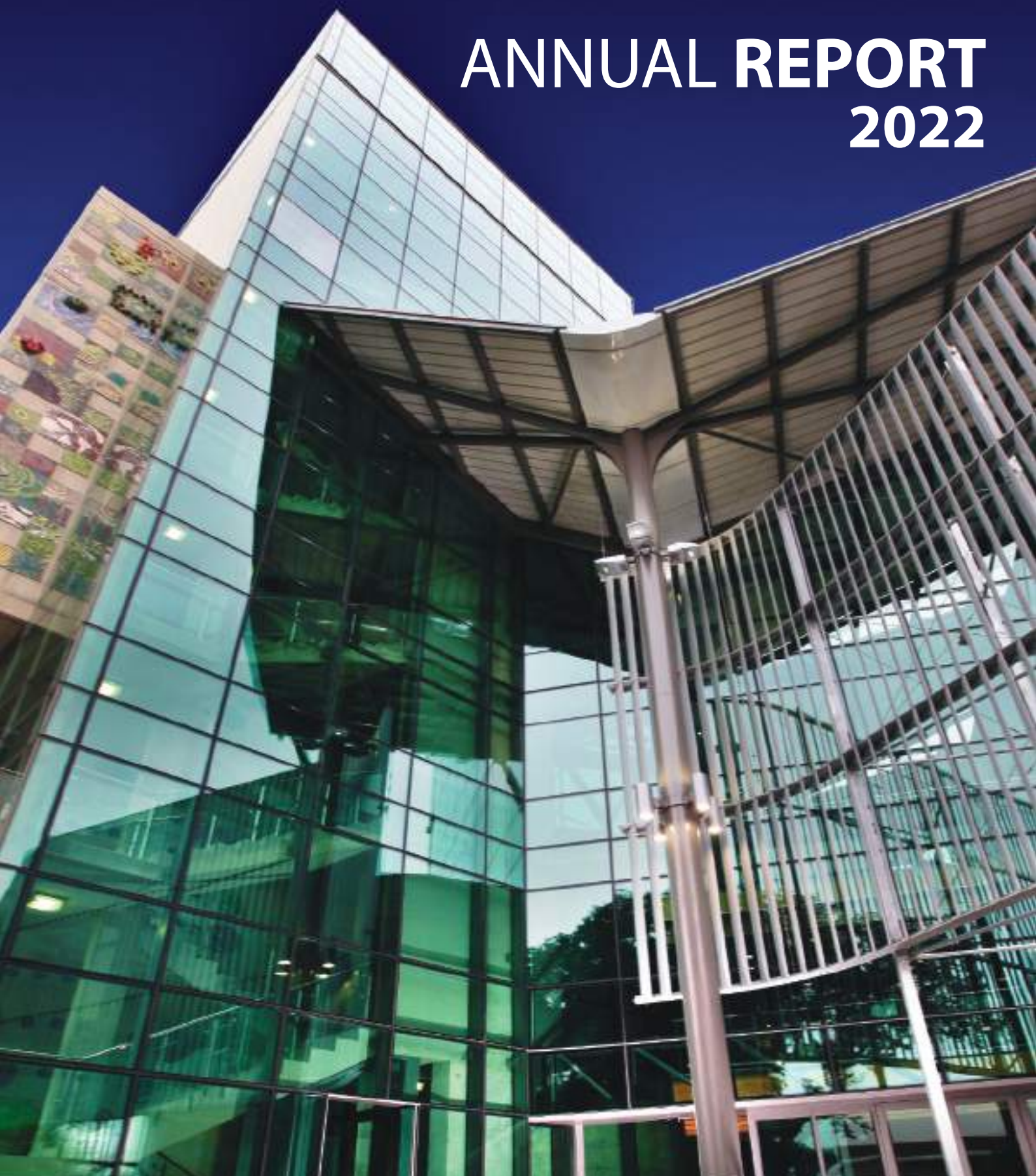




UNIVERSITY OF
KWAZULU-NATAL
INYUVESI
YAKWAZULU-NATALI

FOUNDATION

ANNUAL REPORT 2022



INSPIRING GREATNESS

CREDIT

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Information was collected at different times during the compilation of this Annual Report.



CONTENTS

Message from the Chairperson of the Board of Trustees	2
Message from the Executive Director	3
Report of the Trustees	4
The Impact of your Generosity	5
UKZN Hosts Fifth Annual Ukulinga Howard David Memorial Symposium	6
UKZN Foundation Helps to Keep the Wheels Turning	9
UKZN Digital Arts receives Significant Donation to Empower Postgraduate Students	11
Exploring Artistic Potential with Hillensberg Trust Funding	14
East Coast Radio Supports Media Students	16
Fighting Student Food Insecurity through the Sandwich Drive	17
CCMS Postgraduate Students Benefit from Netflix Creative Equity Fund	20
BANKSETA Promoting Transformation in South Africa	23
Climate Change Indaba Celebrates Success of uMngeni Resilience Project	24
The UKZN Foundation Trust Financial Statements	27
What will be your Legacy?	49



MESSAGE FROM THE CHAIRPERSON

Mac Mia



Over the past three years, despite the many challenges experienced, especially the effects of COVID-19, one common theme has prevailed – our unwavering dedication to raise third-stream income for UKZN. It is clear that our ability to grow the funds raised annually is done through consistency and commitment. In addition, we uphold certain steadfast tenets across the UKZN Foundation that are worth repeating.

The work we do has a very real human impact, with the funds raised from donors playing a key role across the Institution. For example, in 2022, almost R70 million raised by the Foundation went towards providing UKZN students with financial assistance for their studies.

Increasing third-stream income can only be done if one maintains a healthy and vibrant Foundation, which means continued interaction with one's current and past donors while cultivating relationships with potential donors. In 2022, we had a total of 240 donors and 66 new ones.

We are united behind basic principles and strategies that have helped build the Foundation – from maintaining a good relationship with all our donors to bringing on board new donors, as well as good governance and controls that contribute to creating new and uplifting opportunities for the UKZN community.

While we strive to ensure there is longevity in our fundraising model and continually benchmark improvement, we are not immune to the extraordinary competition we face in the higher education fundraising space. We recognise our strengths and vulnerabilities, which are managed in the best way possible.

We know that the foundation of our success rests with our staff. They are the frontline – both individually and as a team – serving our donors and the UKZN community. Whichever way one views the world – its complexity, risks and opportunities – our Foundation's prosperity requires a great collective team of people with determination, integrity, the right capabilities and high standards of professional excellence to ensure its ongoing success.

I would like to acknowledge the dedicated work undertaken by UKZN Foundation staff and my fellow Board of Trustees, together with our partners and donor community for their collective ongoing support, which has contributed to 2022 being another successful year for the UKZN Foundation.

MESSAGE FROM EXECUTIVE DIRECTOR (ACTING):

Steve Camp



Across the globe, 2022 was another year of significant challenges: from a terrible war in Ukraine to growing geopolitical tensions. Almost all nations felt the effects of global economic uncertainty, including higher energy and food prices, mounting inflation rates and volatile markets, and, of course, COVID-19's lingering impacts. South Africa was no exception as these experiences and associated turmoil have had serious ramifications on our economy and those of whom we do business with.

In spite of the unsettling landscape, 2022 was somewhat surprisingly, another strong year for the UKZN Foundation. We were able to reach our income target, set by our Board of Trustees, of R115 million and in fact exceeded our total income target by R5 million.

I remain proud of our Foundation's resiliency and of what our staff have achieved, collectively and individually. Throughout these challenging past few years, we never stopped doing all the things we should be doing, working closely with donors and the institution to raise strategic funds for UKZN.

As you may know, the Foundation's sole mandate is to raise third-stream income for UKZN and in doing so we bring people together, enabling donors and UKZN to attain their goals, and to act as a source of strength in difficult times.

As I often remind our staff, the work we do matters and has a very powerful impact that creates opportunities to send our skilled students out into the world prepared to contribute to a brighter future that makes the University of KwaZulu-Natal relevant locally and globally.

Without the support of our donors none of this would be possible and for that the UKZN Foundation is most grateful.

The University of KwaZulu-Natal Foundation Trust

Trust Deed number: IT 589 / 2003

REPORT OF THE TRUSTEES

For the year ended 31 December 2022

The Board of Trustees has pleasure in presenting their annual report which accompanies, and should be read in conjunction with, the financial statements and supplementary schedules for the year ended 31 December 2022 which are set out on pages 5 to 19. The Foundation is a registered charitable trust dedicated to advancing the goals of the University of KwaZulu-Natal ("UKZN") through various fundraising activities by garnering grants, donations and bequests from donors, stakeholders and other partners from within South Africa and abroad. The Foundation is domiciled in the Republic of South Africa. The head office is located at the Howard College Campus in Durban.

Nature of business

The core task of the Foundation is to promote the University and to seek philanthropic income to fund the multifarious activities of the University of KwaZulu-Natal which includes: bursaries, research support, teaching support, community engagement, infrastructure development and any other initiatives that serve to build and strengthen UKZN and assist it to meet its strategic goals.

As part of its outreach programme, the Foundation also provides *pro bono* fundraising advice to other university foundations and non-governmental and community-based organisations whose goals and ethos are consistent with, or complementary to, those of UKZN.

Review of activities and results

During the year under review, the Trustees held four meetings. At these meetings they provided guidance and strategic direction to the Foundation. In particular, the Trustees considered various reports from the Executive Director and management of the Foundation dealing with the operating activities and financial results of the Foundation and aspects relating to the administration of the Foundation and the investment of its funds.

The results of the Foundation, its financial position and accounting policies and practices for the year ended 31 December 2022 are comprehensively set out in the attached financial statements and do not, in the opinion of the Trustees, require any further comment.

Subsequent events

No event, which has a material effect on the financial affairs of the company, has occurred between the reporting date and the date of the approval of the annual financial statements.

Trustees

The following Trustees held appointment during the year under review and to date of this report:

Mr. M Mia (Chairperson)

Dr P Mnganga (Deputy Chairperson)

Prof N Poku (Vice-Chancellor & Principal UKZN)

Dr L M Moja (Chair of Council)

Ms. D Sokhela

Mr. S M Mashita

Mr. AGS Osman

Judge N Pillay

Mr. M W Phungula

Ex Officio

Mrs. N Mbhele (Chief Finance Officer UKZN)

Bankers

Standard Bank SA Limited

Auditors

PricewaterhouseCoopers Inc.

Investment managers

Ninety One Investment Managers
27four Investment Managers (Pty) Ltd

Financial administrators

University of KwaZulu-Natal (Finance Division)

THE IMPACT OF YOUR GENEROSITY

Thank you for investing in UKZN students

South African University Rankings

4th in South Africa



484th Globally

Because of your generosity **R47 950**
was the average bursary amount
awarded to deserving students.

Through the support of
Donors, the UKZN Foundation
has facilitated:



- **R59 640 979**
in Bursaries
- **R32 304 395**
for Community
Engagement
- **R10 638 500**
towards Teaching Support
- **R8 580 464**
towards Research Support
- **R5 339 546**
for Skills Development
- **R3 014 827**
towards Endowment

Your generosity led to
more than **R120 384 423**
raised in 2022 in support
of UKZN students.

You joined a community
of **240** donors who
helped the UKZN Class of
2022 to reach the finish
line.



You have supported UKZN student success

UKZN Hosts Fifth Annual Ukulinga Howard David Memorial Symposium

The University of KwaZulu-Natal's College of Agriculture, Engineering and Science collaborated with The Adaptation Network to host the fifth Ukulinga Howard David Memorial Symposium at the University's Ukulinga Research Farm in Pietermaritzburg.

Focusing on the theme of Small-Scale Farmers and Climate Change Adaptation, the three-day event incorporated the annual Southern African Adaptation Colloquium and featured presentations from the technical to the storytelling on topics related to agronomy, water resources management, innovative technologies, sustainability and farmers' experiences.

First hosted in 2016, this symposium was established to demonstrate theoretical and applied research carried out at UKZN's Ukulinga Research Farm to the scientific community, agribusiness sector and farming community. It facilitates the formation of relationships with agribusinesses and skill development and knowledge transfer for the benefit of emerging and current small-scale community-based farmers.



Aerial view of Ukulinga Research Farm.

Toiling the fields at the Ukulinga Farm.





Produce (beans) harvested at Ukulinga Farm.

The event has benefitted from the support of the Howard Davis Farm Trust based in the Jersey Islands through the UKZN Foundation, and honours the educational legacy of Durban-based businessman TB Davis, whose endowments enabled the building of UKZN's Howard College in the 1930s in memory of Davis's son who was killed in World War I.

More than 200 delegates representing a wide range of interested stakeholders, including academic staff and students from UKZN and Mangosuthu University of Technology, small-scale farmers, civil society organisations, agribusiness, farming organisations and more, attended the event.

At the opening of the Symposium, The Adaptation Network co-chair Ms Charissa da Costa, said, "The Adaptation Network recognises that small-scale farming is the catalyst for maintaining livelihoods in vulnerable and disadvantaged families and communities. We are excited to engage with others who are also passionate about promoting awareness and implementing activities that empower communities to innovate and adapt to climate change."



Participants at The Adaptation Network Workshop.

UKZN's Farmer Support Group (FSG), which is a member of the Adaptation Network, helped organise the Symposium and facilitated the attendance of small-scale farmers whom the FSG works with so that they could display their farm produce.

The opening keynote address was delivered by Professor Stanley Liphadzi, Group Executive for Research and

Development at the Water Research Commission (WRC), who spoke about the knowledge, education and impact of a research-informed institution. He referenced UKZN's influence and leadership in the water and agricultural sectors; the Institution was awarded 12 WRC projects in 2021, three of which fell within the School of Agricultural, Earth and Environmental Sciences, with significant resources attached to further this research.



From left: Mr Duncan Hay, Professor Maxwell Mudhara, Ms Charissa da Costa and Professor Stanley Liphadzi.

“ This School has expertise and people who are driving the research agenda of this country, and agriculture plays an important role,” said Liphadzi. “Agriculture has created a value in how we are using water, even in our programmes at the WRC, and it is important to see tangible outcomes (from research). ”

UKZN Foundation Helps to Keep the Wheels Turning

Essential Skills Training for the blind, partially sighted and students with disabilities at UKZN has received a significant boost thanks to a generous contribution from the UKZN Foundation. The invaluable support comes in the form of a brand new Mitsubishi Xpander vehicle, which will be utilised by Independence Trainers to deliver crucial training sessions.

The addition of the new vehicle will greatly enhance the consultations and services provided on all UKZN campuses. With a dedicated vehicle, the Independence Trainers can plan future services more effectively.

UKZN Disability Support Unit Manager Mr Amith Ramballie said, "The previous vehicle was stolen, and there was a shortfall for a new replacement. We approached UKZN Foundation, which then liaised with donors to cover the purchase balance."

Ramballie expressed gratitude to the donors, adding, "The resource that you have allowed us to procure will positively impact the lives of students and staff with disabilities for years to come. Mobility is a concept often taken for granted, and in this case, the team were sometimes unable to deliver a quality service. Students will be able to better navigate the built environment at UKZN and participate in an equitable manner with other students."

The training promotes independent skills acquisition, aimed at holistically developing successful graduates ready to enter the mainstream workforce with greater confidence. "Many students entering university are ill-equipped to cope with the transition to a higher education environment (at UKZN), especially those who come from rural or special schools," said Ms Margie Naidoo, an Independence Trainer based in Durban. Her services address the students' unique training and development needs and empowers them with essential independence skills.

One important aspect of the training is the assessment and tracking of students' eye conditions. The UKZN Independence Trainers assist students to obtain referrals and coordinate with hospitals and eye clinics for regular check-ups, enabling them to monitor their eye health over time. In some cases, they accompany the students



The brand new Mitsubishi Xpander vehicle, which will be utilised by Independence Trainers to deliver crucial training sessions to students.

to have discussions with eyecare practitioners. This comprehensive method ensures that students benefit from a holistic approach that involves a multidisciplinary team of professionals for deteriorating eye conditions.

The training also focuses on skills for daily living, including room and home management, shopping skills (including online shopping), use of laundromats, and adaptive kitchen skills such as cooking and meal preparation. Personal management skills, including grooming and medication management, are also taught. Communication skills such as budgeting and safe banking practices are taught to ensure that students can navigate financial responsibilities effectively. For partially-sighted students, visual efficiency training is provided to help them make the most of their functional vision.

A vital part of the training is teaching orientation and mobility (O&M) skills. Students learn different techniques to navigate their environments safely. Throughout the semester, students benefit from a structured programme to learn routes from their residences to various lecture venues and other requested spaces. The training services also extend to students with physical impairments, such as those using wheelchairs, scooters or other devices.

Donations and funding of this nature are invaluable for the Disability Support Unit as financial resources required to support inclusion, access and participation for

students with disabilities at higher education institutes often outweigh the current available resources.

donate at least R50 via <https://ukzn.devman.co.za/devman/online/genomics/>

If you want to contribute to the Disability Support Programme or any other fundraising projects, you can



From left: Mr Mxolisi Radebe (DSU); Ms Azraa Ebrahim; Ms Margie Naidoo (DSU); Ms Asiphe Khumbula; Mr Siphosethu Ndlovu; Mrs Bukiwe Biyela (UKZN Foundation); and Mr Mandla Dlamini (DSU).

“ Bachelor of Science student Ms Celiwe Gumede said, “The vehicle donation will impact us positively and will make our lives easier. Thank you to the donors for recognising the value that the vehicle will bring us. The independence training from DSU has also boosted my confidence. Ms Naidoo’s advice and training has ensured that I live independently as a person with a disability.” While Audiology student Ms Mandisa Ntshangase added, “Ms Naidoo’s support has really assisted me emotionally, mentally and academically.” ”

UKZN Digital Arts receives Significant Donation to Empower Postgraduate Students

UKZN's Discipline of Digital Arts within the School of Arts has received a significant donation from Mr Rob Harley of Stewart Investors in Edinburgh, UK. The generous contribution aims to provide support to postgraduate students by assisting with registration fees, fee debt and equipment upgrades.

The donations began in 2020 during the challenging times of the COVID-19 pandemic. Digital Arts students were particularly affected by the shift to online learning due to the digital nature of their studies. Many of them lacked essential resources such as laptops or smartphones. In response to this predicament, Dr Michelle Stewart, a dedicated Digital Arts lecturer and coordinator of the programme, reached out to potential sponsors, explaining the difficulties faced by the students. It was Harley who responded with incredible generosity, offering a donation.

As an alumnus of the College of Humanities, Harley is thrilled to support the students and his alma mater, recognising the importance of inspiring and guiding future generations. "I'm a devout believer that all good



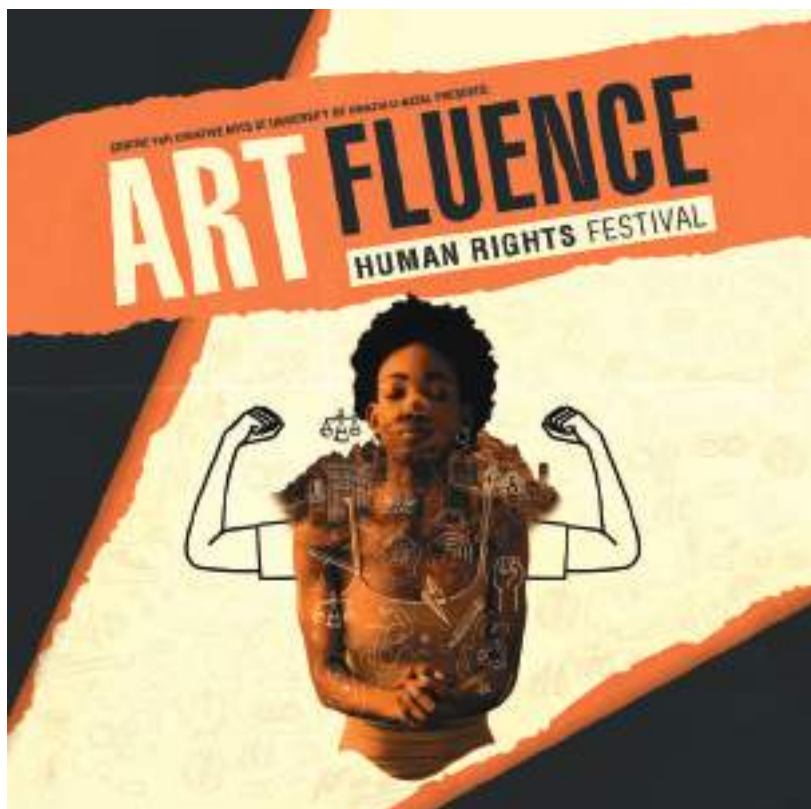
Mr Rob Harley, UKZN alumnus.

things happen because someone outstanding works their socks off to inspire, guide and encourage others towards a vision of something better. I've known Dr Michelle Stewart for 30 years, and it's a privilege to support

her programme and its students. I hope the students have a chance to put their talents and capabilities to good use, and that the vision and inspiration keeps multiplying," he said.

Said Stewart, "This initial contribution played a vital role in supporting the students. It covered the purchase of affordable smartphones for a large number of students and provided eight laptops for senior students engaged in complex digital projects from home. The smartphones were instrumental in facilitating online teaching and learning, as the curriculum was adapted to leverage this technology."

Since then, Harley has continued his support by donating annually to the Digital Arts Discipline. Currently, 80% of the donation is allocated to supporting postgraduate students financially. This includes covering registration



The Artfluence Human Rights Festival.



Digital Arts students' works on display.



fees and aiding with debt relief. The funds have made it possible to pay the registration fees for the majority of students pursuing their Honours, Master's, and PhD degrees, ensuring that financial constraints do not hinder their academic journey. Additionally, a portion of the donation is dedicated to supporting postgraduate student projects and research, including the provision of production fees for film projects and acquisition of specialist equipment.

The impact has extended beyond financial assistance, as the funds also contributed to the department's participation in the Artfluence Human Rights Festival.

Under the guidance of Stewart and her postgraduate Digital Arts students, a captivating night event titled 'Urban Projections: Designing Freedom' was curated. The event featured powerful still and moving images projected on the windows of the Denis Hurley Centre and adjacent buildings.

Among the students who have directly benefitted from the donations are Mr Sfundu Cele and Mr Amukele Sosibo. Cele is working on a documentary film project about the late sculptor Michael Gasa as part of his Master's research work that focuses on archival documentary film and its role in preserving South African cultural history work. Thanks to the donation, his production fee has been covered, allowing him to focus on creating an impactful



Mr Sfundu Cele, Master's in Digital Arts student.

film. He recently curated an exhibition of Gasa's work, which will be included in the documentary.

"Such funding helps alleviate the burden of debt, particularly for postgraduate students in the humanities who often lack bursaries. Now I can worry about my actual schoolwork rather than the financial pressure," he said. Cele's future plans involve creating value for his film production company and sharing meaningful stories with the world. He encourages other students to pursue their passions, emphasising that "passion helps overcome discouragement and brings fulfilment."



Cele curated a Michael Gasa exhibition.

For Mr Amukele Sosibo, this funding made a significant impact as it covered his registration fees. His home environment played a role in shaping his career aspirations as his single-parent household included a supportive mother and a brother. His love for cartoons and art classes during his school years, both in primary and high school, led him to pursue art in tertiary education.

In his current research, Sosibo explores hyperrealism in animation and live films, focusing on Disney's 12 principles of animation. He aims to examine the foundation of hyperreality and the realism found in animated and hybrid films using case studies from the 1930s to modern times. He plans to delve into the philosophical concept of hyperreality through the works of Umberto Eco and Jean Baudrillard. His study encompasses both theoretical and practical components.

Sosibo encourages other students "to approach their work with a well-defined plan, avoid procrastination,



Mr Amukele Sosibo

and work consistently in manageable increments to prevent being overwhelmed by the workload."



Seen are some of Sosibo's artworks.

Exploring Artistic Potential with Hillensberg Trust Funding

Mr Michael Croeser, a talented artist and Fine Arts postgraduate student at UKZN's Centre for Visual Arts (CVA), has been making significant strides in his artistic practice and research thanks to the generous support of the Hillensberg Trust. This provided him with the means to continue his studies to delve deeper into his creative motivations and develop a profound theoretical framework to underpin his work.

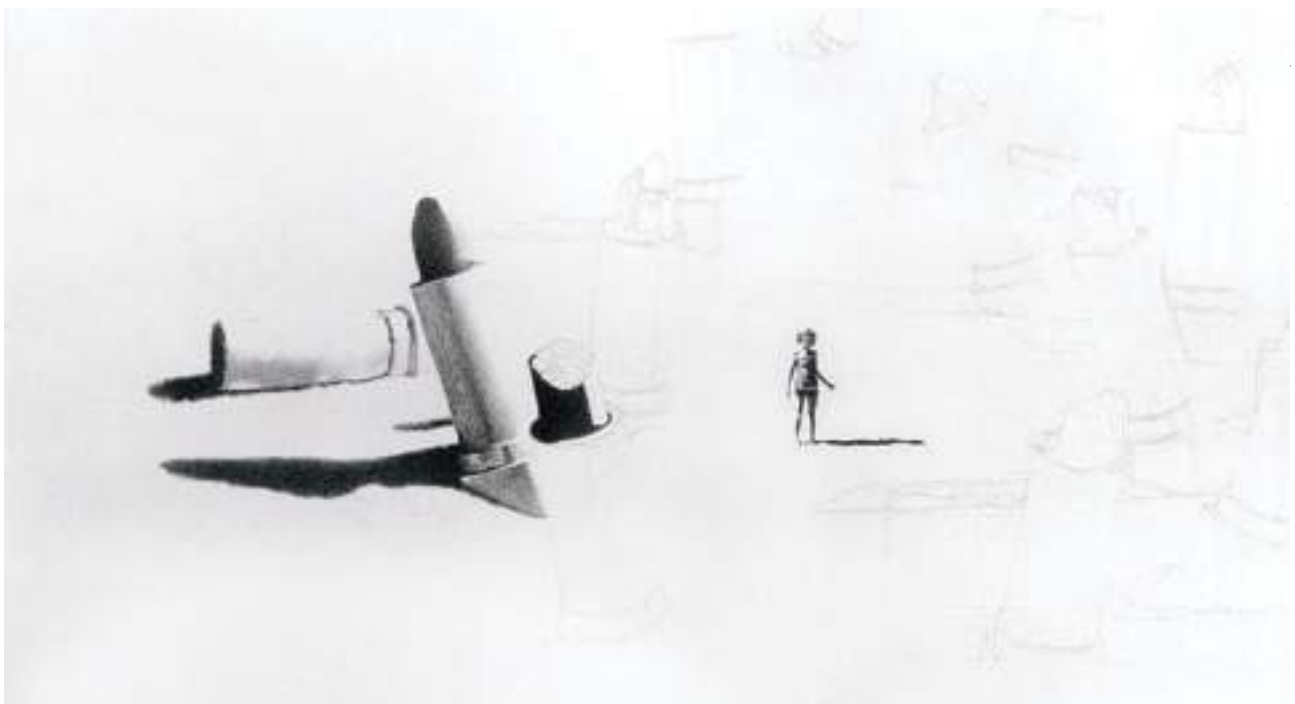
This reflective, practice-led research process impacted on his artistic practice, allowing him to expand the concepts in his work in ways he could never have imagined. He discovered that the combination of moving images, sound and filmed landscapes offers a



Mr Michael Croeser.



Electric Flying Psycho Eternity Catcher at the KZNSA Gallery in Durban, 2009.



Erroneous Cosmetic Time Mask Landscape. Detail of work in progress, 2006.



Solo exhibition at the Bell-Roberts Gallery in Cape Town, May 2004.

childhood. Every year, we would go on holiday to my grandfather's painting studio in Knysna for weeks at a time. We were always making things at home. We had a workshop with machinery, some of it inherited from my mother's father, who was an engineer, and we even worked together on furniture projects.'

Croeser faced challenges in his early life, including poor self-confidence and bullying. As a teenager, his confidence grew, fuelled by his accomplishments in skateboarding – he was placed third in the Durban 'Winter Slam' for street skating – and the influence of skateboarding magazines that showcased captivating artwork. His artistic potential was discovered after high school during his Graphic Design studies. Subsequently, Croeser exhibited his drawings nationally and embarked on a successful career as an artist.

'Although I had shown skills as a draughtsman and perhaps a photographer in my early teens, I never imagined I would actually go into art; in fact, at one point in high school, I thought I was going to become an accountant! My Fine Art postgraduate studies only

began in 2019, after two decades of practicing as an artist.'

His research focuses on a unique synthesis of media, incorporating elements of psychogeographic fiction, experimental cinema, sound art and walking. He employs a method of slow and deliberate walking or 'stalking', combined with handheld digital camera filming to gather data in the woodland zone near his home. His films, which he refers to as 'paths', serve as reflections of his psychology, revealing an internal landscape through the medium of digital video recording. Croeser plans to continue lecturing within the visual arts or media, pursuing his artistic endeavours and further involving himself in filmmaking.

In his spare time, he watches a lot of films and enjoys walking. 'I read and listen to music when I'm not drawing, writing or editing my videos. I have a library of books, records and films at home that I dip into. I also enjoy spending time with a few close friends, many of them artists or writers.'

“ To aspiring students, Croeser emphasises the overwhelming yet rewarding nature of postgraduate studies. He advises having faith in the academic process, relying on the guidance of supervisors and approaching the dissertation as a large project to be tackled systematically and in stages. 'Although the end may not always be visible, perseverance and dedication will ultimately lead to success,' he said. ”

East Coast Radio Supports Media Students

UKZN and East Coast Radio (ECR) celebrated postgraduate Media students who were awarded bursaries and acknowledged the radio station's generous donations and contributions at an event held at ECR's headquarters in Umhlanga.

In her welcome address ECR Human Resources Manager Ms Yvette Pillay said: "The aim of the programme is to provide bursaries for Media students focusing on scarce and critical skills in media and broadcasting. Our mission is to upskill the youth of today and address unemployment."

ECR has worked remotely with the University since the onset of the COVID-19 pandemic and staff have not had the chance to meet bursary recipients face to face. ECR Managing Director Ms Boni Mchunu, who is passionate about education, expressed her excitement at meeting the faces behind the names. "As a brand we always say KZN matters are our matters, so it pains

me when I see students burn institutions due to a lack of funding. Through education, one liberates oneself and one becomes a different person once one has a qualification. I also think it is important for students to have connections with a brand and management team," she said.

Executive Director (Acting) of the UKZN Foundation Mr Steve Camp commented: "Education and passion make somebody successful in their career. Many students struggle to obtain bursaries and so we appreciate organisations like ECR, which make bursaries available for Fine Art and Media Studies, which don't attract a lot of funding."

Professor Lauren Dyll of the Centre for Communication, Media and Society (CCMS) and Academic Leader for Community Engagement in the School of Applied Science, also thanked ECR for their contribution.



Media students at East Coast Radio.

“Two groups of students from CCMS and Media and Communication Studies were excited to be part of the event and expressed their gratitude.”

Fighting Student Food Insecurity through the Sandwich Drive

The UKZN Food Security Programme (UKZN-FSP) is taking proactive steps to address student food insecurity through the Sandwich-A-Day initiative that runs across all five campuses daily for the duration of the June examinations.

The initiative aims to provide 1 000 sandwiches per campus, with the exception of the Medical School campus, which will receive 500 sandwiches due to its size.

This intervention, which was initiated by the Students Representative Council (SRC) and supported by the HIV and AIDS Programme and UKZN Foundation, has been successful in meeting daily targets.

The sandwiches are prepared, packaged and distributed to students by SRC members, who have been actively involved in supporting the food security drive by mobilising other SRC members, ad-hoc committees, clubs and societies to assist with meal preparations.

Manager of the HIV and AIDS Programme and Disability Support Unit Mr Amith Ramballie has been actively involved in ensuring the delivery of food support services as part of the strategic coordination of the UKZN-FSP. The HIV and AIDS Programme has rolled out the UKZN-FSP for the past three years.



UKZN SRC distributes sandwiches to students.



Meals are prepared by students for students.

Over the years, the UKZN-FSP has benefitted from strategic partnerships with various organisations. Ramballie explained that The Gift of the Givers (GOTG) has provided 250 food hampers per month to UKZN for the past three years, Rise Against Hunger (RAH) has provided as many dry meal packs as required (including rice, soya, lentils and vitamin sachets), and Food Forward (a partnership, initiated by the UKZN Foundation) supplies various items from local retailers.

“The HIV and AIDS Programme also allocates a portion of its operational budget to purchase sanitary towels for students in need, which are distributed with the food hampers and as required. The department also set aside some of its cost savings for this year to support the Sandwich-A-Day initiative,” said Ramballie.

The UKZN-FSP acknowledges the impact of food insecurity on students’ well-being and academic success.

SRC President Mr Wandile Majozi added, “The sluggish economy and high food prices are affecting students as

well. This impact is especially felt by a significant number of students who depend on financial aid, including those who are not funded by the National Student Financial Aid Scheme (NSFAS).”

“Through the Sandwich-A-Day initiative at UKZN, we are nourishing not only the bodies but also the spirits of our students. We believe that by providing a simple sandwich each day, we can also foster a sense of community on our campuses. Together, we can make a profound difference in the lives of our fellow students. We thus call on members of the University community to embrace this endeavour with compassion and determination, knowing that a single act of kindness can ignite a revolution of care and support,” said Majozi.

Looking ahead, the UKZN-FSP plans to institutionalise the programme and establish hot meal kitchens before the end of the year.

The UKZN Student Food Security Programme, established through the UKZN Foundation, received



UKZN SRC members with the sandwiches they've prepared.



Sandwiches packed and ready for distribution to hungry students.

generous support from students, staff, alumni, businesses and members of the public. This funding was also instrumental in the roll-out of the Sandwich-A-Day programme.

Executive Director (Acting) of the UKZN Foundation Mr Steve Camp said, "As an advocate for student health, I am really excited to see this SRC initiative come to fruition to assist students. To mitigate the adverse effects of the rising cost of living, inflation, and economic challenges on food security for students, it is crucial to collaborate and implement targeted interventions."

Ms Kerry Lee Philp of UKZN's Water, Sanitation and Hygiene Research and Development (WASH R&D) Centre also donated to the programme. "I wanted to make a difference because I know how important good nutrition is for students. Good health is a vital part of learning. This is one way that I can do something. Projects like these are important as they show an institution's awareness of and willingness to do something about addressing the basic needs of its students. I encourage more people to donate."

If you want to contribute to the Programme or any other fundraising project, you can donate at least R50 via <https://ukzn.devman.co.za/devman/online/genomics/>

Associate Professor of Linguistics at the School of Arts Professor Heike Tappe added, "By contributing monthly to campus food security, I know this will make a difference to students."

CCMS Postgraduate Students Benefit from Netflix Creative Equity Fund

NETFLIX

The Netflix Creative Equity Fund has assisted graduate students in the Centre for Communication, Media and Society in UKZN's School of Applied Human Sciences with funding so that they can continue with their studies and research.

The Netflix Fund helps build new opportunities for underrepresented communities within entertainment. Through the fund, Netflix is committed to creating equitable opportunities in the TV and film industries, as well as bespoke Netflix programmes that help identify, train and provide job placement for up-and-coming talent globally.

"Part of the School's Community Engagement transformation imperative is to ensure adequate student funding opportunities from external partners and industry," said, Associate Professor Lauren Dyll. "The students who have benefitted from the fund thus far are from the CCMS – they are critical thinkers and storytellers



Mbili at the opening of his exhibition Wena Wezulu at the Hazard Gallery in Johannesburg.



Wena Wezulu at the Department of Arts and Culture's Pop Up Exhibition.

with inspiring ideas who at times cannot continue with their studies because of historic debt or a lack of funds.

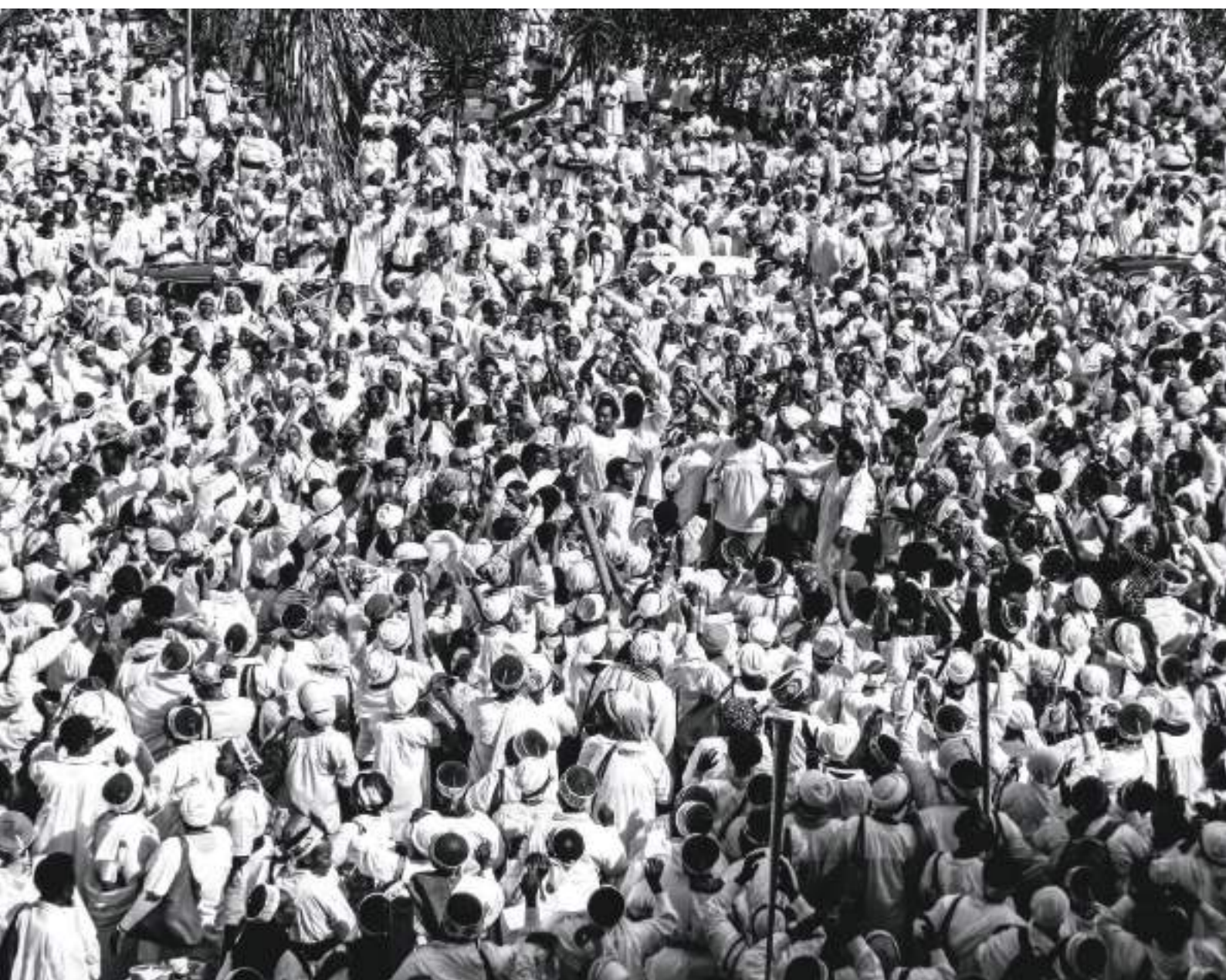
“The fund’s positive impact in alleviating burden and unlocking potential is evident in the case of CCMS student Mr Qiniso Mbili, who is a recipient of the Netflix Graduate Assistance Programme (GAP) Grant.”

Dyll said that Mbili had dedicated a year working towards a Master’s degree, exploring the use of video

and photography as a participatory tool in recording contemporary oral perceptions of Bakoni heritage in Mpumalanga.

“He was devastated when he realised the historic debt he had would prevent him from completing his Master’s degree in his second year,” she said.

Mbili then received the grant that allowed him to continue. His photography and videography have since



The Shembe Nazareth Church, part of the Wena Wezulu exhibition, is used to invoke conversations about religious leadership in the African continent.

been featured on Al Jazeera, and in the Financial Mail and The Daily Vox. As a visual artist and social activist, his solo photography exhibition titled *Wena Wezulu* was held in the Hazard Gallery in Johannesburg, and the Menzi Mchunu Gallery and The Office in Durban.

The exhibition explored African traditional and political leadership issues affecting South Africa and Africa.

"I received the grant with humble gratitude," said Mbili. "A bursary from one of the leading brands in the industry is a life-changing opportunity not only because of its monetary value, but also because of the association I now have with organisations such as Netflix. This further strengthens my existing commitment to my studies and I am more determined than ever to perform at my best."

He is the co-founder of the non-profit organisation The Organised People Towards Development through which he seeks to improve the socioeconomic status of people in his rural community.

Said Dyll: "This is a worthy investment by the Creative Equity Fund, which will likely yield positive multiplier effects. By alleviating Qiniso's stress, the fund has also benefitted those connected to the NGO."

Added Mbili, "I come from a humble household. My mother was a domestic worker who is now retired while my father is late. I have experienced first-hand the value of education and how it can improve lives for the better. I encourage others to learn as much as possible, not only for themselves but for the overall benefit of society. I am grateful to UKZN Foundation and Netflix, not only for their sponsorship of my studies but for their belief in me. They have offered validation of my career as a young media professional and aspiring academic."

Mbili currently works for the SABC and was a finalist for the prestigious SABC Excellence Awards in 2022.

“ He is also involved in a ground-breaking research project called Mashishing Marking Memories, which is focused on documenting and generating knowledge on various cultural and heritage materials that can be found in the Mashishing town of Mpumalanga. The project is being carried out by a diverse team of researchers from leading South African universities such as UKZN and University of Pretoria, Lydenburg Museum and local professionals (such as teachers), Boomplats community members, archaeologists and heritage practitioners. ”

BANKSETA Promoting Transformation in South Africa

The Bank Sector Education and Training Authority (BANKSETA) has awarded bursaries worth millions of rands to deserving UKZN students since 2019. Students who benefitted recently are in the School of Accounting, Economics and Finance (SAEF) at the College of Law and Management Studies under the Dean and Head of School Professor Mabutho Sibanda.

The BANKSETA promotes transformation and skills development for individuals in the banking sector, which is essential for the creation of prosperity generally. The Authority donated towards the development of 111 SAEF postgraduate students in 2019 while this year it has awarded bursaries to SAEF and School of Education candidates.

The awards make a significant difference to the life of each recipient while also helping to uplift their families and communities. BANKSETA bursary holders thanked the Authority for its support.

Fourth-year Finance student Ms Juhi Bhaan was financially dependent on her single mother, which was proving to be stressful. "The BANKSETA funding was such a relief for my mum and I – it lifted a weight off our shoulders. I am very thankful and will forever remember this support and contribution towards my education and personal development," she said.

Postgraduate Diploma in Accounting candidate Mr Okuhle Dlame said that high travel costs had been among several challenges he faced. "Another huge concern for me was whether my mum would be able to pay my tuition fees in time for me to receive my final results. The BANKSETA has covered all my expenses, including tuition fees, transport and even data, enabling me to attend online lectures. Thank you BANKSETA for improving my financial knowledge through informative webinars and for making my dream of being a chartered accountant a step closer to coming true."



BANKSETA funding recipient Ms Juhi Bhaan.



BANKSETA funding recipient Mr Okuhle Dlame.

“The cooperation and generous support provided to UKZN and its students by the BANKSETA are highly appreciated.”

Climate Change Indaba Celebrates Success of uMngeni Resilience Project

A three-day national Climate Change Indaba held at St Ives in the KwaZulu-Natal Midlands celebrated the successful implementation of one of South Africa's climate change adaptation flagship projects, the uMngeni Resilience Project (URP).

Beginning with visits to three wards – Vulindlela, Swayimane, and Nhlazuka – within the uMgungundlovu District Municipality (uMDM), the Indaba gave participants from government, civil society, academia, business, policymaking and research institutes more insight into interventions undertaken by a partnership of researchers, local government entities, and organisations to reduce the vulnerability of communities and smallholder farmers to the impacts of climate change.

Funded by the Adaptation Fund with the South African National Biodiversity Institute (SANBI) as the National Implementing Entity, and the Department of Forestry, Fisheries and Environment (DFFE) as the National Designated Authority providing strategic oversight, the URP began in 2015 and was implemented at the local government scale by the uMDM in partnership with UKZN's Centre for Transformative Agricultural and Food Systems.

The Indaba focused on policy recommendations for mainstreaming climate change adaptation into disaster risk reduction, as informed by early warning systems; built and ecological infrastructure to strengthen rural

human settlements; and climate-resilient agriculture.

The three-day hybrid event was presented in-person and virtually, with the first day comprising field visits to four demonstration sites active throughout the operation of the URP, setting the scene for discussions.

The Indaba explored strengthening water, ecological and food security in the face of a changing climate, while protecting natural ecosystems and ecological infrastructure in support of South Africa's national developmental agenda and green economy objectives, an important milestone for the URP in its final stages to disseminate lessons learnt and provide policy recommendations to facilitate scaling solutions. It also promoted linkages and allowed for focused engagements with other ongoing national and regional climate change adaptation projects and processes.

Participants were part of far-reaching efforts to inform, facilitate and mainstream adaptation to a changing climate. A celebratory gala dinner that reflected on the achievements of the project, its implementing organisations, and individuals within it, was attended by mayors and councillors from the uMgungundlovu, Richmond, uMshwathi, uMngeni, Mpofana and Mkhambathini local municipalities.

"When we work together, we achieve impact on the ground; we have a common agenda to improve the



Delegates at the uMngeni Resilience Project National Climate Change Indaba.

lives of people,” said Project Director at UKZN Honorary Associate Professor Tafadzwa Mabhaudhi, who highlighted the importance of diversity and inclusion

in enriching the process of innovation when partners worked toward a shared vision while using their strengths in a complementary manner.



The Nhlanzuka site visit.



Mabhaudhi spoke about the science-policy-practice interface at the Indaba, where compromise was necessary to reach a common destination.

Head of SANBI's Biodiversity Science and Policy Advice Branch Ms Carmel Mbizvo welcomed delegates to the event. "The URP is really the first flagship project when it comes to climate change adaptation and has set a great basis for us to move forward with new initiatives and to build on what we've learnt through the challenges of working from community all the way up to the national level to strengthen institutional arrangements to ensure sustainability and impact," said Mbizvo.

"The project serves as a classic example of how formidable partnerships based on people and nature can be, and

demonstrated the importance of partnerships delivering results that benefit communities," said Mr Barney Kgope of the DFFE on behalf of Chief Director: Climate Change Adaptation Mr Tlou Ramaru, who expressed appreciation to UKZN and SANBI for supporting the URP.

An opening keynote address by eminent climate change and hydrological expert Emeritus Professor Roland Schulze of UKZN focused on asking the right questions and avoiding falling into a climate change trap.

Presentations and panel discussions at the Indaba centred on the themes that informed the URP's actions. Parallel sessions provided the opportunity to explore the role of climate services in disaster risk management, climate-proofing built and ecological infrastructure, sustainable and resilient food systems, and transformational development to build capacity.

“ The final session provided insight into how the URP emerged and its place in the context of climate finance in South Africa, what was learnt during the project's implementation, national approaches to adaptation planning, and how to scale up and replicate interventions trialled through the URP. ”



Highlights from the site visit to Swayimane.

The University of KwaZulu-Natal Foundation Trust

FINANCIAL STATEMENTS

For the year ended 31 December 2022

Statement of Responsibility by the Board of Trustees and Approval of Financial Statements

The financial statements presented on pages 5 to 19 have been prepared in accordance with International Financial Reporting Standards and in terms of the Foundation's Deed of Trust.

The Board of Trustees considers that the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in preparing the financial statements, and that the financial reporting standards relevant to the Foundation have been adopted as far as is practicable. The Board of Trustees is satisfied that the information contained in the financial statements fairly presents the results of the Foundation's operations and cash flows for the year and its financial position at year end.

The "going concern" basis has been adopted in the preparation of the financial statements. The Board of Trustees has no reason to believe that the Foundation will not be a going concern in the foreseeable future, based on forecasts and available cash resources. The viability of the Foundation is supported by the financial statements.

The Foundation operates in a well-established control environment that is comprehensively documented and reviewed regularly. This incorporates risk management and internal control procedures which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and that the risks facing the Foundation are being controlled. No event or item has come to the attention of the Board of Trustees that indicates any material breakdown in the functioning of the key internal controls and systems during the year under review.

These financial statements have been reported on by the independent auditors, PricewaterhouseCoopers Inc., who were given unrestricted access to all financial records and related data, including minutes of all relevant meetings. The Board of Trustees believe that all representations made to the independent auditors during their audit were valid and appropriate. The report of the independent auditors is presented on pages 3 to 4. The supplementary financial information presented on pages 20 to 21 does not constitute part of the audited financial statements.

The financial statements set out on pages 5 to 19 and the supplementary financial information set out on pages 20 to 21 were approved by the Board of Trustees and authorised for issue on 23 JUNE 2023 and are signed on its behalf by:



Mr. M Mia
Chairperson



Mr. AGS Osman
Chairperson: Audit and Risk Committee



Mrs. N Mbhele
Chief Finance Officer
University of KwaZulu-Natal

FINANCIAL STATEMENTS

For the year ended 31 December 2022

CONTENTS	Page
Statement of responsibility by the Board of Trustees and approval of the financial statements	1
Report of the Trustees	2
Independent auditors report	3 - 4
Statement of financial position	5
Statement of profit or loss and other comprehensive income	6
Statement of changes in funds and reserves	7
Statement of cash flows	8
Notes to the financial statements	9 - 19
Supplementary financial information	
Schedule of expenditure	20
Schedule of endowment funds	21

Report of the Trustees

For the year ended 31 December 2022

The Board of Trustees has pleasure in presenting their annual report which accompanies, and should be read in conjunction with,

the financial statements and supplementary schedules for the year ended 31 December 2022 which are set out on pages 5 to 19. The Foundation is a registered charitable trust dedicated to advancing the goals of the University of KwaZulu-Natal ("UKZN") through various fundraising activities by garnering grants, donations and bequests from donors, stakeholders and other partners from within South Africa and abroad. The Foundation is domiciled in the Republic of South Africa. The head office is located at the Howard College Campus in Durban.

Nature of business

The core task of the Foundation is to promote the University and to seek philanthropic income to fund the multifarious activities of the University of KwaZulu-Natal which includes: bursaries, research support, teaching support, community engagement, infrastructure development and any other initiatives that serve to build and strengthen UKZN and assist it to meet its strategic goals.

As part of its outreach programme, the Foundation also provides *pro bono* fundraising advice to other university foundations and non-governmental and community-based organisations whose goals and ethos are consistent with, or complementary to, those of UKZN.

Review of activities and results

During the year under review, the Trustees held four meetings. At these meetings they provided guidance and strategic direction to the Foundation. In particular, the Trustees considered various reports from the Executive Director and management of the Foundation dealing with the operating activities and financial results of the Foundation and aspects relating to the administration of the Foundation and the investment of its funds.

The results of the Foundation, its financial position and accounting policies and practices for the year ended 31 December 2022 are comprehensively set out in the attached financial statements and do not, in the opinion of the Trustees, require any further comment.

Subsequent events

No event, which has a material effect on the financial affairs of the company, has occurred between the reporting date and the date of the approval of the annual financial statements.

Trustees

The following Trustees held appointment during the year under review and to date of this report:

Mr. M Mia (Chairperson)

Dr P Mnganga (Deputy Chairperson)

Prof N Poku (Vice-Chancellor & Principal UKZN)

Dr L M Moja (Chair of Council)

Ms. D Sokhela

Mr. S M Mashita

Mr. AGS Osman

Judge N Pillay

Mr. M W Phungula

Ex Officio

Mrs. N Mbhele (Chief Finance Officer UKZN)

Bankers

Standard Bank SA Limited

Auditors

PricewaterhouseCoopers Inc.

Investment managers

Ninety One Investment Managers
27four Investment Managers (Pty) Ltd

Financial administrators

University of KwaZulu-Natal (Finance Division)

Independent auditor's report

To the Trustees of the University of KwaZulu-Natal Foundation Trust

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the University of KwaZulu-Natal Foundation Trust (the Trust) as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The University of KwaZulu-Natal Foundation Trust's financial statements set out on pages 5 to 19 comprise:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

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

Independence

We are independent of the Trust in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Other information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "University of KwaZulu-Natal Foundation Trust (Trust Deed Number IT 589 / 2003) Financial Statements 31 December 2022". The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the trustees for the financial statements

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

In preparing the financial statements, the trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees 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.

Statement of Financial Position

For the year ended 31 December 2022

	Notes	2022 R	2021 R
ASSETS			
Non-current Assets			
Property, plant and equipment	2	53 572	56 375
Investments	3.1	266 955 687	269 982 715
		<u>267 009 259</u>	<u>270 039 090</u>
Current Assets			
Cash and cash equivalents	4	5 381 129	2 720 879
Total Assets		<u>262 390 388</u>	<u>272 759 969</u>
FUNDS AND LIABILITIES			
Funds			
Endowed Funds:			
Specified endowment funds		73 536 861	71 465 744
Unspecified endowment fund		62 944 854	62 740 972
Investment reserve	3.2	113 340 720	127 576 589
Total endowed funds		<u>249 822 435</u>	<u>261 783 305</u>
Non-current Liabilities			
Post-retirement health care obligations	5	1 269 468	1 308 050
Current Liabilities			
Accounts payable and accrued liabilities		248 450	135 183
Specified donations to be transferred		5 381 031	2 717 379
Employee benefits	6	99 655	169 357
UKZN current account	7	5 579 359	6 646 695
		<u>11 308 495</u>	<u>9 668 614</u>
Total Funds and Liabilities		<u>262 390 388</u>	<u>272 759 969</u>

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2022

	Notes	Specified Endowment Funds R	Unspecified Endowment Fund R	Endowed Funds 2022 Total R	2021 Total R
INCOME					
Donations and grants					
Specified purposes		112 738 933	-	112 738 933	119 506 877
Specified University endowments		76 000	-	76 000	82 655
Unspecified endowments		-	2 849 449	2 849 449	2 265 597
Total donations and grants	8	112 814 933	2 849 449	115 664 382	121 855 129
Investment income					
Income from marketable securities :		(3 390 620)	(2 990 375)	(6 381 195)	44 434 990
Interest and dividends	9	4 174 105	3 680 569	7 854 674	6 343 337
Net gains/(losses) in investments	3.1	(7 564 925)	(6 670 944)	(14 235 869)	38 091 661
Total income		109 424 113	(1 140 926)	109 283 187	166 290 127
EXPENDITURE					
Administration expenses - local		-	6 440 685	6 440 685	6 261 295
International operations		-	-	-	-
Bursary awards and other disbursements		1 784 747	-	1 784 747	2 723 490
Total expenditure		1 784 747	6 440 685	8 225 432	8 984 785
Net surplus/ (deficit) before allocations	10	107 639 366	(6 581 611)	101 057 755	157 305 342
Allocations					
Grants for specified University purposes		112 814 933	-	112 814 933	119 589 532
Specified Foundation endowment funds		112 145 133	-	112 145 133	119 262 143
Specified University endowment funds		593 800	-	593 800	244 734
		76 000	-	76 000	82 655
NET SURPLUS/ (LOSS)		(5 175 567)	(6 581 611)	(11 757 178)	37 715 810
Other comprehensive income/(loss) for the year			114,549		(101 154)
Remeasurement of post retirement obligations	6	-	114,549	114 549	(101 154)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		(5 175 567)	(6 467 062)	(11 757 178)	37 614 656

Statement of Changes in Funds and Reserves

For the year ended 31 December 2022

	Notes	Funds			Total Funds R
		Specified Funds R	Unspecified Endowment Fund R	Investment Reserve R	
Fund balances at 31 December 2020		71 404 763	63 836 724	89 484 928	224 726 415
Total comprehensive income for the year		20 689 243	16 925 413	-	37 614 656
Transfer of donations to specified endowment funds		244 734	-	-	244 734
Transfers to University operations		(802 500)	-	-	(802 500)
Net fair value movement in investments		(20 070 496)	(18 021 165)	38 091 661	-
Fund balances at 31 December 2021		71 465 744	62 740 972	127 576 589	261 783 305
Total comprehensive income for the year		(5 175 567)	(6 467 062)	-	(11 642 629)
Transfer of donations to specified endowment funds		593 800	-	-	593 800
Transfers to University operations		(912 041)	-	-	(912 041)
Net fair value movement in investments		7 564 925	6 670 944	(14 235 869)	-
Fund balances at 31 December 2022		73 538 861	62 944 854	113 340 720	249 822 435

Statement of Cash Flows

For the year ended 31 December 2022

	Notes	2022 R	2021 R
Operating activities			
Cash utilised in operating activities:		(334 816)	(2 802 238)
Investment income: interest & dividends		7 854 674	6 343 337
Expenditure and disbursements		(8 225 432)	(8 984 786)
Depreciation	2	35 942	39 211
Changes in working capital		2 707 217	684 402
(Decrease)/increase in donations to be allocated		2 683 652	927 024
(Decrease) in employee benefits		(69 702)	(255 072)
(Decrease)/increase in accounts payable and accrued liabilities		113 267	12 450
(Decrease)/increase in post-retirement health care obligations including remeasurement		65 957	54 359
Increase/(decrease) in UKZN current account		(1 067 336)	(1 233 301)
Net cash (utilised)/generated in operating activities		1 371 022	(3 096 778)
Investing activities			
Net cash (utilised)/generated from investing activities :		(1 241 980)	2 315 971
Purchase of property, plant and equipment	2	(33 139)	(17 572)
Re-investment of investment income	3.1	(7 854 674)	(6 546 454)
Withdrawals from investments	3.1	6 645 833	8 879 997
Financing activities			
Net cash generated from financing activities :		2 531 208	1 707 831
Endowment Funds : donations and grants		3 443 249	2 510 331
Endowment Funds : transfers to UKZN operations		(912 041)	(802 500)
Net (decrease)/increase in cash and cash equivalents		2 660 250	927 024
Cash and cash equivalents at beginning of year	4	2 720 879	1 793 855
Cash and cash equivalents at end of year	4	5 381 129	2 720 879

Notes to the Financial Statements

For the year ended 31 December 2022

1. Accounting policies

The financial statements are prepared in accordance with, and in compliance with, International Financial Reporting Standards (IFRS) and in the manner required by the Foundation's Deed of Trust. They have been prepared under the historical cost convention, except for investments classified as fair value through profit and loss, which are measured at fair value. The principal accounting policies adopted in the preparation of these financial statements are set out below and are consistent with those of the previous year.

These financial statements are prepared and presented in South African Rands.

1.1. Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about areas of estimation, uncertainty and critical judgements in applying accounting policies that are likely to have the most significant effects on the amounts recognised in the financial statements are described in the following notes:

- Investments
- Past-retirement health care obligations

1.2. Income recognition

Income comprises donations and grants received and investment income.

Donations are measured at the fair value of the consideration received or receivable.

Donations and grants are brought into the statement of comprehensive income in the year of their receipt and thereafter transferred to the beneficiary University unit, entity, endowment or other fund, as applicable. Donations received in advance of the period of their specified use are disclosed as current liabilities on the statement of financial position.

Investment income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Foundation. Dividends and interest are recognised when the right to receive payment is established.

1.3. Foreign currency transactions

Foreign currency transactions are accounted for at spot rates, being the exchange rates prevailing at the dates of the respective transactions. Gains and losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income in the year in which they arise. Monetary assets and liabilities designated in foreign currencies at the statement of financial position date are translated at the rates of exchange ruling at the statement of financial position date.

1.4. Financial instruments : IFRS 9

Classification

The Trust 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 Trust's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Trust has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Trust reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Trust 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 Trust has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Trust 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.

Debt instruments

Subsequent measurement of debt instruments depends on the Trust's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Trust classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1.4. Financial instruments: IFRS 9 (continued)

Equity instruments

The Trust has elected to present fair value gains and losses on equity investments in profit or loss.

Dividends and interest from such investments continue to be recognised in profit or loss as other income when the Trust'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 losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

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

For trade receivables, the Trust applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

The Foundation de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Foundation neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Foundation recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Foundation retains substantially all the risks and rewards of ownership of a transferred financial asset, the Foundation continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the University has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVPL.

Financial liabilities are classified as at FVPL when the financial liability is:

- held for trading, or
- it is designated as at FVPL.

Financial instruments include investments, cash, receivables and accounts payable. Where material, the particular recognition methods adopted are disclosed in the individual policy statements associated with the respective financial instruments.

Exposure to foreign currency (i.e. exchange rate) and credit risks arises in the normal course of the Foundation's fundraising and investment activities. Exchange rate risks associated with major foreign grants and donations received are managed by the adoption of various strategies designed to minimise these risks as far as practicable. Market and credit risk on investments is prudently managed on behalf of the Foundation's Trustees by externally appointed asset managers ("counterparties") that have credit ratings equal to or better than those of the Foundation.

1.5. Property, plant and equipment

Items of property, plant and equipment are recorded at historical cost less accumulated depreciation and impairment losses.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, when it is probable that future economic benefits will flow to the entity and the cost of the item can be measured reliably.

Assets costing less than R5000 are written off in the year of acquisition.

Depreciation is calculated on the straight-line method, at rates calculated to write off the costs or revalued amounts of assets, to their residual values over their estimated useful lives, as follows:

Computer equipment :	3 years
Furniture and other equipment:	5 years

Routine maintenance costs are charged to income as incurred. Costs of major maintenance or refurbishment of items of property, plant and equipment are recognised as expenses, except where the useful lives of the assets concerned have been extended. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing the carrying value of the respective assets at disposal to the proceeds on their disposal and are accounted for in the statement of comprehensive income.

1.6. Post-retirement health care obligations

The Foundation provides post-retirement health care benefits for all employees and retirees who were members of the Foundation of KwaZulu-Natal Medical Scheme prior to 1 August 2004. In the case of serving members, the entitlement to these benefits is conditional on employees remaining in service up to retirement age. The expected costs of these benefits are accrued over the periods of employment, using the projected unit credit method. These service costs are charged to income as incurred. Independent actuarial valuations of these obligations are carried out annually on behalf of the Foundation and the Foundation's proportionate share of the total liability, based on the number of its members eligible to receive post-retirement health care benefits, is recognised in the statement of financial position. All actuarial gains/losses are recognised immediately through other comprehensive income.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1.7. Employee benefits

Employee entitlements to annual leave and service bonuses are recognised when they accrue. Accruals are made for the estimated liabilities for leave accumulated up to the statement of financial position date and, in the case of service bonuses paid annually to qualifying employees in the months of their birthdays, to the extent of the pro rata services rendered by each employee prior to the statement of financial position date.

For defined contribution plans, the Foundation pays contributions to privately administered pension insurance plans on a mandatory, contractual or

1.8. Accounts payable and accrued liabilities

These amounts represent liabilities for goods and services provided prior to the end of the financial year which are unpaid.

Accounts Payable & accrued liabilities are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Accounts Payable & accrued liabilities are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

1.9. Impairment

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

At each statement of financial position date, an assessment of the carrying amounts of property, plant and equipment, investments and other assets is made to determine whether there is any indication of impairment. If such indication exists, the estimated recoverable amount of the impaired asset is determined and adjusted accordingly. The resultant impairment losses on the differences between the recoverable and carrying amounts are recognised in the statement of comprehensive income, unless the relevant assets are carried at revalued amounts, in which case the impairment losses are reversed against the revaluation reserve and disclosed in the statement of changes of funds.

1.10. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Cash and cash equivalents are initially measured at the fair value and subsequently measured at amortised cost.

1.11. Related parties

A party is related to the Foundation if any of the following are met:

- Directly, or indirectly through one or more intermediaries, the party controls, is controlled by or is under common control with the Foundation;
 - The party is a member of key management personnel i.e. the trustees and executive director of the Foundation or its parent; and
 - The party is a close family member of the family or individual referred to above.
- Close family member of the family of an individual includes:
- The individual's domestic partner and children;
 - Children of the individual's domestic partner; and
 - Dependents of the individual or the individual's domestic partner.

1.12. Accounting for leases - IFRS 16

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets;
- Leases with a duration of 12 months or less; and
- Leases with only variable lease payments.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease or, where this cannot be determined, at the University's incremental borrowing rate.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease; initial direct costs incurred; and restoration costs.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. The subsequent lease liability is remeasured to reflect changes in:

- the lease term using the revised discount rate;
- assessment of any purchase options; and
- amounts payable or expected to be payable under residual value guarantees.

All subsequent remeasurements are treated as adjustments to the right-of-use assets. Where the right-of-use asset value is nil, any adjustment is recognized in profit and loss.

The University measures the right-of-use asset at the cost less accumulated depreciation and impairment. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, this is considered to be shorter than the lease term. The University assesses whether the right-of-use assets are impaired applying IAS 36 Impairment of Assets on an annual basis.

Lease modifications are accounted for as separate leases if the modification increases the scope of the lease by adding the right to use one or more underlying assets and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope. Lease modifications that do not give rise to a separate lease are accounted for by adjusting the right-of-use asset.

Expenses relating to short term leases of 12 months or less, all leases of low value assets and those leases with payments which are variable in nature are written off to profit and loss.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

	2 022	2 021
	R	R

1.14. Standards and interpretations in issue not yet adopted

At the date of authorisation of these financial statements, the following revised standards and interpretations were in issue, but not yet effective:

Effective date for annual periods beginning on or after indicated below:

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and standards. Effective date : 1 January 2023

Amendments to IAS 16 deferred tax related to assets and liabilities arising from a single transaction. These amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. Effective date : 1 January 2023

Amendments to IFRS 16 - Lease on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how and entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely impacted. Effective date : 1 January 2024

Amendments to IAS 1 - Non-current liabilities with covenants. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. Effective date: 1 January 2024

IFRS 17 Insurance Contracts. This standard replaces IFRS 4, which permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. Effective date : 1 January 2023

The Trustees are of the opinion that the amendments to these standards will not have a material effect on the financial statements of the Foundation.

2 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of property, plant and equipment - 31 December 2022

	Computer equipment R	Furniture and equipment R	Total R
Cost	285 549	85 233	370 782
Accumulated depreciation	(239 433)	(77 777)	(317 210)
Carrying value	46 116	7 456	53 572
Opening carrying value	42 469	13 906	56 375
Additions	33 139	-	33 139
Depreciation charge	(29 492)	(8 450)	(35 942)
Closing carrying value	46 116	7 456	53 572

Reconciliation of property, plant and equipment - 31 December 2021

Cost	252 410	85 233	337 643
Accumulated depreciation	(209 941)	(71 327)	(281 268)
Carrying value	42 469	13 906	56 375
Opening carrying value	51 111	26 903	78 014
Additions	17 572	-	17 572
Depreciation charge	-26 214	(12 997)	(39 211)
Closing carrying value	42 469	13 906	56 375

3 INVESTMENTS

3.1 Financial assets at fair value through profit or loss

The Trust 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 or FVOCI.
- 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 total investments comprise the following category:

Equity Investments :

Ninety One Investment Fund	143 281 459	152 766 397
27four Balanced President Fund	113 694 228	117 196 318
	<u>256 955 687</u>	<u>269 962 715</u>

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

	2022 R	2021 R
3 INVESTMENTS (continued)		
Market value at beginning of the year	269 982 715	234 224 597
(Withdrawals)	(6 646 833)	(8 879 897)
Reinvestment of investment income	7 854 674	6 546 454
Net gains/(loss) on investments	(14 236 869)	38 091 661
Market value at end of year	256 955 687	269 982 715

Investments were previously classified as available for sale financial assets, after the adoption of IFRS 9, these investments have been reclassified as fair value through profit or loss. As a result, fair value gains and losses are recorded in the statement of profit and loss and no longer presented under other comprehensive income.

4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash at bank and on hand	5 381 129	2 720 879
Total cash and cash equivalents	5 381 129	2 720 879

6 POST-RETIREMENT HEALTH CARE OBLIGATIONS

Amount accrued in respect of the health care obligation	1 269 468	1 308 050
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The Foundation's obligations towards post-retirement health care obligations in respect of its employees are determined in accordance with International Accounting Standard 19 : Employee Benefits (IAS 19). In terms of its stated accounting policy, the Foundation's liability represents a proportionate share of the total actuarially calculated obligations for members of the University of KwaZulu-Natal Medical Scheme, and is based on the number of serving and former employees eligible for such post-retirement benefits. The actuarial valuation carried out in 2023 in respect of the year ended 31 December 2022 forms the basis for the recognised liability.

Movement in the defined benefit liability over the prior year is as follows:

Balance at beginning of the year	1 308 050	1 152 537
Current service cost	12 062	8 898
Interest cost	139 011	126 786
Past service cost	-	-
Benefit payments from plan	(86 116)	(81 325)
Remeasurements during the year	(114 649)	101 154
Gain/loss from financial assumptions	(129 805)	109 299
Gain/loss from demographic assumptions	-	-
Other gains/losses	16 269	(8 145)
Balance at end of the year	1 269 468	1 308 050

The principal actuarial assumptions used for accounting purposes are :

Health care cost inflation (per annum)	8.43%	8.08%
Discount rate (per annum)	12.36%	11.1%
Normal retirement age (years)	65	65
Remaining average working lives of in-service employees (years)	14.3	15.3

The effect of a 1% change in the assumed health care cost inflation and discount rate would be as follows:

	Health care cost inflation	Discount rate
1% increase		
Current service and interest costs	180 805	154 696
Aggregate defined benefit obligation	1 401 147	1 139 000
1% decrease		
Current service and interest costs	143 701	167 502
Aggregate defined benefit obligation	1 138 552	1 403 750

The effect of a one year older change or one year younger change in the retirement age assumption would be as follows:

	Retirement age
1 year increase	
Current service and interest costs	157 071
Aggregate defined benefit obligation	1 238 045
1 year decrease	
Current service and interest costs	164 636
Aggregate defined benefit obligation	1 283 033

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

	2022	2021
	R	R
6 EMPLOYEE BENEFITS		
	Leave Pay	Total
	R	R
Balances at beginning of the year	169 357	169 357
Utilised during the year	(178 221)	(178 221)
Charged to the income statement (note 10)	108 519	108 519
Balances at end of the year	99 655	99 655

Employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

7 UKZN CURRENT ACCOUNT

The Foundation has a related party relationship with UKZN, of which it is a subsidiary entity for the purposes of preparing the University's consolidated financial statements. Transactions between the two parties are summarised below, together with the respective year-end balances owing to and by each other. These transactions and balances are eliminated on consolidation.

Balance owed to UKZN at beginning of year	6 646 695	7 879 897
Add(less):		
Donations and grants received by UKZN on behalf of Foundation	(3 443 249)	(2 510 331)
Funds transferred by Foundation to UKZN : investment withdrawal	(6 646 695)	(8 879 997)
Reinvestment of investment income	862	203 117
Foundation portion : UKZN post-retirement obligations	(65 957)	(54 359)
Expenses paid and net disbursements by UKZN for the Foundation	8 225 432	8 984 786
Endowment Funds : transfers to UKZN operations	912 041	802 500
Purchase of property, plant and equipment by UKZN	33 139	17 572
Depreciation of property, plant and equipment by UKZN	(35 942)	(39 211)
Bank account : transfers due to UKZN	2 680 260	927 024
Change in working capital	(2 707 217)	(684 403)
Balance owed to UKZN at end of year	6 679 359	6 646 695

8 DONATIONS AND GRANTS INCOME

The Trust recognises revenue at a point in time when donations are received in the Trust's bank account.

Donations and grants comprise international and national donations

International donations	33 791 813	38 604 297
National donations	81 872 569	83 250 832
Total donations and grants income	115 664 382	121 855 129

9 ENDOWMENT FUNDS : INVESTMENT INCOME

Allocation of investment income

Specified endowment funds	4 174 105	3 342 237
Unspecified endowment fund	3 680 589	3 031 100
Total endowment funds' portion of investment income	7 854 694	6 343 337

Net fair value movements in investments

Specified endowment funds	(7 564 925)	20 070 496
Unspecified endowment fund	(6 670 944)	18 021 165
Total net fair value movement in investments	(14 235 867)	38 091 661

The allocation of investment income to the various specified endowment funds is based on the prevailing University treasury management ("pool") rate of return for the year. The purpose of the income stabilisation fund is to enable allocations of income to the specified endowment funds in years of relatively poor investment performance to be maintained at levels closely equivalent to the University "pool" rate. A rate equal to the University ("pool") rate of return of 6.36% was applied in 2022 (2021: 5.14%).

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

	2022	2021
	R	R
10 NET SURPLUS BEFORE ALLOCATIONS IS ARRIVED AT AFTER TAKING THE FOLLOWING INTO ACCOUNT:		
Audit fees	126 011	132 476
Consultancy fees	20 189	164 082
Depreciation	35 942	39 211
Travel and subsistence	90 897	573
Personnel costs	5 558 563	5 769 335
Salaries and wages	4 672 954	4 846 101
Accrual for leave pay (note 6)	108 519	178 221
Retirement costs : defined contribution plan	638 079	618 227
Post-retirement health care obligations (note 5)	139 011	126 786

11 TAXATION

The Foundation is registered as a public benefit organisation in terms of Section 30 of the South African Income Tax ("Act") and is exempt from income tax in terms of section 10(1)(cN) of the Act.

12 RELATED PARTIES

Due to the nature of the Foundation's operations and the diverse composition of its stakeholders, the Board of Trustees takes particular care to avoid conflicts of interest. It has, accordingly, adopted a policy requiring declarations of any interests - actual or potential - by members of the Board of Trustees, and by members serving on their committees and officials in attendance at all Board and committee meetings of the Foundation. In terms of this policy, transactions with third parties in which a Board member or any other related party may have a direct or fiduciary interest are required to be disclosed to the Board and, consequently, must be entered into at arm's length and also be in accordance with the University's approved procurement policy.

Payments to Executive Director

835 897

1 130 307

The Foundation has a related party relationship with UKZN, of which it is a subsidiary entity. Transactions with the University are disclosed in note 7.

13 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Foundation's principal financial instruments comprise available-for-sale investments, cash and cash equivalents, accounts payable and accrued liabilities, employee benefits and current account with UKZN. The Foundation manages a substantial portfolio of financial assets with a long term view to growing the portfolio in order to provide financial stability and support for new initiatives and strategic choices. The main risks facing the Foundation's financial instruments are market risk, credit risk and liquidity risk. Management reviews and agrees policies for managing each risk as summarised below:

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

		2022	2021
		R	R
13 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES			
(continued)			
Financial instruments by category			
The accounting policies for financial instruments have been applied to the line items below:			
31 December 2022			
Financial assets	Note	Amortised cost	FVPL
Fair value through profit or loss (FVPL) - investments	3		256 955 687
Cash and cash equivalents	4	5 381 129	
Financial liabilities		Amortised cost	
Accounts payable and accrued liabilities		248 450	
31 December 2021			
Financial assets	Note	Amortised cost	FVPL
Fair value through profit or loss (FVPL) - investments	3		269 982 715
Cash and cash equivalents	4	2 720 879	
Financial liabilities		Amortised cost	
Accounts payable and accrued liabilities		135 183	

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

	2022	2021
	R	R

13 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, currency risk and interest rate risk. The Foundation's exposure to market risk relates primarily to its financial assets held at fair value through profit or loss. These financial assets are invested in terms of a considered strategy adopted by the Board of Trustees. The strategy takes into account the risk profile of the individual endowed funds and allocates investment to appropriate asset classes. The portfolio is then allocated to a selected portfolio manager who operates under a defined mandate. The risk is managed by the portfolio manager.

Price risk

The following table demonstrates the sensitivity of the Foundation's investments that are subject to price risk to a reasonable possible change in market values, with all other variables held constant.

Price risk changes:

The effect of a 5% increase in price risk	12 847 784	13 499 138
The effect of a 5% decrease in price risk	(12 847 784)	(13 499 138)

Interest rate risk

If the interest rate on balances at banks at year end were to increase / decrease by 50 basis points, the surplus for the year would have increased / decreased by R 28 905 (2021: R 13 604).

Credit risk management

The Foundation has no significant concentrations of credit risk. As a matter of policy, the Foundation trades only with recognised, creditworthy third parties, who are subject to credit verification procedures, terms and conditions of trade specified by the University.

The Foundation deposits only with major banks of high quality credit standing. At year end, the management of the Foundation did not consider there to be any significant concentration of credit risk. The credit quality of financial assets can be assessed by reference to external credit ratings, which are listed below.

The carrying value of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at reporting date was:

	Credit rating		
Cash at Bank and Short-term Deposits	F1+	5 381 128	2 720 879
Financial assets at fair value through profit and loss	AA+	256 965 687	269 982 716

Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The timing and nature of the Foundation's cash inflows and outflows are such that liquidity problems are unlikely to arise. Furthermore, the Foundation has access to funds through either its current account with UKZN or the investments portfolio in the event of any unforeseen events occurring.

The table below summarises the maturity profile of the Foundation's financial liabilities at 31 December 2022 and 2021 based on contractual undiscounted payments.

	Less than 6 months R	6 to 12 months R	1 to 5 years R	Total R
31 December 2022				
Accounts payable and accrued liabilities	248 450	-	-	248 450
Specified donations to be transferred	5 381 031	-	-	5 381 031
Employee benefits	-	99 655	-	99 655
UKZN Current account	5 579 359	-	-	5 579 359
Total	11 208 840	99 655	-	11 308 495
31 December 2021				
Accounts payable and accrued liabilities	125 183	-	-	125 183
Specified donations to be transferred	2 717 379	-	-	2 717 379
Employee benefits	-	169 357	-	169 357
UKZN Current account	6 646 695	-	-	6 646 695
Total	9 489 257	169 357	-	9 658 614

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

13 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Fair value estimation

Market values have been used to determine the fair value of financial assets at fair value through profit or loss and is based on quoted market prices at the statement of financial position date which have been summarised in the table below:

Financial assets at fair value through profit or loss : 31 December 2022

Equity Securities :	Level 1 R	Level 2 R	Level 3 R
Investec Opportunity Fund	143 261 459	-	-
27four Balanced President Fund	113 694 228	-	-

Financial assets at fair value through profit or loss : 31 December 2021

Equity Securities :	Level 1 R	Level 2 R	Level 3 R
Investec Opportunity Fund	152 786 397	-	-
27four Balanced President Fund	117 196 318	-	-

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements see (iii) below.

The Trust'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 trust 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.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for interest rate swaps - the present value of the estimated future cash flows based on observable yield curves
- for foreign currency forwards - present value of future cash flows based on the forward exchange rates at the balance sheet date
- for foreign currency options - option pricing models (e.g. Black-Scholes model), and
- for other financial instruments - discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

Capital management

The capital of the Foundation comprises both restricted funds designated for specific purposes and unrestricted funds, being funds that can be employed by the Board of Trustees at its discretion.

Contingent liabilities

The Foundation does not have any contingent liabilities that warrant disclosure in terms of IAS 37.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

14 LEASES

In terms of IFRS 16, no leases were incurred that required the recording of a right of use asset and lease liability for the 2022 and 2021 financial year. Variable lease payments incurred for the period related to the use of office equipment resulting in fees charged for the number of pages printed.

	2022	2021
Total leases which have not been capitalised:		
Leases with variable lease payments	20 388	11 600

15 GOING CONCERN

The Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt a going concern basis of accounting in preparing the financial statements presented.

16 SUBSEQUENT EVENTS

No event, which has a material effect on the financial affairs of the company, has occurred between the reporting date and the date of the approval of the annual financial statements.

Schedule of Expenditure

For the year ended 31 December 2022

	2022 R	2021 R
A Details of Expenditure		
Administration - local		
Personnel costs	5 558 563	5 769 335
Audit fees	147 858	132 476
Books, manuals and subscriptions	5 244	4 238
Campaign promotion	211 251	-
Consultancy fees	20 189	184 082
Depreciation	35 942	39 211
Entertainment and functions	31 099	7 068
Gifts, grants and donations	14 318	-
Office expenses	115 235	15 816
Postages and courier services	4 130	65
Printing and stationery	16 255	2 436
Publications	50 531	6 900
Repairs and maintenance - equipment	5 808	2 219
Telephone and communication	105 479	85 276
Travel and subsistence	90 897	573
Minor capital equipment	7 498	-
Rental of equipment	20 388	11 600
Total	6 440 685	6 261 295
Bursary awards and other disbursements	1 784 747	2 723 490
Total expenditure	8 225 433	8 984 785
B Summary of expenditure by category		
Personnel costs	5 558 563	5 769 335
Audit fees	147 858	132 476
Consultancy fees	20 189	184 082
Depreciation	35 942	39 211
Fundraising functions and hospitality	31 099	7 068
Other operating expenses	392 630	36 374
Staff training and development	-	-
Telephone and communication	105 479	85 276
Travel and subsistence	90 897	573
Publications	50 531	6 900
Minor capital equipment	7,498	-
Bursary awards and other disbursements	1 784 747	2 723 490
Total expenditure	8 225 433	8 984 785

The supplementary information presented does not form part of the annual financial statements and is unaudited.

Schedule of Endowment Funds

For the year ended 31 December 2022

NAME OF FUND	FUND BALANCE BEGINNING OF YEAR	DONATIONS AND GRANTS	INCOME	TRANSFERS	EXPENDITURE AND DISBURSEMENTS	2022	SPECIFIED ENDOWMENTS PRINCIPAL AT END OF YEAR	
							2022	2021
SPECIFIED ENDOWMENTS	R	R	R	R	R	R	R	R
Academic	9 049 669	0	967 213	(215 000)	0	9 742 082	8 234 467	7 832 825
Albert Beareman Fund	4 401 471	0	496 839	(217 000)	0	4 681 310	4 554 823	4 337 927
Mackintosh Gifts	3 224 158	0	318 925	0	0	3 543 083	2 391 232	2 277 363
Murray & Roberts	241 495	0	17 983	0	0	259 478	55 321	57 687
Romale Limited	1 182 745	0	133 465	(58 000)	0	1 258 210	1 223 091	1 154 848
Bursaries and Scholarships	10 045 704	78 000	1 187 452	0	(421 465)	10 807 691	9 936 587	9 370 908
Hajee Roonroodeen Bursary	72 174	0	7 360	0	(12 500)	67 034	58 857	56 055
Alumni Bursary Fund	1 101 652	80 900	152 409	0	0	1 335 161	1 683 015	1 544 872
Dr Vasan Govind Legacy Trust	174 167	0	18 947	0	0	193 114	175 279	157 408
Dr Vasan Govind Legacy Bursary Fund	142 672	0	15 030	0	0	157 702	125 080	119 124
Hugh Africa Scholarship	305 632	0	35 448	0	(14 000)	327 080	294 214	280 204
Isadore Gordon Bursary	72 961	0	7 153	0	(15 000)	65 114	52 713	50 203
Jessie Campbell Bequest	253 585	0	27 928	0	(15 000)	266 513	247 782	235 963
Keppel Harvey Bursary Fund	372 907	0	38 800	0	0	411 707	316 741	301 659
Leana Uys Registration Fund	281 464	0	21 319	0	0	302 783	294 882	288 358
Pioneer Educationalist-Charles Harding	23 205	0	2 000	0	(7 500)	17 705	12 890	12 285
Prof. AF Hattersley Memorial Bursary	3 089 718	0	337 528	0	(153 000)	3 274 246	2 961 419	2 820 389
Ramela Kerry Bursary Fund	3 302 785	0	355 935	0	(188 465)	3 469 355	3 044 512	2 889 535
Tumelo Belane Education Funds	631 855	15 100	45 008	0	0	711 963	536 369	496 447
Townley Williams Scholarship	140 707	0	15 369	0	(5 000)	151 076	134 826	128 405
Campbell Collections	4 416 433	0	489 437	(219 000)	0	4 686 870	4 389 588	4 331 636
Choirs	11 561 593	32 500	1 273 309	(360 000)	(1 363 280)	11 834 210	10 810 251	10 285 563
First National Bank	5 720 039	32 500	383 269	(360 000)	(56 350)	5 769 468	5 388 752	5 132 145
L. G. Joel Trust	894 634	0	84 152	0	0	978 786	572 322	545 068
Phyllis Lewis Trust	230 234	0	20 954	0	0	251 188	132 535	126 224
S. A. Nursing Association	674 762	0	75 062	0	0	749 824	766 929	643 341
S. A. Sugar Association	6 431 024	0	689 952	0	(1 327 632)	5 803 344	6 169 713	5 616 775
Research	9 243 495	485 300	834 481	(58 041)	0	10 495 235	5 603 778	4 731 883
AEIC Limited	2 279 103	0	187 365	0	0	2 466 467	470 090	446 275
Anonymous	3 418 135	0	286 479	0	0	3 695 614	1 029 455	980 433
Kennedy-Potts	2 939 591	0	324 725	0	0	3 264 316	3 043 328	2 755 548
Silicon in Agriculture South African Chapter	0	485 300	0	0	0	485 300	485 300	0
Nigel & Jeannine Croch Plant Pathology	605 667	0	65 902	(58 041)	0	613 528	575 007	547 626
Income Stabilisation Account	64 725 747	0	2 220	0	0	64 727 967	64 727 967	64 725 747
TOTAL SPECIFIED ENDOWMENT FUNDS	71 154 048	583 800	4 134 105	(912 041)	(1 784 741)	73 225 165	103 894 637	101 297 982
UNSPECIFIED ENDOWMENT FUND	82 740 972	2 849 449	5 680 568	0	(8 329 136)	82 941 854		
TOTAL ENDOWMENT FUNDS	133 895 020	3 443 249	7 854 674	(912 041)	(8 110 883)	136 170 019		
SPECIFIED FUNDS								
African Institute for Sustainable Rural Livelihoods	311 696	0	0	0	0	311 696		
TOTAL FUNDS	134 206 716	3 443 249	7 854 674	(912 041)	(8 110 883)	136 481 715		

The supplementary information presented does not form part of the annual financial statements and is unaudited.

WHAT WILL YOUR LEGACY BE?

Creating a bursary fund or endowment for UKZN students is a powerful way to contribute to their educational journey, empower future leaders, promote social mobility, sustain academic excellence, and leave a lasting legacy. Your support can make a significant difference in the lives of students and contribute to building a brighter future for individuals, communities, and society as a whole. By supporting UKZN students today, you inspire them to pay it forward in the future.

BURSARIES

Donors may establish a bursary fund in the name of an organisation, one's own name, the name of a family or a loved one. Bursaries are essential for supporting students, breaking financial barriers, and transforming lives. By contributing to bursaries, people, alumni, and corporates play a vital role in empowering students, promoting equal opportunities, and building a brighter future for individuals and society as a whole. Your support can make a significant difference and create a ripple effect that lasts a lifetime.



“ I am one of the lucky ones to receive a bursary for the entire duration of my degree. This has allowed me to pursue my dreams without having to place financial strain on my single mother. ”

– **Ms Charys-Mari Botha,**
Bachelor of Laws (LLB) final year student.

ENDOWMENTS

Establish an endowment fund in the name of your organisation, your own name, the name of your family or a loved one. There are minimum contributions required to establish a named endowment fund. Disbursements will only be made on the growth on the capital.

CONTACT US:

e-mail
foundation@ukzn.ac.za

or call
031 260 2389

INSPIRING GREATNESS



UNIVERSITY OF
KWAZULU-NATAL
INYUVESI
YAKWAZULU-NATALI

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