% less 4.30% per annum). Our view is that based on market conditions at the valuation date, an inflation risk premium between 0.50% and 1.25% per annum is appropriate when determining the extent of the risk premium holders of nominal bonds currently require to compensate them for the risk that the value in their bonds may decline if inflation is higher than expected.
  We have assumed an inflation risk premium of 0.50% for the purposes of this valuation. Based on the above, an expected inflation rate of 3.50% per annum has been assumed as at 31 December 2025 (i.e. 8.30% less 4.30% less 0.50%).
  At the previous valuation date an inflation rate of 5.00% was assumed using a similar methodology as described above.
- Salary inflation: It has been assumed that inflationary salary increases will take place at a rate of 1.00% per annum in excess of price inflation, i.e. 4.50% per annum (6.00% used at the previous valuation date).
- Pension increases (active members): The Fund's pension increase policy (as it applies to current Fund pensioners and Category A and B members in retirement) is to target increases of between 75% and 100% of inflation, subject to the affordability thereof assessed with reference to a net discount rate of 4.5% per annum. We have therefore allowed for pension increases of 2.80% per annum (being 80% of the assumed inflation rate of 3.50% per annum). The net discount rate applied to Category A and B members in retirement is thus 5.35% per annum (calculated as 1.0830 ÷ 1.0280 – 1). In comparison, a pension increase assumption of 4.00% per annum was used at 31 December 2024, implying a net post-retirement discount rate of 6.15% per annum at that date.
  The Fund's pension increase policy (as it applies Category C members in retirement) is to target increases of between 30% and 60% of inflation, subject to the affordability thereof assessed with reference to a net discount rate of 6.50% per annum. A pension increase assumption of 1.40% per annum (being 40% of the assumed inflation rate of 3.50% per annum) would lead to a net discount rate of 6.80% (calculated as 1.0830 ÷ 1.0140 – 1). In comparison, a pension increase assumption of 2.00% per annum was used at 31 December 2024, implying a net post-retirement discount rate of 8.24% per annum at that date.

  In terms of IAS19 the pension increase rate must be set independently of the discount rate. The affordability of the pension increases for the current valuation were determined with reference to the Fund's expected return on assets as per the most recent statutory valuation.
- Financial assumptions: Pensioner Liabilities: The pensioner liability has been priced off the zero-coupon real and nominal bond yield curves as at 31 December 2025. Provision has been made for annual pension increases (with effect from 1 April 2026 onwards) of 80% of market-implied inflation (for Category 1 pensioners) and 40% of market-implied inflation (for Category 2 pensioners).

- **Net discount rate:** The net discount rate applied to in-service members is 3.64% per annum (calculated as 1.0830 ÷ 1.0450 – 1). This is higher than the 40% of Earnings Yield basis (2.56% per annum) discount rate specified in the Regulations to the PFA for the calculation of the Minimum Individual Reserve.

  We highlight that the difference between the various financial assumptions is generally more important than the absolute assumptions. The net pre-retirement discount rate has decreased from 4.15% to 3.64% per annum, and the net post-retirement discount rate has decreased from 6.15% to 5.35% per annum (for Category A and B members). This implies, with all else being equal, that there will be a net decrease in the calculated in-service liabilities as a result of a change in the financial assumptions.

An approximate split of the Fund's assets by asset class as at 31 December 2025 is set out below:

Asset class	Category A & B in-service members	Category C in-service members	Pensioners	Liability weighted average
SA equities	16.5%	24.2%	0.0%	1.2%
SA property	5.7%	6.9%	0.0%	0.4%
SA nominal bonds	23.2%	12.7%	0.0%	1.6%
SA inflation-linked bonds	0.0%	0.0%	74.4%	69.2%
SA cash	11.8%	0.4%	0.7%	1.4%
International equities	28.3%	38.9%	17.0%	17.8%
Other	14.5%	16.9%	7.9%	8.4%
Total	100.0%	100.0%	100.0%	100.0%

An approximate split of the Fund's assets by asset class as at 31 December 2024 is set out below:

Asset class	Category A & B in-service members	Category C in-service members	Pensioners	Liability weighted average
SA equities	17.9%	23.2%	0.0%	1.5%
SA property	6.7%	6.7%	1.9%	2.3%
SA nominal bonds	30.7%	16.6%	0.0%	2.5%
SA inflation-linked bonds	0.0%	0.0%	66.4%	61.0%
SA cash	3.8%	1.8%	4.2%	4.2%
International equities	29.5%	38.7%	19.0%	19.9%
Other	11.4%	13.0%	8.5%	8.6%
Total	100.0%	100.0%	100.0%	100.0%

Note that there is a cash flow matching strategy in place in respect of a portion of the pensioner liability at the current valuation date.

	R'000 2025	R'000 2024	R'000 2023	R'000 2022	R'000 2021
Present value of obligation	**1 629 036**	**1 509 838**	1 477 637	1 569 948	1 570 823
Fair value of plan assets	**2 062 397**	**1 858 413**	1 771 641	1 805 498	1 737 832
(Funded)/unfunded obligation	(433 361)	(348 575)	(294 004)	(235 550)	(167 009)

Demographic assumptions in respect of Category A, B and C members and Pensioners

The valuation basis in respect of the Fund's demographical assumptions remains unchanged from those used at the previous valuation date.

The following mortality tables have been used:	Mortality table
- Before retirement	SA85-90(light)
- After retirement	PA(90) rated down 2 years

The same rates of resignation and ill-health as those adopted at previous statutory valuation of the Fund have been used.

All members are assumed to retire at age 65, but provision is made for early retirement at the same rates as those adopted at previous statutory valuation of the Fund. However, for the purposes of calculating the Minimum Individual Reserve, an average normal retirement age of 64 has been assumed.

Salary increases have been taken into account as the sum of general salary inflation and promotional / merit increases per age. The promotional / merit increase is based on the same tables as per the previous valuation.

Although IAS19 recommends making allowance for improvements in post-retirement mortality, we have not made such allowance at the valuation date. The post-retirement mortality assumption is set to be consistent with the assumption used in the last statutory valuation of the Fund (as at 31 January 2025) in which the valuator confirms the appropriateness of the assumption used. Improvements in post-retirement mortality will be allowed for in future should the Fund valuator consider this appropriate for the statutory valuations of the Fund.

One of the key drivers of the financial position of the Fund over the long term is pensioner longevity. If pensioners live longer (because of medical advancement, for example) than we have budgeted for, all other things being equal, a shortfall will arise.

100% of in-service members will be married at retirement with husbands being 3 years older than their wives. (For pensioners, the actual marital status is taken into account.)

Analysis of actuarial gains and losses

The table below sets out the actuarial gains and losses due to changes in demographic assumptions and changes in financial assumptions:

	2025	2024
	R'000	R'000
Actuarial gain \ (loss) due to changes in demographic assumptions	-	-
Actuarial gain \ (loss) due to changes in financial assumptions	(26 279)	(34 190)
Actuarial gain \ (loss) due to experience differing from assumptions	(118 350)	(2 157)
Total actuarial gain \ (loss) arising	(144 629)	(36 347)

The actuarial loss due to changes in financial assumptions is due to the strengthening of both the pre-retirement basis and post-retirement bases from the previous valuation date. The net pre- retirement discount rate has decreased from 4.15% per annum to 3.64% per annum and the net post-retirement discount rate for pensioners has decreased from 6.15% per annum to 5.35% per annum. Additionally the pension increase assumption applied to the pensioner liabilities was higher than that used in the previous valuation, which increased the pensioner liability. The net effect of these changes has resulted in an actuarial loss.

The actuarial loss due to changes in experience differing from assumptions is partly due to exits from the scheme being lower than expected as well as new retirements since the previous valuation. There are other miscellaneous items arising from, amongst other things, actual pension increases being lower than expected.

Fund liability position

	2025	2024
Category	R'000	R'000
In-service member liability	165 048	123 214
Pensioner liability	1 463 988	1 386 624
Combined liability	1 629 036	1 509 838
Current service cost	6 437	1 577

The liability reflected above includes the liability in respect of disability claimants in each of the relevant categories, where applicable. The cost of the Category D members' in-fund retirement option is very sensitive to the difference between the net post-retirement discount rate on the ongoing funding valuation basis of 6.12% p.a (for DB active members) and on the IAS19 valuation basis of 5.35% p.a. At the previous valuation date the net post-retirement discount rates were 6.12% p.a. and 6.15% p.a. respectively.

The results above reflect a net decrease of R119 198 000 in the liabilities. The net increase is made up of the following items:

- Increase through the service cost;
- Increase through the interest cost;
- Increase through actuarial loss; and
- Decrease through benefit payments made (negative item).

An actuarial gain or loss results from the actual experience differing from that assumed at the previous valuation, as well as any changes in assumptions from the previous valuation.

Contributions towards funding defined benefit liabilities for the next financial reporting period.

The university currently contributes at 14.27% of members' pensionable salaries in respect of Category A, B and C members. Note that only a portion of the employer's contribution in respect of Category C members are applied towards funding defined benefit liabilities.

Category A members contribute at 8.0% of their pensionable salaries while Category B and C members contribute at 7.5% of their pensionable salaries. Similarly to the above, only a portion of the members' contributions in respect of Category C members are applied towards funding defined benefit liabilities.

Neither the university nor Category D members contribute towards funding the in-Fund retirement option as this option is cost neutral on the Fund's statutory valuation basis.

The expense for the defined contribution section of the Fund (i.e. including Category D members and the defined contribution component of Category C members) is equal to the university's contributions in respect of those members. This expense has not been disclosed in this report and the university should account for this separately in its financial statements.

Based on the above, the total expected contributions towards funding defined benefit liabilities for the financial reporting period ending on 31 December 2026 are:

	2025
	R '000
Employer contributions:	1 486 000
Member contributions:	803 000

Sensitivity analysis

Impact of 1% change in the salary inflation rate

The following table sets out the impact of a 1% change in the long-term salary inflation rate when compared to the calculated base liability at 31 December 2025.

	1% decrease	Base liability	1% increase
	3.50% p.a.	4.50% p.a.	5.50% p.a.
	R'000	R'000	R'000
Defined benefit asset	2 062 397	2 062 397	2 062 397
In-service member liability	(164 990)	(165 048)	(165 165)
Pensioner liability	(1 463 988)	(1 463 988)	(1 463 988)
Funded /(Unfunded) status	433 419	433 361	433 244
% change in defined benefit liability	0.0%	0.0%	0.0%
% change in funded status	0.0%	0.0%	0.0%
One-year service cost	6 401	6 437	6 476
% change	-0.6%	0.0%	0.6%

Impact of 1% change in the discount rate

The following table sets out the impact of a 1% change in the discount rate when compared to the calculated base liability at 31 December 2025.

	1% decrease	Base liability	1% increase
	9.40% p.a.	10.40% p.a.	11.40% p.a.
	R'000	R'000	R'000
Defined benefit asset	2 062 397	2 062 397	2 062 397
In-service member liability	(175 633)	(165 048)	(156 594)
Pensioner liability	(1 562 906)	(1 463 988)	(1 376 192)
Funded /(Unfunded) status	323 858	433 361	529 611
% change in defined benefit liability	6.7%	0.0%	-5.9%
% change in funded status	-25.3%	0.0%	22.2%
One-year service cost	6 690	6 437	6 241
% change	3.9%	0.0%	3.0%

Impact of a one year change in the age rating of the post retirement mortality assumption

The following table sets out the impact of a one year change in the age rating of the post retirement mortality assumption when compared to the calculated base liability at 31 December 2025.

	Lower mortality	Base liability	Higher mortality
	PA(90) - 3 R'000	PA(90) - 2 R'000	PA(90) - 1 R'000
Defined benefit asset	2 062 397	2 062 397	2 062 397
In-service member liability	(167 035)	(165 048)	(163 089)
Pensioner liability	(1 513 157)	(1 463 988)	(1 414 919)
Funded /(Unfunded) status	382 205	433 361	484 389
% change in defined benefit liability	3.1%	0%	-3.1%
% change in funded status	-11.8%	0%	11.8%
One-year service cost	6 475	6 437	6 398
% change	0.6%	0.0%	0.6%

18.6.3 Post employment medical benefits

The University of the Free State operates a post employment medical benefit schemes. The results of the actuarial valuation for the post-employment health care liabilities are in respect of its continuation and widow(er)
members ('CAWMs') and their registered dependants for whom the university provides such a benefit.
The method of accounting and the frequency of valuations are similar to those used for defined benefit pension schemes.
Employees of the university are primarily members of Discovery Health Medical Scheme, but also participate in Bestmed Medical Scheme. The latest actuarial valuation was carried out as at 31 December 2025.

For the purpose of IAS 19 (AC 116), the university is not required to recognise the cross-subsidy liability. Therefore, the liabilities have been calculated on the contractual liabilities only.

University Subsidy policy

The Employer pays a specified subsidy based on the date of retirement, date of employment and date of joining the medical scheme. The subsidy is subject to a maximum monthly Rand amount, which increases annually on 1 January in line with salary inflation. However, the underlying subsidised contributions increase in line with health care cost inflation.

* The maximum monthly Rand amount is R5 082 in respect of 2025. We have allowed for the expected increase the maximum monthly Rand amount of 4% to R5 285 for 2026.

The table below summarises the detailed post-employment subsidy.

Members	Post-employment	Death-in-service
CAWMs retired before 1 July 2005	Rand amount as provided by UFS (which was set at retirement) increasing at salary inflation	n/a
CAWMs retired after 1 July 2005	Rand amount as provided by UFS (which is based on 53% of the medical scheme contribution and applying the applicable individual subsidy) increasing at health care cost inflation limited to a maximum of R5,285*, which increases at salary inflation	n/a
Active members employed and joining the medical scheme before 1 July 2002	53% of the monthly contribution of the plan option on which the member participates subject to a maximum of R5,285*, increasing at salary inflation.	Same as post-employment
Active members employed and joining the medical scheme between1 July 2002 and 1 January 2014	5% of 53% of the monthly contribution of the plan option on which the member participates for each year of completed service and medical scheme membership before 31 December 2013, subject to a maximum of R5,285*, increasing at salary inflation.	Same as post-employment
Active members employed or joining the medical scheme on or after 1 January 2014	0%	Same as post-employment

Pre-retirement benefit (death-in-service)

On the death of an employee of the Employer the above subsidy is paid towards the medical scheme contributions of the spouse or life partner of the deceased employee. The subsidy is payable for the rest of the qualifying spouse's or life partner's life.

Post-employment benefit

On the retirement of an employee of the Employer, who is eligible for post-employment health care subsidisation, the abovementioned subsidy is paid towards the medical scheme contributions for the member and his/her spouse or life partner for the remainder of the retired employee's life. On the death of the retired employee the above subsidy is paid towards the medical scheme contributions of the spouse or life partner of the deceased retired employee. The subsidy is payable for the rest of the qualifying spouse's or life partner's life. We have assumed that where a fixed Rand amount was provided or the member has reached the maximum Rand cap that upon the death of the pensioner the surviving spouse will continue to receive the same level of post-employment health care subsidisation. However, where the level of subsidy is based on the medical scheme contributions, we have assumed that the level of contributions will decrease to take into account the reduced family size.

Medical scheme contributions

The employees and continuation members are members of Discovery Health Medical Scheme and Bestmed Medical Scheme. The subsidised contributions are expected to increase on 1 January each year. We applied the medical scheme contributions effective 1 January 2026 and have also allowed for the anticipated Discovery Health contribution increases effective 1 April 2026. The fixed Rand amounts applied and the maximum Rand cap that was provided are also in respect of 2026.

Key actuarial assumptions

The actuarial valuation method used is the Projected Unit Credit-method. The main actuarial assumptions are as follows:

	2025	2024
Discount rate	**8.95%**	10.99%
Health care cost inflation	**6.49%**	7.75%
Consumer price inflation (CPI)	**4.49%**	5.75%
Salary inflation	**4.99%**	6.25%
Real discount rate (With respect to salary inflation)	**3.77%**	4.46%
Normal retirement age	**65**	65
Expected average retirement age	**63**	63.3
Spouse age gap	**3 years**	3 years
Continuation at retirement	**100.00%**	100.00%
Proportion married at retirement	**75.00%**	75.00%
Orphan contribution cease age	**21**	21
Subsidy-weighted duration of total liability	**10.3 years**	9.8 years
Subsidy-weighted average lifetime of remaining members	**16.4 years**	16.8 years
Mortality pre-expected retirement age with consideration of actuary table, ref SA1985 - 90 LIGHT		
Mortality post-expected retirement age, with consideration of actuary table, ref PA (90) - 2		

**Previously the normal retirement was 65 for all members employed before 1 April 1998 and 6 for all members employed on or after 1 April 1998*

Discount rate

IAS19 requires that the market returns on high quality corporate interest bearing bonds should be used. Should a sufficiently deep market of high quality corporate bonds not exist, government interest bearing bonds must be used instead. The currency and term of the bonds should be consistent with the currency and estimated term of the liabilities.

We have therefore based the discount rate and inflation assumptions on the yields taken from the government zero coupon bond yield curves (so-called zero rates) as at 31 December 2025, at the appropriate term.

The discounted mean term of the liabilities is 10,3 years. We have therefore used a discount rate of 8,95% which is the nominal yield at a term of 10,3 years, taken from the South African government zero coupon bond yield curve as at 31 December 2025.

This discount rate only has real meaning if compared with the health care cost inflation (or the escalation in subsidised medical scheme contributions, which is salary inflation and health care cost inflation for UFS). The real discount rate, defined as the difference between the return on investment and the salary inflation or health care cost inflation, is thus of more importance. The salary inflation of 4,99% per annum (refer par 1.3) implies that a real discount rate of 3,77% per annum (= 1,0895 ÷ 1,0499 – 1) was used in the valuation.

A real discount rate of 4,46% per annum was used in the previous valuation.

Health care cost inflation

Medical scheme contributions have in the past increased at a significantly higher rate than general consumer price inflation. It is difficult (if not impossible) to predict the real rate (investment return minus health care cost inflation).
On 31 December 2025, the implied Consumer Price Inflation rate amounted to 4,49% p.a.

It would be appropriate to assume that medical scheme contributions will increase at a faster rate than the increase in the CPI e.g. CPI plus 2% p.a.
We have therefore assumed a health care cost inflation rate of 6,49% (CPI + 2%) per annum.
In the previous valuation the health care cost inflation assumption was 7,75% p.a.

Salary inflation

The maximum subsidised amount increases in line with salary inflation, the future assumption of which is based on the actual salary inflation applied by the Employer.
It is anticipated that UFS will apply a salary inflation of 4,00% for 2025/2026.
We have therefore retained the assumption setting of CPI + 0,5% p.a. for the long-term salary inflation assumption i.e. we have assumed a salary inflation rate of 4,99% (CPI + 0,5%) per annum.
In the previous valuation the salary inflation assumption was 6,25% p.a.

Consumer price Inflation (CPI)

The 10,3 year real yield taken from the South African government zero coupon bond yield curve was 4,27% per annum as at 31 December 2025. The long-term inflation rate of 4,49% per annum implied from the government bond yields is derived as follows:

- Nominal 10,3 year zero rate: 8,95%
- Real 10,3 year zero rate: 4,27%
- Implied price inflation: 4,49% [=((1,0895 ÷ 1,0427) – 1]

In the previous valuation the inflation assumption was 5,75% p.a.

Proportion married

Since it is likely that the marital status of every employee will not be the same now as at retirement (particularly for the young single members), we have applied an assumption that a proportion of the members will be married at retirement, regardless of 5The current marital status of pensioners was used in the calculations.

Membership data

The valuation has been based on the membership data as at 30 November 2025.

Mortality

Before retirement

We assumed that the SA 85-90 (light) mortality table will be suitable in estimating the expected mortality experience. This table reflects the mortality experience of males assured with South African life assurance companies during the years 1985 to 1990. Females are rated down 3 years.

After retirement

The PA (90) mortality tables (for males and females) with an age reduction of 2 years have been used to estimate the likely mortality rate after retirement. These tables are based on the expected improving rate of pensioners in 1990, taken from the mortality rates of pensioners in England and Scotland between 1967 and 1970.

Withdrawals

Employees who resign or are retrenched do not receive any medical scheme contribution subsidies after their employment ends. Therefore possible future releases of liabilities would arise upon resignation or retrenchment.

Retirements

The normal retirement age for qualifying employees is 65. Subsidisation is payable to the main member should they retire early from age 55. We have made provision for this in the current valuation by assuming an expected retirement age to allow for early retirements. Early retirements vary based on gender and the normal retirement age for the membership. Therefore, the expected retirement age is based on the normal retirement age and gender composition.

Duration of liability

The average duration of the total liability is calculated as the average discounted mean term of the total liability.

Sensitivity analysis

The sensitivity analysis that illustrates how the results change under various alternative assumptions.

	2025				2024		
	Accrued liability (R'000s)	% Change in past-service contractual liability	Annual expense (R'000s)	% Change in service cost plus interest cost contractual liability	Accrued liability (R'000s)	% Change in past-service contractual liability	% Change in service cost plus interest cost contractual liability
No change in assumptions	**521 777**		**52 054**		475 883		
Consumer price inflation +1%							
Consumer price inflation -1%							
Mortality rate + 1	**505 086**	**-3.20%**	**50 370**	**-3.20%**	461 252	-3.10%	-3.20%
Mortality rate -1	**538 527**	**3.20%**	**53 742**	**3.20%**	490 523	3.10%	3.20%
Discount rate +1%	**475 145**	**-8.90%**	**51 575**	**-0.90%**	435 249	-8.50%	-2.70%
Discount rate -1%	**577 332**	**10.60%**	**52 525**	**0.90%**	523 947	10.10%	3.00%

	2025	2024	2023	2022
	R'000	R'000	R'000	R'000
The value of unfunded obligations at year end:	**521 777**	475 883	446 135	454 587

The total estimated subsidised contribution payable by the employer in respect of post-employment health care benefits for the year following the valuation date is R26,989 million.

The amounts recognised in the statement of financial position were determined as follows:	2025	2024
	R'000	R'000
Present value of unfunded obligations		
Unfunded obligations in terms of active members	**155 028**	137 637
Unfunded obligations in terms of continuation and widowed members	**366 749**	338 246
Liability in the Statement of financial position	**521 777**	475 883

The liabilities shown above are in respect of the employer's share of medical scheme contributions. Only the contractual liabilities are required to be recognised under the IAS 19 accounting standards.

No long-term assets are set aside in respect of the UFS's post-employment health care liabilities. Therefore, no assumption specifically relating to assets has been made.

Movement in the defined benefit obligation is as follows:

	2025	2024
Opening net carrying amount	**475 883**	446 135
Current service cost	**6 181**	6 195
Interest cost	**50 653**	52 523
Benefits paid	**(29 962)**	(26 989)
Actuarial (gain)/loss	**19 022**	(1 981)
Closing net carrying amount	**521 777**	475 883

The amounts recognised in the Statement of comprehensive income are as follows:	2025	2024
	R'000	R'000
Current service cost	6 181	6 195
Benefits paid	(29 962)	(26 989)
Interest cost	50 653	52 523
Total included in staff cost	26 872	31 729
The amounts recognised as Other comprehensive income are as follows:		
Recognition of previously unrecognised actuarial loss / (gain)	19 022	(1 981)
Total included in other comprehensive income	19 022	(1 981)
Analysis of actuarial gains and losses		
The table below sets out the actuarial gains and losses due to changes in demographic assumptions and changes in financial assumptions:		
Change in actuarial assumptions	34 987	(2 641)
Actual health care cost inflation compared with that expected	(6 141)	1 792
Change in demographic profile of the membership	(9 824)	(1 132)
Total actuarial gain \ (loss) arising	19 022	(1 981)

Actuarial assumptions

The real discount rate has decreased from 4,46% p.a. to 3,77% p.a. in respect of salary inflation and from 3,01% p.a. to 2,31% p.a. in respect of health care inflation. The combined impact of the change in actuarial assumptions resulted in an actuarial loss of R 34 987 000.

Health care inflation

The average increase in the medical scheme contributions was 7.1%, which was lower than the expected health care inflation of 7,75%. In addition, the maximum Rand subsidy was increased by 4.0% from the applied maximum Rand subsidy of the previous valuation, lower than the expected 6.25%. Combined with the smaller increase in the fixed Rand subsidies, the actual average inflation of the subsidised contributions overall was lower than the expected. This resulted in an actuarial gain of R 6 141 000.

Experience adjustments

The number of members eligible for post-employment subsidisation has had a net decrease of 40 in-service members and an increase of 1 continuation member since the previous valuation. The actual impact of the individual membership movement resulted in an actuarial gain of R 9 824 000.

Risk exposures

Through its defined benefit pension plans and post-employment medical plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields:

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risks:

Some of the group's pension obligations are linked to salary inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The majority of the plan's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

Life expectancy:

The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant in the plan, where inflationary increases result in higher sensitivity to changes in life expectancy.

18.6.4 Post employment Group life insurance benefits

(also refer to note 21.2)

The University of the Free State operates a post employment group life insurance scheme. The method of accounting and the frequency of valuations are similar to those used for defined benefit pension schemes. The latest actuarial valuation was carried out as at 31 December 2025.

The university's subsidy policy is as follows:

- The university subsidises 50% of the total premiums paid by retirees towards postemployment group life insurance.
- The PRGLI subsidy is in respect the premiums payable to an insurer for life cover equal to 1.6x the annual pensionable salary of employees on their date of retirement.
- Employees are entitled to the subsidy provided that they remain in the employment of the university until retirement.
- Retirees have the option of taking up the PRGLI on their date of retirement.

Key actuarial assumptions

The actuarial valuation method used is the Projected Unit Credit-method. The main actuarial assumptions are as follows:

	2025	2024
Discount rate	**8.30%**	10.40%
Long-term price inflation	**3.50%**	5.00%
Salary inflation	**4.50%**	6.00%
Take up rate	**70.00%**	70.00%
Net discount rate pre-retirement	**3.64%**	4.15%
Mortality pre-expected retirement age with consideration of actuary table, ref SA1985 - 90 LIGHT		
Mortality post-expected retirement age, with consideration of actuary table, ref PA (90) - 2		

Discount rate

In the valuation of the liability as at 31 December 2024, the discount rate (10.40% per annum) was determined with reference to the duration of the Fund's DB liability. The duration of the Fund's DB liability was in the order of 8 years.
We have determined that the duration of the Fund's DB liability has remained unchanged at 8 years as at 31 December 2025.
As such, the discount rate was set by determining the level of the South African zero-coupon bond yield curve as at 31 December 2025 at a duration of 8 years. The discount rate is 8.30% per annum at this duration.

Long-term price inflation

We have assumed a long-term future inflation rate of 3.50% per annum. In setting this rate, we have applied a similar methodology to that used at the previous valuation date, that is: Expected inflation = nominal bond yield less inflation-linked bond yield less inflation risk premium.

The applicable nominal bond yield has been determined in the same way as the nominal bond yield used in determining the discount rate, i.e. 8.30% per annum.

In order to determine the yield on inflation linked bonds (on the same basis as for nominal bonds) we have used the level of the South African zero-coupon real yield bond curve as at 31 December 2025. The corresponding yield from this curve (at a term of 8 years) is 4.30% per annum at the valuation date.

Excluding an allowance for an inflation risk premium, implies an expected future inflation rate of 4.00% per annum (8.30% less 4.30% per annum). Our view is that based on market conditions at the valuation date, an inflation risk premium between 0.50% and 1.25% per annum is appropriate when determining the extent of the risk premium holders of nominal bonds currently require to compensate them for the risk that the value in their bonds may decline if inflation is higher than expected.

We have assumed an inflation risk premium of 0.50% for the purposes of this valuation. Based on the above, an expected inflation rate of 3.50% per annum has been assumed as at 31 December 2025 (i.e. 8.30% less 4.30% less 0.50%).

At the previous valuation date an inflation rate of 5.00% was assumed using a similar methodology as described above.

Increases in subsidy

The subsidy is linked to the employee's salary at retirement and does not increase after retirement. The cost of the subsidy could increase or decrease in future, depending on the rate per R1 000 cover that can be secured from the insurer – we have assumed that this rate will remain constant over time and, therefore, that the cost of the subsidy remains constant after retirement.

Net discount rate

The net discount rate applied to in-service members is 3.64% per annum (calculated as 1.0830 ÷ 1.0450 – 1). This is higher than the 40% of Earnings Yield basis (2.56% per annum) discount rate specified in the Regulations to the PFA for the calculation of the Minimum Individual Reserve.

We highlight that the difference between the various financial assumptions is generally more important than the absolute assumptions. The net pre-retirement discount rate has decreased from 4.15% to 3.64% per annum.

- Employees are assumed to retire at their normal retirement age, 65 at December 2025;
- On reaching normal retirement age 70% of members will take up PRGLI cover. This proportion was determined by investigating the typical take up rates over the inter-valuation period.
- Once an employee has elected to take up the cover at retirement, it has been assumed that this cover will be retained (and the subsidy will continue to apply) until death.

Disclosures as at 31 December 2025	**DB obligation**	**Cost / (credit) recognised in P&L**	**Gain /(loss) recognised in OCI**
	R' 000	**R' 000**	**R' 000**
Opening balance	**(39 166)**	**-**	**-**
Actuarial gain/(loss)	**(5 325)**	**-**	**(5 325)**
Balance as at 31 Dec 2025	**(44 491)**	**-**	**(5 325)**

Disclosures as at 31 December 2024	DB obligation	Cost / (credit) recognised in P&L	(Gain) /loss recognised in OCI
	R' 000	R' 000	R' 000
Recognition of obligation	(37 920)	-	-
Actuarial (gain)/loss	(1 246)	-	(1 246)
Balance as at 31 Dec 2024	(39 166)	-	(1 246)

No long-term assets are set aside in respect of the UFS's post-employment group life insurance. Therefore, no assumption specifically relating to assets has been made.

Sensitivity analysis

The sensitivity analysis that illustrates how the results change under various alternative assumptions.

Impact of 1% change in the salary inflation rate

The following table sets out the impact of a 1% change in the long-term salary inflation rate when compared to the calculated base liability at 31 December 2025.

	1% decrease 3.5% p.a.	Base liability 4.5% p.a.	1% increase 5.5% p.a.
	R'	R'	R'
In-service employee liability	**15 974 322**	**17 636 311**	**19 568 652**
Retiree liability	**26 855 017**	**26 855 017**	**26 855 017**
Total defined benefit liability	**42 829 339**	**44 491 328**	**46 423 669**
% change in defined benefit liability	**-3.7%**	**0%**	**4.3%**

Impact of 1% change in the discount rate

The following table sets out the impact of a 1% change in the discount rate when compared to the calculated base liability at 31 December 2025.

	1% decrease 7.30% p.a.	Base liability 8.30% p.a.	1% increase 9.30% p.a.
	R'	R'	R'
In-service employee liability	20 825 144	17 636 311	15 090 280
Retiree liability	28 347 602	26 855 017	25 516 550
Total defined benefit liability	49 172 746	44 491 328	40 606 830
% change in defined benefit liability	10.5%	0%	-8.7%

Impact of a one year change in the age rating of the post retirement mortality assumption

The following table sets out the impact of a one year change in the age rating of the post retirement mortality assumption when compared to the calculated base liability at 31 December 2025.

	Lighter mortality PA(90) - 3	Base liability PA(90) - 2	Heavier mortality PA(90) - 1
	R'	R'	R'
In-service employee liability	17 981 029	17 636 311	17 281 698
Retiree liability	27 557 811	26 855 017	26 144 505
Total defined benefit liability	45 538 840	44 491 328	43 426 203
% change in defined benefit liability	2%	0%	-2%

Impact of a changing the assumed take-up rate at retirement

The following table sets out the impact of changing the assumed take-up rate at retirement when compared to the calculated base liability at 31 December 2024.

	Higher take-up rate 90%	Base liability 70%	Lower take-uprate 50%
	R'	R'	R'
In-service employee liability	22 675 258	17 636 311	12 597 365
Retiree liability	26 855 017	26 855 017	26 855 017
Total defined benefit liability	49 530 275	44 491 328	39 452 382
% change in defined benefit liability	11.3%	0%	-11.3%

No entity-specific risks relating to the post employment group life insurance liability were identified.

18.7 Deferred income

Accounting policy:

Refer to note 6 for disclosure of the accounting policy relating to grants for the group.

	Group		University	
	2025	2024	**2025**	2024
Current Liability	**R ' 000**	R ' 000	**R ' 000**	R ' 000
Opening net carrying amount	**56 005**	172 914	**56 005**	172 914
Grants received during the year	**114 117**	117 242	**114 117**	117 242
Grants accrued	**73 551**	-	**73 551**	-
Grants realised	**(176 494)**	(234 151)	**(176 494)**	(234 151)
Closing net carrying amount	**67 179**	56 005	**67 179**	56 005

Included in deferred income above are all earmarked grants received and accrued from DHET. This includes the infrastructure grant, clinical training grant, foundation grant, NGAP and the university capacity development grant. The infrastructure grant is earmarked for the construction of assets. The value of these grants are deducted in arriving at the carrying value of any assets constructed from the grant.

19 Recognised fair value measurements

Accounting policy:

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- for other financial instruments – discounted cash flow analysis.

The fair value estimates of Financial assets at fair value through Profit and Loss are included as Level 1, 2 and 3 and Biological assets as Level 2.

19.1 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial and non-financial assets and liabilities that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial and non-financial assets and liabilities into the three levels prescribed under the accounting standards and detail in the accounting policy note above.

The classification of financial assets and liabilities into levels for the university do not differ materially from that of the group.

The following table represents the groups assets and liabilities that are measured at fair value.

Recurring fair value measurements as at 31 December 2025	Notes	R'000 Level 1	R'000 Level 2	R'000 Level 3	R'000 Total
Financial and non-financial assets					
Financial assets at fair value through profit or loss (FVPL)	17.4	**10 553 643**	**3 891 308**	**209 450**	**14 654 401**
Biological assets	18.5	**-**	**11 154**	**-**	**11 154**
Total financial and non-financial assets		**10 553 643**	**3 902 463**	**209 450**	**14 665 556**
Financial and non-financial liabilities					
Interest bearing borrowings	17.6	**-**	**-**	**-**	**-**
Total financial and non-financial liabilities		**-**	**-**	**-**	**-**

Recurring fair value measurements as at 31 December 2024	Notes	R'000 Level 1	R'000 Level 2	R'000 Level 3	R'000 Total
Financial and non-financial assets					
Financial assets at fair value through profit or loss (FVPL)	17.4	9 517 094	3 184 156	189 067	12 890 317
Biological assets	18.5	-	8 672	-	8 672
Total financial and non-financial assets		9 517 094	3 192 829	189 067	12 898 989
Financial and non-financial liabilities					
Interest bearing borrowings	17.6	-	-	-	-
Total financial and non-financial liabilities		-	-	-	-

	2025	2024
Financial assets at fair value through profit or loss (FVPL) are divided into the following asset classes:		
Level 1		
Africa ex-SA equity	215 485	138 796
Emerging market equity	296 851	202 451
Global DM equity	3 312 222	3 204 818
Global listed infrastructure	394 750	361 617
Global Property	254 750	263 378
SA bonds	895 360	787 199
SA equities	1 388 838	1 056 777
SA equity activist	241 492	245 597
SA equitySA	57 971	44 236
SA MM	2 225 237	2 098 268
SA Money Market	5 270	17 935
SA property	294 742	241 122
ST absSA	970 677	854 900
Level 2		
BBB Corp Debt	8 696	14 491
MM USD	33 181	36 283
SA Infra Debt	318 774	-
SA Infrastructure	197 718	183 174
SA MM	2 828 327	2 514 816
ST absSA	504 612	435 392
Level 3		
Global unlisted (private equity)	152 386	127 633
Renew Energy Debt	57 064	61 434
Total	14 654 401	12 890 317

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values of non-current borrowings are based on discounted cash flows using a rate based on the prime rate and are within level 2 of the fair value hierarchy.

	2025	2024
The fair values of non-current interest-bearing borrowings are as follows:		
Total fair value of non-current interest-bearing borrowings:	153 585	164 389

Fair value measurements using inputs other than Level 1 that are observable, either directly (e.g., prices) or indirectly (e.g., derived from prices).

Biological assets (livestock) is held on the experimental farms and the land held by the Lila Theron Trust. It consists of game, cattle and sheep. Fair values of livestock are based on market prices of similar livestock in the Free State region at year-end. Prices were provided by an independent auctioneer. Fair values are within level 2 of the fair value hierarchy.

The following table presents the changes in level 2 Biological assets for the periods ended 31 December 2025 and 31 December 2024:

	Group		University	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Opening net carrying amount	8 672	7 869	6 077	5 166
Selling	(1 797)	(3 218)	(195)	(1 804)
Additions	579	43	361	-
Revaluation	3 700	3 979	2 514	2 715
Closing net carrying amount	11 154	8 672	8 757	6 077

20. Cash flow information

20.1 Cash generated from operations

	Notes	Group 2025 R'000	Group 2024 R'000	University 2025 R'000	University 2024 R'000
Reconciliation of net surplus to cash generated from operations:					
Surplus for the year before market value adjustments on investments		1 707 485	1 248 837	1 704 354	1 245 897
(Income)/loss from associate		121	(103)	121	(103)
Surplus for the year without associate		1 707 605	1 248 734	1 704 475	1 245 794
Adjustments for:					
Depreciation	18.1	145 071	134 557	144 896	134 387
Interest received (CASH PORTION)		(339 455)	(365 280)	(339 243)	(364 960)
Interest on loan to associate		(2 874)	(2 681)	(2 874)	(2 681)
Administration cost financial assets	15	16 310	35 639	16 284	35 564
Interest expense		15 828	21 080	15 828	21 080
(Profit)/loss on sale of assets	11	35 889	9 627	35 889	9 621
Deferred income accrued		-	(295)	-	(295)
Impairment loss relating to loan to related party		66 047	-	66 047	-
Purchase of property, plant and equipment and cost of patents relating to grants	18.7	9 734	18 125	9 734	18 125
Changes in working capital (excluding the effects of acquisitions and disposals):					
- Inventories		1 453	1 035	1 453	1 035
- Financial assets		(949 929)	(331 022)	(947 283)	(329 936)
- Deferred tax		-	-	-	-
- Biological assets		(2 482)	(803)	(2 679)	(912)
- Trade and other receivables		(237 108)	34 475	(237 108)	34 019
- Student loans		-	-	-	-
- Trade and other payables		310	(12 213)	(2 911)	(10 920)
- Deferred income		1 440	(134 739)	1 440	(134 739)
- Retirement benefit surplus		(30 880)	(22 140)	(30 880)	(22 140)
- Post-employment medical obligation		26 872	31 729	26 872	31 729
- Accrued leave obligation		(548)	(13 042)	(548)	(13 042)
- Post-employment group life obligation					
Cash generated from operations		463 282	652 785	459 390	651 729

20.2. Net liabilities from financing activities reconciliation

This note sets out an analysis of net liabilities from financing activities and the movements therein for the periods presented.

		Group		University	
	Notes	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Net liabilities as at 1 January		**164 389**	183 496	**164 389**	183 496
New loans		**-**	-	**-**	-
Interest accrued		**15 828**	21 080	**15 828**	21 080
Cash flow payments		**(26 633)**	(40 187)	**(26 633)**	(40 187)
Net liabilities as at 31 December	17.6	**153 585**	164 389	**153 585**	164 389

Further detail regarding borrowings is disclosed under note 17.6.

20.3. Interest received reconciliation

This note sets out a reconciliation between the total interest income and the cash interest received:

Total interest income	14.1	**519 956**	566 863	**519 255**	565 900
Minus interest from financial assets at fair value through profit/loss		**(177 626)**	(198 902)	**(177 138)**	(198 258)
Minus interest from loans raised		**(2 874)**	(2 681)	**(2 874)**	(2 681)
Interest received in cash		**339 455**	365 280	**339 243**	364 960

Risks

This section of the notes discusses the group's exposure to various risks and shows how these could affect the group's financial position and performance.

21. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

21.1 Significant estimates and judgements

The areas involving significant estimates or judgements are:

- Estimation of revenue when a contract includes a variable amount relating to recognition of contract revenue - Note 8.
- Estimated fair value of certain financial assets – notes 19.
- Estimation of fair values investment property – notes 18.2.
- Estimation of employee benefit obligation and assets – note 18.6.
- Recognition of deferred tax asset for carried forward tax losses – note 18.8.
- Estimation of useful lives of assets - note 18.1

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

22. Financial risk management

This note explains the group's exposure to financial risks and how these risks could affect the group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Risk	Note	Exposure arising from	Measurement	Management
Market risks:				
- Foreign exchange	22.1.1	Future commercial transactions	Cash flow forecasting and sensitivity analysis	Portfolio diversion and foreign investments to off-set exposure.
- Interest rate risk	22.1.2	Long-term borrowings at variable rates	Sensitivity analysis	Business models to fund ventures from external borrowings carefully considered and variable versus fixed rates considered.
- Security prices	22.1.3	Investments in equity securities	Sensitivity analysis	Portfolio diversion
Credit risk	22.2	Cash and cash equivalents, trade receivables, loans to related parties.	Aging analysis and credit rating	Diversification of bank deposits, credit limits. Investment guidelines for debt investments.Guarantees provided by third parties.
Liquidity risk	22.3	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.

Risk management is performed by the relevant decision-making structures in the group in accordance with the policies approved by the Council or board of directors as applicable. Senior management identify, evaluate and coordinate the management of strategic risks faced by the group. Risk management processes are reviewed regularly for continuing relevance and effectiveness. A report on the risk management process that is being followed, as well as a summary of the risk register, was presented to the Audit and Risk Management Committee and to the Council of the university during the year under review.

The Group's investment channels have strong investment characteristics and no portfolios that have speculative characteristics, are being utilised.

22.1 Market risk

22.1.1 Foreign currency risk

Exposure

The group's exposure to foreign currency risk is mainly in the event of foreign sales transactions, settled on normal trade terms. This exposure is not significant and therefore no formal policy is in place to manage this risk.

The group is further exposed to foreign currency risk in regards to foreign investments held, mainly denominated in US dollar. Foreign currency risk exposure relating to foreign investments, are managed by independent fund managers in terms of formal mandates. A multi-manager approach is followed in appointing investment managers to limit investment risk exposures. These fund managers are overseen by and report to the Investment Committee of the university.

	Group		University	
	2025 %	2024 %	**2025 %**	2024 %
Foreign investment exposure to foreign currencies (Also refer to 17.4)				
Rand	**66%**	64%	**66%**	64%
US Dollar	**34%**	36%	**34%**	36%
	R '000	R '000	**R '000**	R '000
Sales revenue for the year dominated in foreign currency (ZAR amount).	**24 617**	35 377	**24 617**	35 377
Trade receivables dominated in foreign currency as at 31 December (ZAR amount)	**1 187**	1 893	**1 187**	1 893

Sensitivity

As shown in the table above, the group is primarily exposed to changes in US/ZAR exchange rates.

The table below shows the foreign currency risk exposure on foreign currency investments, taking into account a possible 10% variance in foreign currency rates.

	Group	University
	R '000	R '000
Possible variances in foreign currency rates:	±10%	±10%
Foreign Investments, profit and loss and equity	499 966	465 626

22.1.2 Cash flow and fair-value interest rate risk

Exposure

Interest rate risk is the possibility that the group may suffer financial loss if either a fluctuating interest rate or fixed interest rate position is entered into and the interest rates move adversely. The group's income and operating cash flows are substantially independent of changes in market interest rates.

The university has interest rate exposure on interest-bearing liabilities. Interest rate attributes of new loans are reviewed and approved in accordance with policies approved by Council to ensure interest rate exposure will not exceed acceptable levels, Interest rates of all current loan agreements are fixed for their full term, except for the ABSA overdraft facility and therefore operating cash flows are substantially independent of changes in market interest rates. Refer to note 17.6 for further disclosures regarding interest-bearing borrowings and related interest rates. The university also pays creditors within agreed settlement periods to avoid interest exposures. The university has interest-bearing assets. The income and operating cash flows are substantially independent of changes in market interest rates and therefore the university did not enter into any agreements regarding interest rate derivatives for the 2023 and 2022 financial years.

The interest rate exposure on total borrowings of the group are at fixed rates.

			2025		2024	
	Note	Rate	R'000	% of borrowings	R'000	% of borrowings
Fixed rate borrowings	17.6		**(153 585)**	**100%**	(164 389)	100%
FirstRand Bank		10.13%				
Development Bank of South Africa		12.04%				
Variable rate borrowings*	17.3	Prime	-	**0%**	-	0%

* Interest is levied on the utilised overdraft balance only if the balance exceed the positive account balance of the current account at ABSA. This did not occur during 2024 or 2025, therefore no interest was levied.

No sensitivity analysis was performed as the likelihood that the group would be exposed to interest rate risk is highly unlikely.

Exposure

The university holds a substantial amount of interest-bearing investments and interest earning bank deposits. Interest risks relating to the university's investments are managed and monitored by the Investment Committee.

Sensitivity

The table below shows the interest rate risk exposure on the university's surplus taking into account a possible variance of 50 basis points. Only exposure due to interest earned on current investments were considered, as the interest on Receivables are not significant.

The exposure of the university is not significantly different from that of the group, therefore no separate disclosure of the sensitivity.

	2025
	R '000
Possible variance in interest rate risk effect on Profit/Loss:	**±0.50%**
Current investments	**1 992**

22.1.3 Price risk

Exposure

The group is exposed to equity securities price risk because of investments held by the group classified on the statement of financial position as financial assets through profit and loss. The group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the group diversified its investment portfolio. The diversification is done by independent fund managers and the limits of diversification are overseen by the Investment Committee. A multi-manager approach is followed in appointing investment managers to limit further price risk. Also refer to note 17.4 for further information regarding investments.

		Group			
		2025		2024	
	Note	R'000	% of investment portfolio	R'000	% of investment portfolio
Listed national shares	17.4	**2 898 697**	**20%**	2 357 999	18%
Foreign shares	17.4	**4 999 658**	**34%**	4 656 262	36%

Sensitivity

The table below shows the price risk exposure of the group taking into account a possible variance of 10% in the FTSE / JSE CAPI index, with all other variables held constant.

The exposure of the university is not significantly different from that of the group, therefore no separate disclosure of the sensitivity.

	2025
	R '000
Possible variance in price risk effect on Profit/Loss:	±10%
Shares (listed)	**289 870**
Foreign shares	**499 966**

22.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through profit or loss (FVPL), deposits with banks and financial institutions, as well as credit exposures to students and customers, including outstanding receivables.

22.2.1 Risk management

The group is exposed to credit risk in for the following classes of transactions and balances:

		Related notes
22.2.2.1	Student fees and trade receivables	17.1
22.2.2.2	Student loans and other loans	17.2
	Cash and cash equivalents	17.3
22.2.2.3	Financial instruments at FV through profit and loss	17.4

The group has no significant concentration of credit risk.

For banks and financial institutions, only independently highly rated parties are accepted and the university has policies in place to ensure that credit exposure to any one institution is limited.

It also has policies in place to ensure that rendering of education service are made to either students with an appropriate credit history or that these students have bursaries in place from organisations with an appropriate credit history.

Commercial customers are rated with consideration of the customers financial position, past experience and other factors.

The group is of the opinion that as at 31 December 2025, there existed no material credit risks that were not provided for.

22.2.2 Impairment of financial assets

The group has the following types of financial assets that are subject to the expected credit loss model:
- Student and trade receivables (note 22.2.2.1)
- Debt investments carried at amortised cost (Student loans and other loans) (note 22.2.2.2)

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

22.2.2.1 Student and trade receivables

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all student, trade receivables and contract assets. To measure the expected credit losses, student and trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales / services rendered over a period of 36 month before 31 December 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables. Historical loss rates are then accordingly adjusted. Also refer to the separate heading below for more factors considered in adjusted the provision for student receivables.

On that basis, the loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows for both student and trade receivables.

Student receivables

The university is exposed to credit risk regarding student receivables. The university requires students to pay a minimum deposit on registration in respect of fees in order to mitigate the risk. Outstanding fees are monitored on a regular basis and action is taken in respect of long outstanding amounts.

Student receivables are deemed impaired and credit losses are provided for if the students do not register for the next academic year and did not obtain a qualification.

The UFS require that all student debt has to be settled as follows within the year in which it is incurred:

- 31 March: All first-semester fees and 50% of year programs fees need to be settled.
- 30 June: All year program fees for international students need to be settled in full.
- 31 August: All second-semester fees and year program fees need to be settled in full.

A student not complying with the settlement terms above is considered to be a defaulting student.

All receivables deemed inpaired, are written off and handed over to third-party collectors.

Any student whose account has been written off as bad debt will only be readmitted to the UFS once the total amount that was written off has been settled in full.

The expected loss rate for these students are adjusted, based on past trends that take into consideration the ability of external debt recovery agents to recover money on behalf of the UFS. Students are not allowed to register for the next academic year if they still have outstanding debt or not being able to secure their registration during the provisional registration process.

Students with outstanding debt who obtained a qualification are not considered to be impaired to the same extend as the above students. This is based on historical evidence that these students do settle their debt in order to collect their qualifications. The provision for these students do however take into account the ability of external debt recovery agents, as well as the students ability in the current economic environment to settle the outstanding amounts.

The listing of students who did not register again and who did not complete their degrees, relate to the academic year being the year reported on. None relate to prior academic years.

In all the above categories, NSFAS qualifying students were separately considered for the calculation of expected credit losses, because the qualifying criteria for NSFAS bursaries take into consideration the students' household income and ability to settle outstanding fees not covered by the NSFAS bursaries.

The credit quality of student receivables are managed by the university with reference to the following categories, were determined on a basis of historical student default rates and the effectiveness of external debt recovery agents who recover money on behalf of the UFS:

Student receivables only exist in the university, therefore disclosures for the group and the university will be the same.

Gross student receivables	2025 R '000	% deemed irrecoverable	R '000 deemed irrecoverable
Students not registered again who received NSFAS	**93 785**	**96%**	**90 116**
Students not registered again who did not receive NSFAS	**54 656**	**37%**	**20 199**
Students who registered	**84 331**	**25%**	**21 402**
Students not at risk	**29 734**	**0%**	**-**
	262 506		**131 717**

Gross student receivables	2024 R '000	% deemed irrecoverable	R '000 deemed irrecoverable
Students not registered again who received NSFAS	107 957	71%	76 541
Students not registered again who did not receive NSFAS	13 744	17%	2 381
Additional allowance for students not registered again*	24 240	100%	24 240
Students who registered	83 931	3%	2 716
Additional allowance for students who registered*	25 643	100%	25 643
NSFAS payment amount analysed with high potential of non-recoverability*	61 500	100%	61 500
	317 014		193 021

* In line with institutional policy, students are required to settle all outstanding debt prior to registration. However, annually, financial concessions are considered by the Financial Working Group—a formal body comprising university management and the SRC—based on registration performance, debt trends, and access imperatives. During the 2023 and 2024 academic cycles, exceptional concessions were granted to mitigate under-enrolment risk, contributing to elevated levels of historic student debt. These concessions, while promoting academic access, delayed recoverability and impacted the rolling debt profile. For the 2025 registration cycle, improved enrolment and smoother registration processes allowed for a re-alignment of financial concessions. As a result, a once-off adjustment has been processed in 2025 to write off portions of historic student debt deemed irrecoverable. This adjustment is distinct from the ECL provision, which continues to reflect the technical assessment of expected credit losses on the remaining debt portfolio.

It was observed that there is no material distinction between the repayment of debt from students who obtained a qualification and those who have not obtained a qualification. For this reason the categorisation of student debt in terms of qualification was disregarded for the 2024 ECL calculation.

The closing loss allowances for student and other receivables as at 31 December 2024 reconcile to the opening loss allowances as follows:

Student receivables loss allowance	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Opening loss allowance	**193 021**	168 552	**193 021**	168 552
New allowance / (Allowance reversal) for credit losses	**18 847**	85 330	**18 847**	85 330
(Receivables written off) during the year.	**(80 151)**	(60 861)	**(80 151)**	(60 861)
Closing net carrying amount	**131 717**	193 021	**131 717**	193 021

Other receivables (excluding tax receivable) - 2025

When commercial customers fail to meet contractual obligations, they are considered to be a defaulting customer.

The university mitigate credit risk relating to commercial customers by ensuring that legal agreements are in place for all projects and grants. Outstanding fees are monitored on a regular basis and action is taken in respect of long outstanding amounts. When a thrid party defaulted, the account is handed over to third-party debt collectors.

Writing of of irrecoverable debt, will only be considered where the collecting agent/attorney had declared and provided proof that the account is irrecoverable or the account has prescribed to government debt prescription guidelines.

	Group					
	R '000	R '000	R '000	R '000	R '000	R '000
31 December 2025	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due plus specific debtors*	Total
Expected loss rate - University	0%	0%	1%	1%	9%	-
Gross carrying amount	9 073	13 718	3 458	612	8 065	34 926
Loss Allowance	-	-	35	6	762	803

*Included in the loss allowance are specific debtors provided for at 100%.

Other receivables (excluding tax receivable) - 2024

	Group					
	R '000	R '000	R '000	R '000	R '000	R '000
31 December 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Expected loss rate - University	0%	0%	1%	1%	59%	-
Gross carrying amount	46 710	19 074	2 299	661	4 950	73 695
Loss Allowance	-	-	23	7	2 905	2 935

	Group		University	
Trade Receivables loss allowances	**2025**	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Opening loss allowance	**2 935**	22 373	**2 935**	22 373
(Reversal) / New allowance for credit losses	**(2 132)**	(5 612)	**(2 132)**	(5 612)
Receivables written off during the year	**-**	(13 826)	**-**	(13 826)
Closing net carrying amount	803	2 935	803	2 935

Student and trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on student and trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

22.2.2.2 Student loans and other loans

Credit quality of student loans

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider 'low credit risk' when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The credit quality of student loans are managed by the university with reference to the following categories:

- Student loans for students still studying, to the value of R0m (2024 – R0m) are neither past due nor impaired, as the loans are not yet repayable. Students that are still studying are deemed as recoverable.
- Student loans for students who completed their studies to the value of R0m (2024 – R0m) are past due. The 2022 balance were fully written off during 2023.

The age analysis of these loans are as follows:

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Current	-	-	-	-
30 Days	-	-	-	-
60 Days	-	-	-	-
90 Days	-	-	-	-
120 Days and longer	-	-	-	-
	-	-	-	-

As at 31 December 2025, student loans of R0m (2024: R0m) were impaired and provided for. These individually impaired student loans mainly related to students who experienced difficulty repaying the loans. These loan balances were fully written off during 2023.

Movement on the allowance for credit losses for students who completed their studies, which are past due are as follows:

	Group		University	
	2025	2024	**2025**	2024
	R ' 000	R ' 000	**R ' 000**	R ' 000
Opening net carrying amount	-	-	-	-
(Reversal) / Allowance for new credit losses	-	-	-	-
Loans written off during the year	-	-	-	-
Closing net carrying amount	-	-	-	-

The creation and release of allowances for credit losses have been included in 'Other operating expenses' in the consolidated and stand alone statement of comprehensive income. Amounts charged to the statement of comprehensive income are generally written off when there is no reasonable expectation of recovery.

Credit quality of intercompany loan

The university entered into a loan agreement with FARMOVS (Pty) Ltd on 1 October 2018. FARMOVS (Pty) Ltd was a fully owned subsidiary up to 1 March 2022. Refer to note 17.2 for disclosures relating to the amount of the loan. The holding company of FARMOVS (Pty) Ltd undertook to the UFS that whenever the Company does not pay any amount when due and payable or scheduled to be paid under or in connection with the Guaranteed Obligations, the holding company shall, within 60 business days of written notification by the UFS, pay or procure that such amount due and payable is paid to the UFS. The holding company was however placed under business rescue towards the end of 2025, which makes the recoverability of the loans questionable.

22.2.2.3 Credit quality of financial instruments at FV through profit and loss

The credit quality of investments are managed by the university with reference to the following categories.

External credit ratings were included where available.

	Group		University	
	2025	2024	2025	2024
	R ‘ 000	R ‘ 000	R ‘ 000	R ‘ 000
National bonds and unlisted debt	**2 771 688**	2 096 472	**2 771 688**	2 096 472
Listed national shares	**2 898 697**	2 357 999	**2 880 721**	2 342 020
Foreign shares and bonds	**4 999 658**	4 656 262	**4 982 199**	4 640 776
Futures	**584**	296	**584**	296
Current investments **	**3 983 775**	3 779 289	**3 979 473**	3 775 302
	14 654 401	12 890 317	**14 614 666**	12 854 866

** Current investments consist of cash in both the long and medium term portfolio's retained for investment trading purposes and short term interest bearing securites. These investments are managed by reputable investments managers. The Short term portfolio aims to deliver a return that is 1.0% p.a. in excess of inflation net of all charges over any 12 month period with a standard deviation of 2.0% p.a. as per the UFS's investment principals. Futhermore the portfolio aims to provide a high degree of certainty about the return over the next 12 months and has an low risk of a nominal capital loss over any 12 month period.

	Group		University	
	2025	2024	2025	2024
% Exposure of investments per category	%	%	%	%
National bonds and unlisted debt	**19%**	16%	**19%**	16%
Listed national shares	**20%**	18%	**20%**	18%
Foreign shares and bonds	**34%**	36%	**34%**	36%
Futures	**0%**	0%	**0%**	0%
Current investments	**27%**	29%	**27%**	29%
	100%	100%	**100%**	100%
Listed National bonds and unlisted debt maturity				
0 – 1 year	**19.96%**	21.06%	**19.96%**	21.06%
1 – 3 years	**12.59%**	4.07%	**12.59%**	4.07%
3 – 7 years	**28.81%**	26.59%	**28.81%**	26.59%
7 – 12 years	**20.13%**	27.89%	**20.13%**	27.89%
12+ years	**18.51%**	20.39%	**18.51%**	20.39%
	100.00%	100.00%	**100.00%**	100.00%

22.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the group aims to maintain flexibility in funding by keeping committed credit lines available.

The group has minimised risk of liquidity as shown by its sufficient cash, cash equivalents and investment portfolio. Management monitors rolling forecasts of the group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents (note 17.3) on the basis of expected cash flows. Data used in cash flow projections relating to major income sources are based on the following: Subsidy payments from DHET – known disbursement dates; Tuition fees – Published payment dates. Furthermore, 70% of students are NSFAS funded and cash flow projections relating to these are based on NSFAS disbursement schedules, when available. Expenditure cash flows as based on historical trends. This is generally carried out at local level in the operating companies of the group in accordance with practice and limits set by the group. These limits vary by location to take into account the liquidity of the market in which the entity operates.

The cash budget is continuously updated and reported to Executive Management. An Investment Committee also oversees the investment portfolio managed by independent fund managers. A multi-manager approach is also followed in appointing investment managers to limit further liquidity risk.

Maturity of financial liabilities

The table below analyses the group's and the university's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The table below analyses the group's and the university's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Group				
	R'000	R'000	R'000	R'000	R'000
At 31 December 2025	Less than 1 year	Between 2 and 3 years	Between 4 and 5 years	Over 5 years	Carrying amount liabilities
Borrowings	28 630	63 863	71 753	53 182	153 585
Trade and other payables	797 128	–	–	–	797 128
	825 758	63 863	71 753	53 182	950 713

	R'000	R'000	R'000	R'000	R'000
At 31 December 2025	Less than 1 year	Between 2 and 3 years	Between 4 and 5 years	Over 5 years	Carrying amount liabilities
Borrowings	26 536	59 192	68 404	91 217	164 389
Trade and other payables	796 819	–	–	–	796 819
	823 355	59 192	68 404	91 217	961 208

	University				
	R'000	R'000	R'000	R'000	R'000
At 31 December 2024	Less than 1 year	Between 2 and 3 years	Between 4 and 5 years	Over 5 years	Carrying amount liabilities
Borrowings	28 630	63 863	71 753	53 182	153 585
Trade and other payables	778 952	–	–	–	778 952
	807 582	63 863	71 753	53 182	932 536

	R'000	R'000	R'000	R'000	R'000
At 31 December 2024	Less than 1 year	Between 2 and 3 years	Between 4 and 5 years	Over 5 years	Carrying amount liabilities
Borrowings	26 536	59 192	68 404	91 217	164 389
Trade and other payables	781 862	–	–	–	781 862
	808 398	59 192	68 404	91 217	946 251

23. Capital risk management

The group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Due to the varying nature of the university and it main subsidiary, their capital management strategies are disclosed separately below.

University

Funds comprise restricted and unrestricted funds. Restricted funds comprise funds which are subject to specific conditions for application. Unrestricted funds are those funds that can be employed by Council at its discretion. Funds on the statement of changes in funds are structured to differentiate between restricted and unrestricted funds.

In order to maintain the capital structure, the university has ensured a sound financial position by limiting exposure to debt and sufficient investment and cash balances, which is evident from the table below. This objective is met by a well-planned budget process each year in which the critical strategic objectives of the university are addressed.

	Group		University	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Current portion of financial assets	3 984 359	3 779 585	3 980 057	3 775 598
Cash and cash equivalents	205 341	181 110	202 863	179 304
Total	4 189 700	3 960 695	4 182 921	3 954 902
Current liabilities	732 458	459 490	714 281	444 534
Total current liabilities	732 458	459 490	714 281	444 534
Net position	3 457 242	3 501 204	3 468 640	3 510 368

Group structure

This section provides information which will help users understand how the group structure affects the financial position and performance of the group as a whole. In particular, there is information about:

- changes to the structure that occurred during the year as a result of business combinations
- transactions with non-controlling interests

A list of significant subsidiaries is provided in note 24. This note also discloses details about the group's equity accounted investments.

24. Interest in other entities

Principles of consolidation and equity accounting

(i) Subsidiaries
Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Associates
Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) Equity method
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 19.

(iv) Changes in ownership interests
The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

24.1 Group structure and related parties

The group's principal subsidiaries at 31 December 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business. South Africa is the principal place of business for all entities listed below.

Name of entity	Relationship to the university	Ownership and interest held by the university		Financial results	Principal activities
		2025	2024		
Kovsie Alumni Trust	The university is the sole beneficiary	100%	100%	Note 24.2.1	Marketing to Alumni to facilitate bursaries to students
Lila Theron Trust	The university is the sole beneficiary	100%	100%	Note 24.2.1	Commercial Farming
Shimla Stigting	The university is the sole beneficiary	100%	100%	Note 24.2.1	Promotion of Shimla Rugby
Kovsie Holdings (Pty) Ltd	Full subsidiary	100%	100%	Note 24.2.1	Dormant
Achilla Bioscience (Pty) Ltd	Full subsidiary	100%	100%	Note 24.2.1	Dormant
Farmovs (Pty) Ltd	Associate	49.5%	49.5%	Note 24.3.1	Clinical research company
Sun Media Bloemfontein (Pty) Ltd	Non-controlling interest	17.0%	17.0%	Note 24.3.1	Dormant
Verisol (Pty) Ltd	Non-controlling interest	10.0%	10.0%	Note 24.3.1	Holding of investment property rights
Moraband investments (Pty) Ltd	Associate	40.0%	40.0%	Note 24.3.1	Commercialisation of research
Freefarm Innovations (Pty) Ltd	Associate	50.0%	50.0%	Note 24.3.1	Agricultural research
Nova Logix (Pty) Ltd	Non-controlling interest	24.5%	24.5%	Note 24.3.1	Commercialisation of research

All of the above entities are wholly owned, except for Farmovs (Pty) Ltd, SunMedia Bloemfontein (Pty) Ltd, Moraband Investments (Pty) Ltd, Freefarm Innovations (Pty) Ltd, Verisol (Pty) Ltd, which is accounted for as investment in associate under note 24.3.1.

Refer to note 24.4 for details of related party transactions with the parties listed above.

24.2 Subsidiaries

The financial results of all subsidiaries are not material, individually or combined. The combined financial results are disclosed in note 24.2.1 below.

24.2.1 Statement of financial position of all subsidiary undertakings

	2025	2024
Assets	**R '000**	R '000
Property, plant and equipment	**4 205**	4 126
Biological Assets	**2 397**	2 595
Investments	**39 736**	35 452
Inventory	**-**	-
Receivables and prepayments	**386**	387
Bank and cash	**2 478**	1 806
Total assets	**49 203**	44 365
Funds and liabilities:		
Accumulated profit / funds available	**31 026**	29 408
Borrowings	**-**	-
Trade payable	**18 177**	14 957
Total funds and liabilities	**49 203**	44 365

24.3 Investment in associates and subsidiaries

24.3.1 Investment in associates

		Group		University	
		2025	2024	2025	2024
Unlisted		R '000	R '000	R '000	R '000
- Sun Media Bloemfontein (Pty) Ltd	24.3.1.1	-	-	-	-
- Verisol (Pty) Ltd	24.3.1.2	679	829	679	829
- Farmovs (Pty) Ltd	24.3.1.3	-	-	-	
- Moraband Investments (Pty) Ltd	24.3.1.4	-	-	-	-
- Freefarm Innovations (Pty) Ltd	24.3.1.5	65	36	65	36
Total investment in associates		744	865	744	865

24.3.1.1 Sun Media Bloemfontein (Pty) Ltd

	2025	2024	2025	2024
	R '000	R '000	R '000	R '000
Opening net carrying amount	-	-	-	-
Profit/(loss) in associate	-	-	-	-
Closing net carrying amount	-	-	-	-
Revenue of the associate	-	-	-	-
Assets and liabilities of the associate:				
Assets	-	-	-	-
Liabilities	-	-	-	-
Equity	-	-	-	-

The university holds a 17% share in Sun Media Bloemfontein (Pty) Ltd. The company is a publishing organisation which operates principally in South Africa. The shares (320 shares representing 33.3%) were acquired on 1 January 2009, of which The university sold 160 shares, representing 16% of it's share's in February 2020 to the Central University of Technology for R171 294. Since 31 December 2023 the company was in the process of being liquidated.

The investment has been accounted for using the equity method.

24.3.1.2 Verisol (Pty) Ltd

	Group		University	
	2025	2024	2025	2024
	R '000	R '000	R '000	R '000
Opening net carrying amount	829	762	829	762
Profit/(loss) in associate	(150)	67	(150)	67
Closing net carrying amount	679	829	679	829
Revenue of the associate (2024: 10%)	550	785	550	785
Assets and liabilities of the associate: (2024: 10%)				
Assets	694	856	694	856
Liabilities	15	27	15	27
Equity	679	829	679	829

The university holds a 10% shares in Verisol (Pty) Ltd. The company is a mainly holding intellectual property rights. Verisol (Pty) Ltd holds 100% shares in Edutec (Pty) Ltd.

The investment has been accounted for using the equity method.

	Group		University	
24.3.1.3 Farmovs (Pty) Ltd	**2025**	2024	**2025**	2024
	R '000	R '000	**R '000**	R '000
Cost	**56 504**	56 504	**56 504**	56 504
Accumulated impairment	**(56 504)**	(56 504)	**(56 504)**	(56 504)
Closing net carrying amount	-	-	-	-
Revenue of the associate (2025: 49.5%)	**54 354**	56 504	**54 354**	52 911
Profit / (Loss) of the associate (2025: 49.5%)	2 625	4 441	2 625	4 441
Assets and liabilities of the associate: (2024: 49.5%)		-		
Assets	**78 534**	62 507	**78 534**	62 507
Liabilities	**98 350**	81 772	**98 350**	81 772
Equity	(19 816)	(19 265)	(19 816)	(19 265)

Farmovs (Pty) Ltd is a clinical research organisation involved in pharmaceutical contract research and operates principally in South Africa. The university had a 30% share in Farmovs (Pty) Ltd during 2017. The shares (200 000 shares representing 20%) were acquired on 1 September 2000 and additional shares (100 000 shares representing 10%) were acquired on 1 September 2003. On 1 February 2018 the university obtained 100% of the shares of the company. The Company issued additional shares (4000 subscription shares) to the university on 31 December 2021 for R20 m. On 1 March 2022, the university sold 50.5% of it's shares to Avacare Shared Service CMA (Pty) Ltd. The company had a negative net asset value at 31 December 2023 and 31 December 2024. For this reason the investment has been fully impaired.

	Group		University	
24.3.1.4 Moraband Investments (Pty) Ltd	**2025**	2024	**2025**	2024
	R '000	R '000	**R '000**	R '000
Opening net carrying amount	-	-	-	-
Profit/(loss) in associate	-	-	-	-
Closing net carrying amount	-	-	-	-
Revenue of the associate (2024: 40%)	-	-	-	-
Profit / (Loss) of the associate (2024: 40%)	(30)	(28)	(30)	(28)
Assets and liabilities of the associate: (2024: 40%)				
Assets	**2**	20	**2**	20
Liabilities	**92**	79	**92**	79
Equity	(89)	(59)	(89)	(59)

The university holds a 40% shares in Moraband Investments (Pty) Ltd. Moraband Investments (Pty) Ltd holds 100% shares in Calipso Investments (Pty) Ltd, Almach Investments (Pty) Ltd, Cygnus Investments (Pty) Ltd. The group made a loss for for 2024 and is in a net liability position, for this reason the investment is carried at a zero net value.

The investment has been accounted for using the equity method.

	Group		University	
24.3.1.5 Freefarm Innovations (Pty) Ltd	**2025**	2024	**2025**	2024
	R '000	R '000	**R '000**	R '000
Opening net carrying amount	36	-	36	-
Profit/(loss) in associate	**29**	36	**29**	36
Closing net carrying amount	65	36	65	36
Revenue of the associate (2024: 50% x 49%)	**78**	120	**78**	120
Profit / (Loss) of the associate (2024: 50% x 49%)	28	36	28	36
Assets and liabilities of the associate: (2024: 50% x 49%)				
Assets	**86**	82	**86**	82
Liabilities	**21**	46	**21**	46
Equity	65	36	65	36

The university holds a 50% share in Freefarm Innovations (Pty) Ltd. Freefarm Innovations (Pty) Ltd holds a 49% share in Nova Logix (Pty) Ltd. Freefarm Innovations (Pty) Ltd is a dormant company. Nova Logix (Pty) Ltd started transacting for the first time during 2024.

24.4 Related party transactions and balances

The following transactions were carried out by the university with related parties as disclosed under note 24.1.

	Farmovs (Pty) Ltd	
	2025	2024
	R '000	R '000
Balances:		
Intercompany loans receivable	-	62 992
Gross amount	66 047	62 992
Impairment	(66 047)	-
Trade receivables from entity	4 071	2 073
Trade payables to the entity	-	-
Transactions:		
Rent received (including water, electricity and security services)	**6 595**	7 036
Purchases of goods and services	818	2 985
Interest received	2 874	2 681
Other income	387	618

	Lila Theron Farm		Kovsie Alumni Trust	
	2025	2024	**2025**	2024
	R '000	R '000	**R '000**	R '000
Balances:				
Trade receivables from entity	**15 750**	14 848	-	-
Transactions:				
Distribution from entity to the UFS	**779**	241	**2 372**	-
Admin fees income	**94**	90	**15**	37

The intercompany loan to Farmovs (Pty) Ltd is fully impaired. Please refer to note 17.2.
Services and rental income are based on normal commercial terms and conditions.
Payables to related parties arise mainly from purchase transactions. The payables bear no interest.

Executive management are also deemed related parties of the university. Refer to note 12.1 for a list of all executive members and their remuneration during the financial year.

Unrecognised items

This section of the notes provides information about items that are not recognised in the financial statements as they do not (yet) satisfy the recognition criteria.

25. Commitments

Capital commitments

	Group 2025 R '000	University 2025 R '000	Group 2024 R '000	University 2024 R '000
Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:				
Property, plant and equipment	162 886	162 886	148 816	148 816

These expenditure will be funded from existing financial resources and a portion of these capital commitments will be funded from future Government Grants for infrastructure.

26. Events after reporting date

Management is not aware of any material event which occurred after the reporting date.

27. Contingent liabilities

At year-end possible contingent liabilities with a total of less than R8 million exist. The university's management consider the likelihood of the actions against the university being successful as unlikely.

28. Summary of significant accounting policies not disclosed in individual notes above

28.1 Foreign currency translation

28.1.1 Functional and presentation currency

Items included in the financial statements of each of the university's entities are measured using the currency of the primary economic environment in which the university operates ('the functional currency'). The consolidated financial statements are presented in South African Rand (R), which is the university's functional and presentation currency.

28.1.2 Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within "finance income or cost". All other foreign exchange gains and losses are presented in the statement of comprehensive income within "other (losses) / gains – net".

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit / loss, and other changes in the carrying amount are recognised in equity.

28.2 Principals of consolidation

28.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group (refer to note 24).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

28.2.2 Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within "finance income or cost". All other foreign exchange gains and losses are presented in the statement of comprehensive income within "other (losses) / gains – net".

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit / loss, and other changes in the carrying amount are recognised in equity.

28.2.3 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 19.

28.3 Funds and reserves

28.3.1 Unrestricted use funds

The unrestricted funds reflect the university's subsidised activities and also includes the tuition fees. Additions to these funds mainly comprise formula-subsidy, tuition fees and the sales and services of educational activities, as well as transfers from other funds to finance expenditure.

Expenditure mainly comprises direct expenses in academic departments for training, research and community service, as well as other support service expenses, such as academic administration, library facilities, bursaries and loans. Institutional expenses, such as expenses incurred for the executive, student services, information technology and operating costs regarding land and buildings, are also recorded here. The budget of the university, as approved by Council, finds expression in this fund.

28.3.2 Unrestricted designated funds

These funds fall under the discretion of Council and were designated for specific purposes aligned towards the strategic goals of the institution.

28.3.3 Funds for specific purposes

These funds may be used only for the purposes that have been specified in legally binding contracts by the provider of such funds or by another legally empowered person. The University Council has no discretion or control in this regard, but retains an oversight role with regard to ensuring that expenditure is in accordance with the mandate received from funders and University.

28.3.4 Trust and endowment funds

Trust and endowment funds refer to special sources of funding that are held and managed separately from the university's general operating budget. These funds are usually established through donations or bequests and come with specific conditions or purposes.

28.3.5 Restricted funds- Residences

The student housing segment relates to the provision of accommodation and accommodation-related services to students (residences). Income from this source is shown separately in the statement of comprehensive income as per requirements of the Department of Higher Education and Training (DHET).

28.3.6 Financial instruments at FVPL reserves

The university has elected to recognise unrealised changes in the fair value of investments at FVPL in a separate fund as these funds are not readily available for use.

28.3.7 Fixed assets fund PPE

These are funds utilised and invested in property, plant and equipment (PPE).

UNIVERSITY OF THE FREE STATE

SUPPLEMENTARY FINANCIAL STATEMENT 1
NON-CURRENT AND CURRENT INVESTMENTS
as at 31 December 2025 (all amounts in R'000)

GROUP AND UNIVERSITY

TYPE OF INVESTMENT	Book value at beginning of the year	Market value at beginning of the year	Cost of additions during the year	Total withdrawals during the year	Surplus/ deficit on disposal of investments	Increase/ decrease on market value	Book value at year-end	Market-/ estimated realisable value	Total income received
Non-current investments									
Government stocks/ bonds	1 962 141	2 096 472	2 601 560	(2061 827)	(103 497)	135 483	2 501 874	2 771 688	-
Shares (listed)	1 941 540	2 357 999	1 080 007	(869 121)		329 812	2 152 426	2 898 697	377 018
Other	2 697 334	4 656 262	866 187	(587 419)	11 607	64 628	2 976 101	4 999 658	-
Current investments									
Futures	1 758	296	155 172	(155 648)	-	765	1 281	584	-
Other	3 773 231	3 779 289	4 162 471	(3 959 787)	-	1 802	3 975 915	3 983 775	232 165
TOTAL	10 376 004	12 890 317	8 865 397	(7 633 803)	(91 890)	532 490	11 607 598	14 654 401	609 182

This statement is unaudited and does not form part of the consolidated or stand alone financial statements

UNIVERSITY OF THE FREE STATE

SUPPLEMENTARY FINANCIAL STATEMENT 2
NON-CURRENT AND CURRENT BORROWINGS
as at 31 December 2025

TYPE OF BORROWING	Total R'000	Amounts payable within one year R'000
Banking institutions	(153 585)	(12 894)
TOTAL	(153 585)	(12 894)

This statement is unaudited and does not form part of the consolidated or stand alone financial statements

Appendix 2:

Code of Conduct for the UFS Council and Members of the Council

Policy Name/Title: Code of Conduct for the UFS Council and Members of the Council					
Policy Group(s): Delete categories that are not relevant.	Support Services: Governance				
Type: Tick document category	Policy		Guideline		
	Procedure		Regulation	✓	
UFS Statute and/or regulation reference number and date:	UFS Statute, Government Gazette No 48187, 10 March 2023				
Relevant legislation and/or policy, codes of practice, professional authorities:	1. The Higher Education Act (Act 101 of 1997, as amended)				
Relevant institutional policies/manuals	1. UFS Council Conflict of Interest Policy 2. Disciplinary Procedure for Members of the UFS Council				
Consultation process To be verified and signed off before approval	1. Executive Committee of Council: 15 August 2023 2. Institutional Forum: 04 September 2023 3. Council: 29 September 2023				
Status	Approved as per minute number: 1.1				
Coordinating UMC owner	Registrar				
Contact person	Deputy Registrar: Governance and Policy				
Certification of due process: *To be verified and signed once approved by the relevant authority*	Prof FW Petersen Vice-Chancellor and Principal		18 October 2023 Date		
Approval date	To be inserted	**Commencement date**	To be inserted	**Review date**	To be inserted
	29 Sept 2023		29 Sept 2023		29 Sept 2026

REVISION HISTORY: Only applicable to amended or reviewed policies. Record details of amendments/revision.					
Version number	**Approved/ Rescinded**	**Date**	**Approving Authority**	**Resolution Number** (minutes number)	**Date for next review** (start date for review process)
Version 1	Yes	19 June 2020	Council	9.1.1	

For office use only	
Policy Group (broad policy field)	Support Service: Governance
Subject (policy subfield)	Code (Regulation)
Reference Number	Gov107/C/1.0/23.1
Version Number	V.2
Keywords for Search Engine:	Code of Conduct, Gov107

<table>
<tr><th colspan="2">CODE OF CONDUCT: STATEMENT</th></tr>
<tr><td>1. Preamble/ background</td><td>1.1 The Council (as defined in paragraph 4 below) has, in terms of section 27(7E) (a) of the Higher Education Act (as defined in paragraph 4 below), as amended, after consultation with the Institutional Forum (as defined in paragraph 4 below), adopted the following Code of Conduct to which all members of the Council must subscribe annually.

1.2 The Council is the highest governance authority of the UFS and must ensure effective institutional governance.

1.3 The Council is constituted and mandated by the Statute (as defined in paragraph 4 below) and the Higher Education Act.

1.4 In co-operation with the Senate of the UFS (as defined in paragraph 4 below), the Council is predominantly responsible for the strategic management of the UFS with regard to its focus areas, key success factors, faculties, academic support services and portfolios.

1.5 The Council also determines the nature and scope of the UFS's social responsibilities, protects the institutional autonomy of the UFS, upholds the academic freedom of its members, and deliberates on the nature and role of the UFS.</td></tr>
<tr><td>2. Purpose</td><td>2.1 The intention with this Code of Conduct is to delineate a set of principles for what is regarded as appropriate and reasonable conduct in the performance of a member's functions and duties and to, inter alia, comply with the Higher Education Act.

2.2 The Higher Education Act prescribes that a code of conduct for members of an institutional council must be introduced to ensure good governance of such a council and its members, with specific reference to the declaration of interests in order to ensure that the best interests of a public higher education institution prevail.

2.3 This Code of Conduct must be read, interpreted and implemented in conjunction with the Conflict of Interest Policy and Disciplinary Procedure document (as defined in paragraph 4 below).</td></tr>
<tr><td>3. Scope</td><td>3.1 This Code of Conduct applies to all Council members of the UFS.</td></tr>
<tr><td>4. Definitions and abbreviations</td><td>In order to facilitate ease of reference and reading of this Code of Conduct, unless the context otherwise requires, the following terms shall have the meanings assigned to them below and cognate expressions shall have corresponding meanings:

"Annexure"
means any annexure to this Code of Conduct, which shall be read in conjunction with the provisions of this Code of Conduct, the Conflict of Interest Policy and the Disciplinary Procedure document;

"Chairperson"
means the chairperson of the Council at the time;

"Code of Conduct"
means this official code of conduct of the UFS and related regulations pertaining to the Council and members of the Council;</td></tr>
</table>

	"**Conflict of Interest Policy**" means the official conflict of interest policy of the Council and related regulations pertaining to the Council and members of the Council, as detailed in the separate policy document ancillary to this Disciplinary Procedure document, which shall apply in the event of an actual or presumed conflict of interest; "**Council**" means the Council of the UFS, the function and composition of which is set out in the official UFS Statute; "**Council Committee(s)**" means the official committees of the UFS to which the Council has delegated powers and duties and which act in cooperation with the UFS and the Senate, as contemplated in paragraph 20 of the Statute; "**Disciplinary Procedure**" means the official disciplinary procedure as detailed in the separate disciplinary procedure document ancillary to this Code of Conduct, which shall apply in the event of a breach or contravention of the provisions of this Code of Conduct; "**Exco**" means the Executive Committee of the Council (one of the Council committees); "**Higher Education Act**" means the Higher Education Act 101 of 1997, as amended from time to time; "**Institutional Forum**" means the institutional forum contemplated in paragraph 30 of the Statute and section 31 of the Higher Education Act; "**Registrar**" means the officer contemplated in paragraph 11 of the Statute and section 26(4)(b) of the Higher Education Act; "**Secretariat**" means the official secretariat of the UFS that is responsible for meeting administration; "**Senate**" means the institutional body responsible for academic matters, as contemplated in paragraphs 22 to 26 of the Statute and section 28 of the Higher Education Act; "**Statute**" means the institutional statute and rules of the UFS as contemplated in section 32 of the Higher Education Act, as amended from time to time, and "**UFS**" means the University of the Free State.
5. Guiding principles	5.1 All Council members are to comply with the provisions of this Code of Conduct.

6. Code	**6.1 Statutory Obligations** All members of the Council shall be required to: 6.1.1 ensure that the statutory obligations of councils of public higher education institutions are adhered to, as set out in section 27 of the Higher Education Act; 6.1.2 ensure that the obligations and duties laid down in terms of the Statute for members of the Council are faithfully discharged at all times; 6.1.3 participate in the deliberations of the Council in order to ensure, promote and advance the best interests of the UFS and higher education within the Republic of South Africa in general, and not to represent other stakeholders and/or groupings that elected them to the Council; 6.1.4 declare any business, commercial or financial activities undertaken for financial gain that may (whether directly or indirectly) raise a conflict or a potential conflict of interest with the UFS, and comply with the Conflict of Interest Policy; 6.1.5 not place themselves under any financial or other obligation to any individual or organisation that might seek to influence the performance of any function of the Council; 6.1.6 not have a direct or indirect financial, personal or other interest in any matter to be discussed at a meeting of the Council, and which entails or may entail (whether directly or indirectly) a conflict or potential conflict of interest with the UFS, read with the provisions of the Conflict of Interest Policy; 6.1.7 attend all such induction and training initiatives as may be required from time to time. **6.2 Fiduciary obligations** 6.2.1 All members of the Council assume a fiduciary rule, which includes (without limitation) loyalty to the UFS and reasonable care of the UFS's assets. All fiduciary actions shall be performed by the members of the Council for the advantage of the UFS and the public that they serve. 6.2.2 All members of the Council shall act in the best interests of the UFS by exercising reasonable care and skill and by acting with honesty and within legal parameters at all times. **6.3 Ethical Obligations** All members of the Council shall be required to: 6.3.1 respect the rights and dignity of all others at all times; 6.3.2 apply their minds to the matters that are placed before the Council for consideration in an open and independent manner, with integrity and without any undue influence, fear or favour; 6.3.3 conduct themselves at all times in accordance with the highest standards of ethics and personal integrity; 6.3.4 preserve the integrity and good name of the UFS;

	6.3.5 maintain the confidentiality of Council business and/or documentation where necessary; 6.3.6 ensure that all disclosures and/or contributions to the Council debates are accurate; 6.3.7 refrain from soliciting any gifts or benefits for themselves or accepting any gifts or benefits which might, in any way, compromise or unduly influence a member in the carrying out of her/his duties, or which might be considered as inducement of such a member; 6.3.8 conduct themselves in a manner that does not bring the UFS into disrepute; 6.3.9 conduct themselves in a manner that does not have an impact, in any way whatsoever, on the reputation or good name of the UFS. **6.4 Confidentiality obligations** 6.4.1 All Council members undertake to honour the trust and confidence bestowed upon them at all times and to refrain from disclosing (without the necessary authority) any deliberations, decisions or matters of the Council to third parties in any manner whatsoever. 6.4.2 The communication of Council decisions and other Council matters to the broader UFS community shall take place in accordance with prescribed UFS processes, which the Chairperson shall communicate to the members of the Council from time to time. The members of the Council shall not be authorised to act outside of these prescribed processes (as communicated by the Chairperson) in any manner whatsoever, read with the Conflict of Interest Policy. 6.4.3 Each member of the Council (and the Council as a whole) shall respect the privacy of its members, subject thereto that members of the Council shall, at all times, conduct themselves in a manner that protects and preserves the best interests of the UFS. **6.5 General obligations** All members of the Council shall be required to – 6.5.1 attend all meetings unless they have a good and compelling reason not to do so, in which case the Secretariat must be informed by written apology or electronic correspondence; 6.5.2 be fully prepared and fully apprised of the contents of documentation serving before the Council, and 6.5.3 support policies once adopted by the Council irrespective of their own preferences or, where principled objection to such policies exists, to tender their resignation from the Council. **6.6 A member of the Council –** 6.6.1 is a person who reflects specialised knowledge and experience relevant to the core business and/or the governance of the UFS; 6.6.2 is nominated and appointed in accordance with paragraph 13 of the Statute;

	6.6.3 aligns herself/himself with the mission, vision, values and strategic objectives of the UFS, as well as the relevant governance structures, charters, mandate of the Council and the Council committees (and delegation of authority if applicable); 6.6.4 annually, or as the Council member becomes aware of the need to do so, declares in writing before she/he assumes any business, fiduciary roles (including, but not limited to, memberships, directorships of companies, trusteeships), commercial or financial activities undertaken for financial gain that may raise a conflict or a possible conflict of interest with the UFS, which annual disclosures must be submitted to the Registrar in the manner set out in the Conflict of Interest Policy; 6.6.5 annually declares in writing any financial interest and fiduciary roles of her/his immediate family members, life partner or close friends, which annual disclosures must be submitted to the Registrar in the manner set out in the Conflict of Interest Policy; 6.6.6 annually declares in writing any family relationship with a registered student at the UFS and/or permanent full-time or fixed-term contract employee, which annual disclosures must be submitted to the Registrar in the manner set out in the Conflict of Interest Policy; 6.6.7 must inform the Chairperson of a meeting, before commencement of such meeting, of a conflict or possible conflict of interest of a member of the Council or Council committee, of which such person may be aware in accordance with the Conflict of Interest Policy; 6.6.8 subject to the Conflict of Interest Policy, shall not place her-/himself under any financial or other obligation to any individual or organisation that might seek to influence the performance or any function of the Council, and – 6.6.8.1 must not have a conflict of interest with the UFS, whether directly or indirectly; 6.6.8.2 declares in writing any direct or indirect financial, personal or other interest in any matter reflected on the agenda of a particular meeting; 6.6.8.3 is obliged to recuse her-/himself from the meeting during deliberation and decision-making related to the agenda item; 6.6.9 participates in the deliberations of the Council in the best interest of the UFS, with due regard to the principles of public accountability; 6.6.10 submits an apology to the Secretariat if she/he cannot attend a meeting, preferably at least 72 (seventy-two) hours before commencement of the meeting concerned (emergencies excluded); 6.6.11 shall not use the position, privileges of the position or information acquired as a result of the position or privileges, for her/his own benefit or to improperly benefit another person(s); 6.6.12 strives to live by the highest ethical values and be an exemplar of a corruption-free society at all times; 6.6.13 shall refrain from making or supporting any statement that could falsely

	represent the UFS, its policies, governance structures, staff, students or programmes; 6.6.14 respects the distinction between the roles of the UFS management and that of the Council and will not interfere with the UFS's operational management and administration, subject to the provisions of the Higher Education Act; 6.6.15 performs her/his duties and responsibilities in good faith, with due regard to at least the following – 6.6.15.1 duty of care and skill; 6.6.15.2 fiduciary duty; 6.6.15.3 duty to act within powers of authority; 6.6.15.4 acting in accordance with the UFS values when executing her/his functions as member of Council; 6.6.16 informs the Chairperson, in accordance with paragraph 6.9 (*Compliance with the Code of Conduct)*, if she/he has grounds to believe that another member did not comply with the provisions of this Code of Conduct, and 6.6.17 shall be subject to the Disciplinary Procedure in the event that she/he contravenes or breaches any of the provisions of this Code of Conduct. **6.7 Governance at meetings** 6.7.1 The Chairperson, in consultation with the Registrar, ensures that meetings of the Council and Council committees are constituted (with due regard to the quorum requirements) in accordance with the legal and governance framework, as well as the Statute concerned. 6.7.2 The Chairperson, in consultation with the Registrar, ensures compliance with governance requirements and that the meeting is quorate (through physical presence or digital connectivity) for the full duration of the proceedings. 6.7.3 A Council committee with delegated functions shall not take a decision on a matter considered by it if any member of this committee has declared a conflict of interest in the manner contemplated in this Code of Conduct read with the provisions of the Conflict of Interest Policy, unless that member is recused and the committee concerned remains quorate. If the committee is inquorate, the matter is referred to the next Exco meeting (or to the next Council meeting) for consideration. 6.7.4 The Registrar includes the attendance report in the meeting minutes of each Council and Council committee meeting. **6.8 Performance review, extension/termination of term of office** 6.8.1 The Chairperson is responsible for addressing poor performance of the Council as a collective, and of individual members of the Council when applicable. 6.8.2 An annual performance review of the Council and each Council committee is conducted in accordance with applicable UFS

	performance review systems for governance structures. 6.8.3 The performance review results serve at the first meetings of each Council committee and the Council for deliberation and action when applicable. 6.8.4 Extension and termination of membership is managed in accordance with the Statute. **6.9 Compliance with the Code of Conduct** In the event that any member of the Council fails to comply with the provisions of this Code of Conduct or the Conflict of Interest Policy and a complaint is lodged against such member in relation to such contravention and/or failure, the provisions of the Disciplinary Procedure document shall apply. **6.10 Submission to the Code of Conduct** Each member of the Council must annually accept in writing that she/he submits to the Code of Conduct.
7. Responsibility	7.1 Registrar
8. Accountability and Authority:	
8.1 Implementation:	8.1.1 Registrar
8.2 Compliance:	8.2.1 Deputy Registrar: Governance and Policy
8.3 Monitoring and evaluation:	8.3.1 Registrar
8.4 Development/review:	8.4.1 Registrar
8.5 Approval authority:	8.5.1 Rectorate 8.5.2 Executive Committee of Council 8.5.3 Council
8.6 Interpretation and advice:	8.6.1 Registrar
9. Who should know of this document?	
All Council members should be familiar with this document.	
10. Policy/procedure implementation plan	State what will be required to implement the policy. An implementation plan should be developed and submitted with the final draft document. **No policy shall be considered and approved without an implementation plan**.
11. Resources required	Provide a list of resources required for the successful interpretation and implementation of this policy/procedure. Administrative procedures required to implement the policy should be clearly set out.
12. Answers to FAQs	
	List questions asked by participants in the development of the policy. Provide answers that will help to direct action within the relevant departments.
EFFECTIVENESS OF THE POLICY	

Performance Indicator(s):	To be completed on review by the person responsible for implementation, monitoring and evaluation.

Appendix 3:

Policy of the UFS on Conflict of Interest by the Members of the UFS Council

UNIVERSITY OF THE **FREE STATE**
UNIVERSITEIT VAN DIE **VRYSTAAT**
YUNIVESITHI YA **FREISTATA**
UFS

Policy Name/Title: UFS Council Conflicts of Interest Policy				
Policy Group(s): Delete categories that are not relevant.	Support Services Policies: Governance			
Type: Tick document category	Policy	X	Guideline	
	Procedure		Regulation	
UFS Statute and/or regulation reference number and date:	UFS Statute, Government Gazette, No 48187, 10 March 2023			
Relevant legislation and/or policy, codes of practice, professional authorities:	1. Higher Education Act 101 of 1997 2. UFS Statute, as indicated above 3. King IV™			
Relevant institutional policies/manuals	1. UFS Council Code of Conduct 2. UFS Council Disciplinary Procedures			
Consultation process To be verified and signed off before approval	1. Task Team: Revision of Conflict of Interest Policy 2. Rectorate: 19 October 2022 3. Executive Committee of Council: 27 October 2022 4. University Management Committee: 30 January 2023 5. Institutional Forum: 03 March 2023 6. Council: 24 March 2023			
Status	Approved as per minute nr: 1.4			
Coordinating UMC owner	Registrar			
Contact person	Deputy Registrar: Governance and Policy			
Certification of due process: To be verified and signed once approved by the relevant authority	Prof FW Petersen Vice-Chancellor and Principal		17 April 2023 Date	

Approval date	To be inserted	**Commencement date**	To be inserted	**Review date**	To be inserted
	24 March 2023		24 March 2023		24 March 2026

REVISION HISTORY: Only applicable to amended or reviewed policies. Record details of amendments/revision.

Version number	Approved/ Rescinded	Date	Approving Authority	Resolution Number (minutes number)	Date for next review (start date for review process)
V.1	Approved	19 June 2019	Council		19 June 2022
V.2	Approved	17 Sept 2021	Council	1.1	17 Sept 2024

For office use only	
Policy Group (broad policy field)	Support Services: Policies
Subject (policy subfield)	Policy
Reference Number	Gov107/P/1.0/23.1
Version Number	V.3
Keywords for Search Engine:	UFS Policy Conflicts of Interest Policy, Gov100

POLICY STATEMENT	
1. Preamble/ background	1.1 The UFS Council is the principle governing body of the University. UFS Council Members are recruited from several commercial industries, academic disciplines, and government departments. These members are likely to have significant interaction with, and interests in, parties other than the UFS. 1.2 As Council Members acting on behalf of Council and the University, all decisions made must be in the best interest of UFS. Conflicts of interest may impact those decisions.
2. Purpose	2.1 This policy is presented as a mitigating instrument to identify, manage and resolve Conflicts of Interest.
3. Scope	3.1 This policy is applicable to all Council members as defined below.
4. Definitions and abbreviations	**“Conflict of Interest”** A Conflict of Interest occurs when there is a conflict, in fact or appearance, between the interests of a Council Member and the UFS. Conflicts of Interest include: a) Direct Conflicts of Interest b) Indirect Conflicts of Interest c) Possible Conflict of Interest d) Perceived Conflicts of Interest e) Conflicts of Interest regarding matters arising **“Direct Conflict of Interest”** Means an interest in an organisation or project, or a member of the governing body of an organisation, that directly competes with the UFS as a Higher Education Institution. **“Higher Education Institution”** Means a Higher Education Institutions as defined in the Higher Education Institution Act 101 of 1997 **“Indirect Conflict of Interest”** Means an interest by: a) a family member within the third degree of consanguinity, b) a person who could be considered like a family member (e.g. cohabitating partner), c) a close or long-standing friend with an interest in an organisation or project that competes with the UFS **“Perceived Conflict of Interest”** Means an interest – Direct or Indirect - that may be perceived by a third party as being a conflict of interest **“Possible Conflicts of Interest”** Means there is uncertainty regarding the existence of an actual Conflict of Interest. A perceived Conflict of Interest may influence

	the process whereby a possible Conflict of Interest becomes an actual Conflict of Interest. **"Conflicts of Interest regarding matters arising"** Means a Conflict of interest, not previously considered, that arises as a result of a matter under discussion by Council or a Council Committee **"Interest"** Means both financial and non-financial interests of Council Members. The interpretation is purposely wide, and includes inter alia shareholding, ownership, fiduciary responsibilities as well as family and friendship relationships. **"UFS"** Means the University of the Free State, including all its departments, faculties, subsidiaries, joint ventures, partnerships and entities in which the UFS has an interest. Listed companies in which the UFS invests are excluded from this definition. **"Council Member"** Means a member of the UFS Council and, in this Policy, includes members of UFS Council Committees as well as UFS staff members co-opted to Council and Council Committees.
5. Guiding principles	Refer to paragraph 6 below.
6. Policy/procedure	**6.1 Direct Conflicts of Interest** 6.1.1. No Council Member may have a Direct Conflict of Interest with the UFS. 6.1.2. No person may accept appointment as a Council Member if a Direct Conflict of Interest exists. 6.1.3. Should a Direct Conflict of Interest occur after appointment as Council Member, the Council Member must advise the UFS Registrar of the Direct Conflict of Interest within one week of it becoming known to the Council Member. Records should be kept so that there is an audit trail of the direct conflict of interest. 6.1.4. No Council Member may place themselves under any financial or other obligation to any party that may seek to influence the performance of the Council. **6.2 Indirect Conflicts of Interest** 6.2.1. No Council Member may have an Indirect Conflict of Interest with any matter discussed at a Council or Council Committee meeting. 6.2.2. The Council Member must, before the meeting and in writing, inform the chairperson of that meeting of the Indirect Conflict of Interest. 6.2.3. The Council Member shall be recused from the discussion and voting on the matter.

	6.3. Possible Conflicts of Interest 6.3.1. Should a possible Conflict of Interest with any matter discussed at a Council or Council Committee meeting exist, the Council Member must inform the chairperson of that meeting of the Possible Conflict of Interest. 6.3.2. To the extent possible, informing the chairperson should take place before the meeting. 6.3.3. The chairperson will inform the Council Member whether an actual Conflict of Interest exists or not. 6.3.4. Should the chairperson decide that an actual Conflict of Interest exists, the Council Member shall be recused from the discussion and voting on the matter. 6.3.5. Outside of meetings, any Council Member may request the Registrar's opinion regarding whether Potential Conflicts of Interest are actual Conflicts of Interest. **6.4. Conflicts of Interest regarding matters arising** 6.4.1. Should any Conflict of Interest arise at any stage regarding matters discussed at Council or Council Committees, the Council Member must inform the chairperson of that meeting of that Conflict of Interest. 6.4.2. To the extent possible, informing the chairperson should take place before the meeting. 6.4.3. The Council Member shall be recused from the discussion and voting on the matter. **6.5. Disclosure** 6.5.1. Every Council Member shall, on an annual basis, declare: a. Their financial interests and fiduciary roles, and b. The financial interests and fidiary roles of the member of their families within the third degree of consanguinity. 6.5.2. The annual disclosure shall be administered by the office of the Registrar, which shall include an annual report on Conflicts of Interest to Council. An example of the annual disclosure is attached as Annexure A. **6.6 Penalties** 6.6.1. Should any Council Member contravene any part of this policy document that member may be: a. Suspended from attending a meeting or b. Disqualified as a Council Member. 6.6.2. The Disciplinary Procedures for Members of the UFS Council shall guide any process required.

7. Responsibility	7.1 Registrar

8. Accountability and Authority:	
8.1 Implementation:	8.1.1 Registrar
8.2 Compliance:	8.2.1 Deputy Registrar: Governance and Policy
8.3 Monitoring and evaluation:	8.3.1 Registrar
8.4 Development/review:	8.4.1 Registrar
8.5 Approval authority:	8.5.1 Rectorate 8.5.2 Executive Committee of Council 8.5.2 Council
8.6 Interpretation and advice:	8.6.1 Registrar
9. Who should know this policy?	
All UFS staff members co-opted to Council and Council Committees, and Council members	

10. Policy/procedure implementation plan	
11. Resources required	

12. Answers to FAQs	

EFFECTIVENESS OF THE POLICY	
Performance Indicator(s):	

Appendix 4:

Disciplinary Procedure for Members of the UFS Council

Policy Name/Title: Disciplinary Procedure for Members of the UFS Council								
Policy Group(s): Delete categories that are not relevant.	Support Services Procedure: Governance							
Type: Tick document category	Policy		Guideline		Plan		Directive	
	Procedure	X	Regulation		Remit		Framework	
UFS Statute and/or regulation reference number and date:	UFS Statute, Government Gazette No 48187, 10 March 2023							
Relevant legislation and/or policy, codes of practice, professional authorities:	1. Higher Education Act (101 of 1997), as amended 2. Constitution of the Republic of South Africa, Act 108 of 1996 3. UFS Statute, Government Gazette, No 48187, 10 March 2023 4. King IV Report on Corporate Governance, 2016							
Relevant institutional policies/manuals	1. Code of Conduct for the UFS Council and Members of the Council 2. UFS Council Conflicts of Interest Policy 3. Remit of the Disciplinary Committee of Council 4. Institutional Rules (Interim)							
Consultation process To be verified and signed off before approval	Rectorate: 15 May 2024 Executive Committee of Council: 23 May 2024 Council: 14 June 2024 Rectorate: 14 August 2024 Executive Committee of Council: 22 August 2024 Council: 27 September 2024							
Status	Amended as per the Council minute number: 8.1.1							
Coordinating UMC owner	Registrar							
Contact person	Deputy Registrar: Governance and Policy							
Certification of due process:	Prof A Rhoda (Acting) Vice-Chancellor and Principal					15 October 2024 Date		

To be verified and signed once approved by the relevant authority					
Approval date	To be inserted	**Commencement date**	To be inserted	**Review date**	To be inserted
	27 Sept 2024		27 Sept 2024		27 Sept 2029

REVISION HISTORY: Only applicable to amended or reviewed policies. Record details of amendments/revision.

Version number	**Approved/ Rescinded**	**Date**	**Approving Authority**	**Resolution Number** (minutes number)	**Date for next review** (start date for review process)
Version.1	Approved	19 June 2020	Council	9.1.1	19 June 2023

For office use only	
Policy Group (broad policy field)	Support Services Procedure: Governance Policy
Subject (policy subfield)	Procedure
Reference Number	Gov100/Proc/1.0/24.1
Version Number	Version 2
Keywords for Search Engine:	Disciplinary Procedure for Members of the UFS Council, GOV100

Procedure	
1. Preamble/ background	1.1. The Council is the highest governance authority of the UFS and must ensure effective institutional governance. 1.2. In order to ensure the transparency and accountability of the Council, all members of the Council must be held accountable for their actions in so far as such actions constitute a contravention or breach of the provisions of this Disciplinary Procedure document, the Code of Conduct (as defined in paragraph 4 below) or the Conflict of Interest Policy (as defined in paragraph 4 below) or the Institutional Rules (as defined in paragraph 4 below). 1.3. This document accordingly sets out the guiding principles pertaining to the disciplinary procedure and/or penalties which shall apply in the event that a member of the Council contravenes and/or breaches any provision of the Code of Conduct and/or the Conflict of Interest Policy.
2. Purpose	2.1. The purpose of this Procedure is to set out the steps to be taken in the event that a Council member contravenes any of the provisions of the Code of Conduct for Council Members and the UFS Council Conflicts of Interest Policy.
3. Scope	3.1. This procedure is applicable to all Council Members of the UFS. 3.2. This Disciplinary Procedure document shall be read in conjunction with the UFS Statute as well as other official policies, procedures, guidelines and regulations of the UFS in so far as it relates to disciplinary practices and procedures. 3.3. This Disciplinary Procedure document shall not in any manner whatsoever be construed as to limit the UFS' or the Council's powers in the event that a member of the Council commits any form of misconduct.
4. Definitions and abbreviations	In order to facilitate ease of reference, unless the context otherwise requires, the following capitalised terms shall have the meanings assigned to them below and cognate expressions shall have corresponding meanings: "**Committee Chairperson**" — has the meaning ascribed thereto in paragraph 5.1.2.1 (*The Disciplinary Committee*) below; "**Code of Conduct**" — means the official code of conduct of the UFS and related regulations pertaining to the Council and members of the Council, as detailed in the separate code of conduct document ancillary to this Disciplinary Procedure document;

	“**Conflict of Interest Policy**”	means the official conflict of interest policy of the Council and related regulations pertaining to the Council and members of the Council, as detailed in the separate policy document ancillary to this Disciplinary Procedure document, which shall apply in the event of an actual or presumed conflict of interest;
	“**Council**”	means the Council of the UFS, the function and composition of which is set out in the official Statute of the UFS;
	“External Council member”	A member of the Council of the UFS who is not a staff member or a student of the UFS and may include an external independent member who is appointed by the Council to serve on a particular Council committee for a period as determined by the Council.
	“**Disciplinary Committee**”	has the meaning ascribed thereto in paragraph 5.1 (*The Disciplinary Committee*) below;
	“**Disciplinary Procedure**”	means the official disciplinary procedure as detailed in this document, which sets out, without limitation, the disciplinary procedures which shall apply in the event of a breach or contravention of the provisions of the Code of Conduct;
	“**External Chairperson**”	has the meaning ascribed thereto in paragraph 6.3.1.1 (*Disciplinary Procedure*) below;
	“**Higher Education Act**”	means the Higher Education Act 101 of 1997, as amended from time to time;
	“**Initiator**”	has the meaning ascribed thereto in paragraph 6.3.1.2 (*Disciplinary Procedure*) below;
	“Institutional Rules”	means the Rules approved by the Council to give effect to the Statute of the UFS.
	“**Investigator**”	has the meaning ascribed thereto in paragraph 6.1.4 (*Disciplinary Procedure*);

	"Misconduct"	encompasses inappropriate or unacceptable behavior that violate ethical standards, legal regulations, the university's code of conduct, conflict of interest policy or the university's institutional rules;
	"**Registrar**"	means the officer contemplated in paragraph 11 of the Statute and section 26(4)(b) of the Higher Education Act, who shall serve as the Secretary of the Council;
	"**Statute**"	means the institutional statute and rules of the UFS as contemplated in section 32 of the Higher Education Act, as amended from time to time;
	"**UFS**"	means the University of the Free State; and
	"**Working day**"	means any day other than a Saturday, Sunday or Public Holiday, and when any particular number of days is prescribed for the doing of any act, the number of days must be calculated by excluding the first day and including the last day.
5. Guiding principles	The guiding principles are as follows: **5.1. THE DISCIPLINARY COMMITTEE** 5.1.1. The Council shall constitute a disciplinary committee as an official committee of the Council, which disciplinary committee shall attend to all matters of discipline, including (without limitation) non-compliance with the Code of Conduct and/or the Conflict of Interest Policy (the "Disciplinary Committee"). 5.1.2. The Disciplinary Committee shall be constituted in terms of the Remit of the Committee as approved by the Council. 5.1.3 In the event that a complaint is lodged against a member of the Disciplinary Committee, such Disciplinary Committee member may be replaced by an appropriate member of the Council. 5.1.4 In the event that a complaint is lodged against the Committee Chairperson, who was appointed as chairperson of the Disciplinary Committee in terms of paragraph 5.1.2. above, the Committee Chairperson shall temporarily be replaced by the Vice-Chairperson of the Council for purposes of conducting the Disciplinary Procedure against the Committee Chairperson.	

	5.2 EMPLOYEES AND/OR STUDENTS OF THE UFS SERVING AS MEMBERS OF COUNCIL: 5.2.1 The UFS, will deal with transgressions by a member of the Council who is an employee and/or student of the UFS, in accordance with the relevant employee or student disciplinary procedures, policies and rules, and the Council will be informed accordingly of the outcome.
6. Procedure	**6.1. Lodging a complaint against a member of Council** 6.1.1. Any person, whether a fellow member of the Council or a third party, who has reason to believe that a member of the Council has committed an act of misconduct and/or violated or contravened the provisions of the Code of Conduct or the Conflict of Interest Policy may lodge a complaint in writing with the Registrar, as the Secretary of the Council, setting out the particulars of the alleged misconduct and/or contravention or violation and which complaint may include any supporting documents, if applicable. 6.1.2. The Registrar must refer the complaint to the Disciplinary Committee within 10 (TEN) working days after receipt thereof. 6.1.3. The Disciplinary Committee must within 5 (FIVE) working days after receipt of the complaint from the Registrar, confirm in writing that it has received the complaint. The Disciplinary Committee will review the complaint and supporting documents and determine if a *prima facie* case exists and what measures, if any, the Disciplinary Committee is empowered to take. 6.1.4 Should the Disciplinary Committee determine that a *prima facie* case exists, it shall notify the Council member of the complaint and that the process is before the Disciplinary Committee for determination as to what measures are warranted to be taken by the Disciplinary Committee. 6.1.5 Should a *prima facie* complaint be received against a Council member, the Disciplinary Committee shall have the sole discretion, subject to the nature of the complaint, to consider placing such a member under precautionary suspension from Council participation and activities pending the conclusion of the investigation into the complaint and/or the finalisation of the Council member's disciplinary hearing. 6.1.6 The Disciplinary Committee may place a Council member on precautionary suspension with immediate effect upon taking into account that-

	6.1.6.1 there is a justifiable reason to believe, *prima facie,* that the Council member has engaged in serious misconduct; and/or 6.1.6.2 there is an impending or ongoing investigation into the alleged misconduct, as such, the presence and/or involvement of the Council member on the UFS Council and/or premises may impair the integrity of the investigation and/or result in the interference of witnesses; and/or 6.1.6.3 any other justifiable reason**.** 6.1.7 Notwithstanding paragraph 6.1.6 above, the Disciplinary Committee will afford a Council member the opportunity to submit written representations within a period of 5 (FIVE) working days from receipt of the suspension notice as to why the precautionary suspension should not remain in force and effect.6. 6.1.8 Should the Council member elect to submit his/her written representations as envisaged at paragraph 5.2.1, the Disciplinary Committee shall submit its written response to the Council member within 10 (TEN) working days of receipt of the Council member's written representations, on whether or not the precautionary suspension shall remain in force. 6.1.9 Any precautionary suspension of a member of the Council from Council participation and activities as contemplated above, shall not exceed a period of 3 (THREE) months from the date of suspension. However, should the investigation and/or disciplinary hearing of a member of Council fail to be concluded within a period of 3 (THREE) months, the Disciplinary Committee may extend the precautionary suspension of such member until the hearing has been finalised. In such event, the Disciplinary Committee shall notify the relevant Council member in writing of his/her extended suspension and the duration thereof. 6.1.10 If the Disciplinary Committee is of the view that the complaint warrants more detailed assessment, it shall initiate an official investigation into the veracity of the complaint by appointing an external third party to conduct the investigation. This appointment will take place in accordance with the policies and procedures of the UFS and will take place as soon as possible after the Disciplinary Committee initiates the process. 6.1.11 The external third party (the "Investigator") appointed by the Disciplinary Committee to conduct the investigation into the complaint as contemplated in paragraph 6.1.10 above, shall be a fit and proper person, with appropriate skills and experience in the legal and/or the accounting profession. The appointment of an Investigator shall be dependent on the nature of the complaint(s).

	6.2 The investigation into the complaint and/or alleged transgression 6.2.1 The Investigator must within the period determined by the Disciplinary Committee commence with and conclude the investigation into the complaint, which shall include without limitation, making contact and consulting with the relevant individuals that have an interest in the investigation as well as drawing up a report with his/her findings and recommendations. The report must be submitted to the Disciplinary Committee for consideration. 6.2.2 The Disciplinary Committee shall throughout the investigation procedure be the primary point of contact for the Investigator and shall assist the Investigator as far as reasonably possible during the course of the investigation. 6.2.3 The Council may at any time request the Investigator or the Disciplinary Committee to provide it with a written update on the progress of an investigation. 6.2.4 Should the Investigator fail to submit the report with his/her findings and recommendations to the Disciplinary Committee within the period laid down in terms of paragraph 6.2.1 above, the Investigator shall be obliged to provide the Disciplinary Committee with justifiable written reasons as to why the investigation process should be extended by the Disciplinary Committee or shall be required to present a preliminary progress report in order to keep the Disciplinary Committee abreast of the developments. The Disciplinary Committee may approve the extension and shall inform the Council accordingly. 6.2.5 The Investigator's report must expressly state whether there is sufficient evidence as to the veracity of the complaint or transgression to institute a disciplinary hearing. 6.2.6 The report with the Investigator's findings and recommendations shall be submitted to the Disciplinary Committee for its consideration. The Disciplinary Committee's recommendations will be submitted to the Council for consideration and approval. 6.2.7 In the event that the Investigator's findings and recommendation indicate that there is insufficient evidence against the Council member against whom the complaint has been lodged, the Disciplinary Committee may (in view of the circumstances) recommend that any other actions be taken by the Council if a disciplinary hearing is not deemed appropriate. If no additional actions are proposed, and the Council approves investigator's recommendation, the case shall be considered closed. No further disciplinary action and/or investigation shall be instituted against the Council member henceforth in relation to such complaint unless new evidence has been brought to the fore.

6.2.8 In the event that the Council approves the recommendation of the Investigator to institute a disciplinary hearing, the Council will instruct the Disciplinary Committee to commence with the plans and preparation for the disciplinary hearing.

6.3 Preparing for the disciplinary hearing

6.3.1 The Disciplinary Committee must as soon as possible after receipt of the Council's approval to proceed as contemplated in paragraph 6.2.9 above, appoint the following persons for purposes of conducting the disciplinary hearing in terms of paragraph 6.4 below:

6.3.1.1 An external chairperson to preside over the disciplinary hearing ("External Chairperson").

6.3.1.1.1 The External Chairperson may be

6.3.1.1.1.1 an external member of Council who is not a member of the Disciplinary Committee, the Committee Chairperson, the Chairperson of the Council of the UFS itself, or otherwise involved in the disciplinary proceedings under consideration at the disciplinary hearing over which he/she shall preside if appointed in terms of this paragraph; or

6.3.1.1.1.2 an independent third-party with experience and/or expertise in matters relating to the disciplinary hearing in question.

6.3.1.1.2. The Disciplinary Committee shall appoint the External Chairperson taking into account the nature and severity of the misconduct or infringement under consideration, as well as potential conflict of interest when deciding whether to appoint an external member of Council or an independent third-party to preside over the disciplinary hearing in question.

6.3.1.1.3. The Disciplinary Committee shall appoint the External Chairperson in terms of a written appointment letter confirming his/her appointment to preside over the applicable disciplinary hearing, subject to such External Chairperson's availability and confirmation that he/she is willing to accept such appointment.

6.3.1.2. An initiator ("Initiator") for purposes of conducting the disciplinary hearing, which Initiator who may be a member of the Disciplinary Committee or an external party. The Initiator shall be appointed in terms of a written appointment letter confirming his/her appointment, subject to such Initiator's availability and confirmation that he/she is willing to accept such appointment.

	6.3.2 The Disciplinary Committee shall determine the date and time for the disciplinary hearing to take place, taking into account the availability of the External Chairperson and the Initiator appointed in terms of paragraph 6.3.1 above. 6.3.3 The Initiator shall within 15 (FIFTEEN) working days after his/her appointment consult with the witnesses relevant to the disciplinary hearing and issue the relevant charges against the member of Council. 6.3.4 The Initiator shall at least within 5 (FIVE) working days before the commencement of the disciplinary hearing, inform the member of Council in writing of the charges that is brought against such member as well as the date and time on which the disciplinary hearing is set to take place. 6.3.5 The member of Council against whom the charges are issued may submit written reasons to the External Chairperson for consideration and approval in the event that such a member is unable to attend the disciplinary hearing on the scheduled date and time. 6.3.6 The External Chairperson shall be entitled to, in his/her sole discretion and after consideration of the aforesaid reasons, direct whether the disciplinary hearing must proceed as scheduled or be postponed to an alternative date and time. **6.4 The disciplinary hearing** 6.4.1 The disciplinary hearing must be finalised within a reasonable time period but may not be extended or postponed for more than 3 (THREE) separate occasions without justifiable reasons. 6.4.2 During the disciplinary hearing, the Initiator will place the complaint against the member of the Council on record as well as any evidence that the Investigator may have gathered during his/her investigation. 6.4.3 The member of the Council against whom a complaint has been lodged may be required to answer such questions as may be put to him/her by the Initiator during the disciplinary hearing. 6.4.4 The Initiator may call any person it may deem necessary to give evidence and provide information pertaining to the complaint on the relevant date and time of the disciplinary hearing in question. 6.4.5 The member of the Council against whom a complaint has been lodged shall be entitled to make an oral representation in his/her defence to the Initiator during the disciplinary hearing, which may include the calling of witnesses.

	6.4.6 The member of the Council against whom a complaint has been lodged shall be entitled to enlist the services of a legal representative who shall be entitled to make oral and/or documentary submissions on behalf of the Council member as contemplated in paragraph 6.4.5 above. Notwithstanding a member's right to utilise legal representation in formulating their defense, the member shall personally sign and file all of his/her affidavits. The costs of a member's legal representation, irrespective of the eventual outcome of the complaint, shall be for the sole and exclusive account of the member concerned and the member shall have no claim whatsoever against the University or any of its officers, members, agents, disciplinary members, or the complainant, for the payment of such costs. 6.4.7 The External Chairperson shall issue his/her written verdict within 5 (FIVE) working days after the conclusion of the disciplinary hearing, pursuant to which the External Chairperson shall consider written arguments in mitigation and/or aggravation of the appropriate sanction to be imposed on the Council member in question. 6.4.8 The External Chairperson shall take the mitigating and/or aggravating arguments into account in his/her deliberations, where after the External Chairperson shall within 5 (FIVE) working days after considering such arguments, issue the outcome and/or sanction of the disciplinary hearing and submit same to the Disciplinary Committee. 6.4.9 Upon receipt of the outcome and/or sanction of the disciplinary hearing by the External Chairperson, the Disciplinary Committee shall submit the outcome and/or sanction to the Council via the Executive Committee for consideration and implementation within 15 (FIFTEEN) working days. 6.4.10 The External Chairperson of the disciplinary hearing shall be entitled to make any of the following recommended sanctions to the Council for approval – 6.4.10.1 removal from the Council; and/or 6.4.10.2 caution and reprimand of the member of Council; and/or 6.4.10.3 punitive suspension of the Council member for a specified period; and/or 6.4.10.4 withholding of any honorarium or student benefits that a member of the Council and/or his/her immediate family members are entitled to; and/or 6.4.10.5 reporting to the body which nominated or appointed the member and request replacement of such a member on the Council; and/or 6.4.10.6 any other appropriate sanction as the above should not

	be deemed as exhaustive. 6.4.11 In the event that the finding and recommendations of the External Chairperson of the disciplinary hearing is approved by the Council, the Council shall take the appropriate steps against the Council member concerned and inform the Council member via the Disciplinary Committee of the finding(s) and the recommendations. 6.4.12 The decision of the Council as contemplated in paragraph 6.4.11 above shall be final. **6.5 EXPEDITING THE DISCIPLINARY PROCEDURE** 6.5.1 The Disciplinary Committee shall within its sole discretion, be entitled to direct that the investigation procedure as contemplated in paragraph 6.2 (Disciplinary Procedure) above, be stayed and that the disciplinary hearing commences immediately after receipt of a complaint by the Disciplinary Committee. 6.5.2 A disciplinary hearing may be expedited as contemplated herein, in the event that the Disciplinary Committee is of the opinion that an investigation into the complaint is superfluous due to the fact that sufficient evidence has been placed before it to commence with the disciplinary hearing in question.
7. Responsibility	Council
8. Accountability and Authority: Council	
8.1 Implementation:	8.1.1 Registrar
8.2 Compliance:	8.2.1 Registrar 8.2.2 Deputy Registrar: Governance and Policy
8.3 Monitoring and evaluation:	8.3.1 Registrar
8.4 Development/review:	8.4.1 Deputy Registrar: Governance and Policy
8.5 Approval authority:	8.5.1 Council
8.6 Interpretation and advice:	8.6.1 Registrar 8.6.2 Deputy Registrar: Governance and Policy
9. Who should know this policy?	
9.1 UFS Students 9.2 Staff	
10. Policy/procedure implementation plan	
11. Resources required	N/a
12. Answers to FAQs	N/a
	.
EFFECTIVENESS OF THE POLICY	
Performance Indicator(s):	To be completed on review by the person responsible for implementation, monitoring and evaluation.