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## **STATISTICAL RELEASE**

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# Financial statistics of higher education institutions 2018

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<b>CONTENTS</b>		<b>Page</b>
<b>Key findings</b> .....		3
<b>Tables</b>		
Table A	Economic classification of statement of sources and uses of cash of higher education institutions for the 2017 and 2018 financial years (summary).....	5
Table B	Economic classification of cash outflows (purchases) from investment in non-financial assets for the 2017 and 2018 financial years (summary).....	7
<b>Annexure A</b>	<b>Information on disaggregated tables is available on the Stats SA website.....</b>	8
<b>Annexure B</b>	<b>Statement of sources and uses of cash of higher education institutions for the 2018 financial year .....</b>	9
<b>Explanatory notes</b> .....		10
<b>Glossary of selected variables</b> .....		14
<b>Technical enquiries</b> .....		17
<b>General information</b> .....		18

## Key findings

### **The net change in the stock of cash from higher education institutions amounted to R6 023 million for the 2018 financial year.**

The revenue cash flow from operating activities amounted to R83 042 million and the expense cash flow for operating activities amounted to R66 002 million, resulting in a net cash inflow from operating activities of R17 040 million for the financial year ending 31 December 2018. The net cash outflow from transactions in non-financial assets amounted to R5 678 million for the 2018 financial year. The cash surplus for 2018 was R11 361 million. The net acquisition of financial assets other than cash amounted to a cash outflow of R5 712 million for the 2018 financial year. The net incurrence of liabilities amounted to R374 million, resulting in a net cash outflow of R5 338 million from financing activities for the 2018 financial year. The net change in the stock of cash for higher education institutions amounted to R6 023 million (see Table A, p. 5).

In contrast to national and provincial government departments, which keep their accounts on a modified cash basis of recording, the accounts of higher education institutions are kept on an accrual basis of recording, i.e. revenues and expenses are recorded in the period to which the transactions relate, and surpluses, deficits, assets and liabilities resulting from these transactions are carried over to the next financial year. However, the figures in this statistical release have been converted from an accrual to a cash basis of recording.

## **Revenue cash flow from operating activities, the contribution of expense cash flow for operating activities and net cash flows from investment in non-financial assets by economic classification**

Economic classification of expenditure is in general a measure of the nature and economic effect of government operations on the economy of a country. There are seven main economic classification categories of expense cash flow for operating activities: compensation of employees; purchases of goods and services; interest; subsidies; grants; social benefits; and other payments.

The revenue cash flow from operating activities increased by R9 290 million, from R73 752 million in 2017 to R83 042 million in 2018. This increase was mainly due to an increase in grants received from the Department of Higher Education and Training and other receipts (including tuition fees).

The largest contributor to total revenue cash flow from operating activities for the 2018 financial year was other receipts (R44 396 million), followed by grants (R38 647 million) (see Table A, p.5).

The increase of R4 742 million in grants received from R33 905 million in 2017 to R38 647 million in 2018 was mainly due to an increase in transfer payments from the Department of Higher Education and Training to the University of the Witwatersrand, the University of Johannesburg and the University of KwaZulu-Natal.

The increase of R4 549 million in other receipts from R39 847 million in 2017 to R44 396 million in 2018 was mainly due to an increase in tuition fees received by the University of KwaZulu-Natal, the University of South Africa and the University of the Witwatersrand.

Expense cash flow from operating activities increased by R3 725 million from R62 277 million in 2017 to R66 002 million in 2018. This increase was mainly due to an increase in compensation of employees and purchases of goods and services.

The largest contributor to total expense cash flow for operating activities for the 2018 financial year was compensation of employees (R40 085 million), followed by purchases of goods and services (R21 806 million), other payments (R3 652 million) and interest (R459 million).

The increase of R2 774 million in compensation of employees from R37 311 million in 2017 to R40 085 million in 2018 was mainly due to an increase in compensation of employees paid by the University of South Africa, the University of the Witwatersrand and the University of Pretoria.

The increase of R1 101 million in purchases of goods and services from R20 705 million in 2017 to R21 806 million in 2018 was mainly due to increased payments by the University of KwaZulu-Natal, the University of South Africa and the Tshwane University of Technology.

The increase of R64 million in interest paid from R395 million in 2017 to R459 million in 2018 was mainly due to an increase in finance costs paid by the University of the Witwatersrand, the University of Venda and the University of Fort Hare.

The decrease of R213 million in other payments from R3 865 million in 2017 to R3 652 million in 2018 was mainly due to decreased payments to households (bursaries) by the University of South Africa and the Cape Peninsula University of Technology.

The net cash outflows from investments in non-financial assets decreased by R149 million from R5 827 million in 2017 to R5 678 million in 2018. The decrease can mainly be attributed to a decrease in capital expenditure on fixed assets by the University of the Western Cape, Sol Plaatje University and Nelson Mandela Metropolitan University.

**Table A – Economic classification of statement of sources and uses of cash of higher education institutions for the 2017 and 2018 financial years (summary)<sup>1</sup>**

GFS 2014 code	Economic classification of sources and uses of cash	2017 <sup>2</sup>	2018	Difference between 2017 and 2018
	<b>Cash flows from operating activities:</b>			
	Revenue cash flows	<b>a</b>		
	11 Taxes	73 752	83 042	9 290
	12 Social contributions	0	0	0
	13 Grants	0	0	0
	14 Other receipts <sup>3</sup>	33 905	38 647	4 742
		39 847	44 396	4 549
	Expense cash flows	<b>b</b>		
	21 Compensation of employees	62 277	66 002	3 725
	22 Purchases of goods and services	37 311	40 085	2 774
	24 Interest	20 705	21 806	1 101
	25 Subsidies	395	459	64
	26 Grants	0	0	0
	27 Social benefits	0	0	0
	28 Other payments	0	0	0
		3 865	3 652	-213
	<i>Net cash flow from operating activities: (outflow)/ inflow (a-b) = c</i>	<b>c</b>		
		11 475	17 040	5 565
	<b>Cash flows from transactions in non-financial assets:</b>			
	Net cash outflow from investments in non-financial assets <sup>4</sup>	<b>d</b>		
	611 Fixed assets	5 827	5 678	-149
	612 Inventories	5 825	5 673	-152
	613 Valuables	0	0	0
	614 Non-produced assets	0	0	0
		2	5	3
	<i>Cash surplus/ (deficit)<sup>5</sup> (c-d) = e</i>	<b>e</b>		
		5 648	11 361	
	<b>Cash flows from financing activities:</b>			
	Net acquisition of financial assets other than cash: cash outflow/ (inflow)	<b>f</b>		
	321 Domestic	5 963	5 712	
	322 Foreign	4 785	5 730	
		1 178	-18	
	Net incurrence of liabilities: cash (outflow) / inflow	<b>g</b>		
	331 Domestic	617	374	
	332 Foreign	617	374	
		0	0	
	<i>Net cash flow from financing activities: (outflow)/ inflow (g-f) = h</i>	<b>h</b>		
		-5 346	-5 338	
	<b>NET CHANGE IN THE STOCK OF CASH<sup>6</sup> (h+e) = i</b>	<b>i</b>		
		302	6 023	

<sup>1</sup> The sum of the data may not necessarily add up to totals due to rounding-off of figures.

<sup>2</sup> Revised since the previous publication.

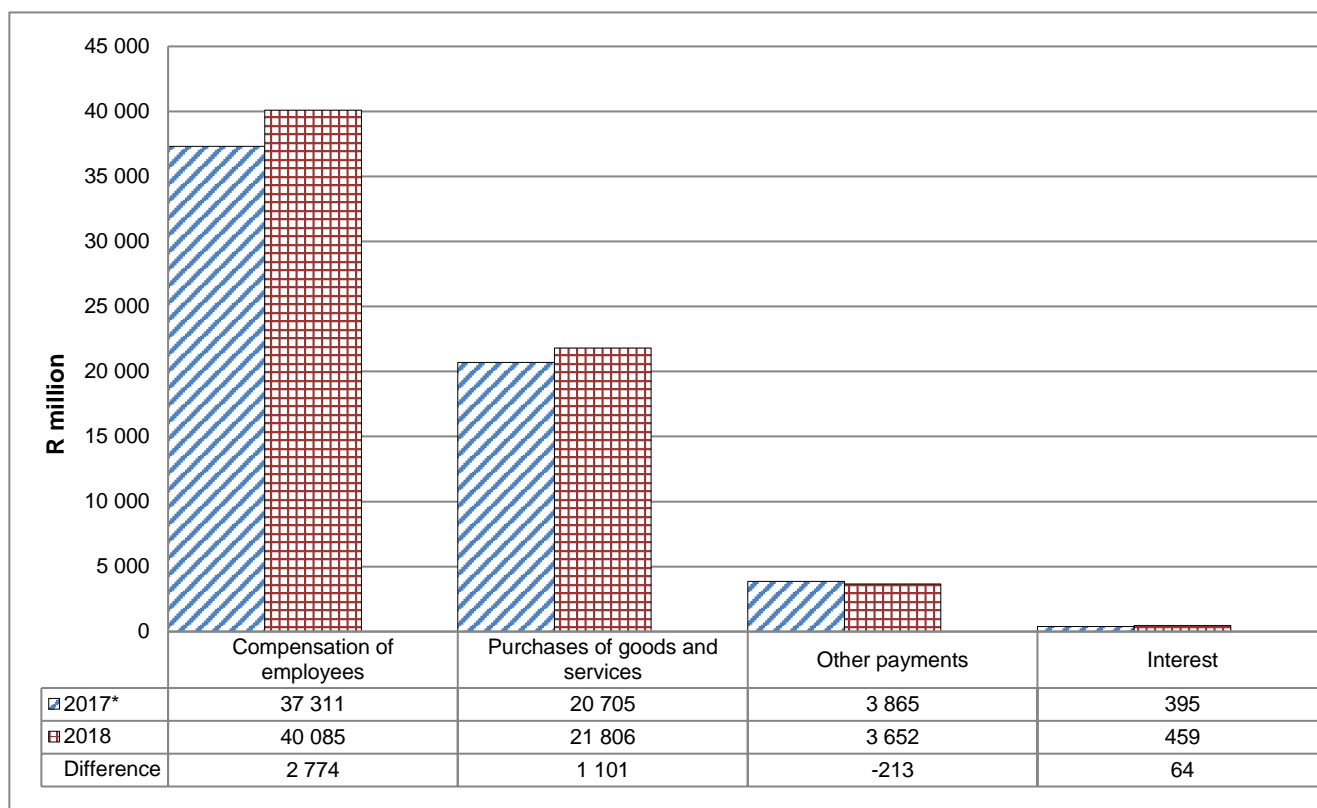
<sup>3</sup> Other receipts include tuition fees for 2017 (R24 158 million) and 2018 (R27 468 million). Tuition fees are shown in the disaggregated tables available on the Stats SA website.

<sup>4</sup> The net cash outflow from investment in non-financial assets (R5 678 million) is equal to purchases of non-financial assets (R5 725 million) minus sales of non-financial assets (R47 million). The total amounts for purchases and sales of non-financial assets are shown, respectively, in the disaggregated tables available on the Stats SA website.

<sup>5</sup> Cash surplus might include committed funds that were received but not yet expensed by the end of the 2018 financial year.

<sup>6</sup> Net change in the stock of cash is the sum of cash flows from operating activities, transactions in non-financial assets, and financing activities (see note 5).

**Figure 1 – Economic classification of expense cash flows for operating activities for the 2017\* and 2018 financial years (R million)**



\* Some of the figures have been revised since the previous publication.

Figure 1 shows the economic classification of expense cash flows for operating activities for the 2017 and 2018 financial years. In 2018, higher education institutions' main expenses were compensation of employees (R40 085 million), purchases of goods and services (R21 806 million) and other payments (R3 652 million).

**Table B – Economic classification of cash outflows (purchases) from investment in non-financial assets for the 2017 and 2018 financial years (summary)<sup>1</sup>**

GFS 2014 code	Cash flows from transactions in non-financial assets		2017 <sup>2</sup>	2018	Difference between 2017 and 2018
			R million		
	<b>Cash flows from investments in non-financial assets:</b>	<b>(b+r+s+t) = a</b>	<b>5 887</b>	<b>5 725</b>	<b>-162</b>
<b>611</b>	<b>Fixed assets:</b>	<b>(c+d+i+q) = b</b>	<b>5 884</b>	<b>5 719</b>	<b>-165</b>
<b>6111</b>	<b>Buildings and structures:</b>	<b>c</b>	<b>3 734</b>	<b>3 503</b>	<b>-231</b>
61111	Dwellings		33	43	10
61112	Buildings other than dwellings		3 701	3 460	-241
61113	Other structures		0	0	0
61114	Land improvements		0	0	0
<b>6112</b>	<b>Machinery and equipment:</b>	<b>(e+f) = d</b>	<b>2 123</b>	<b>2 138</b>	<b>15</b>
61121	Transport equipment	e	80	76	-4
<b>61122</b>	<b>Machinery and equipment other than transport equipment:</b>	<b>(g+h) = f</b>	<b>2 043</b>	<b>2 062</b>	<b>19</b>
611221	Information, computer and telecommunications equipment	g	557	587	30
<b>611222</b>	<b>Machinery and equipment not elsewhere classified:</b>	<b>h</b>	<b>1 486</b>	<b>1 475</b>	<b>-11</b>
6112221	Office furniture (and domestic furniture)		851	882	31
6112222	Other machinery and equipment		419	370	-49
6112223	Books		216	223	7
<b>6113</b>	<b>Other fixed assets:</b>	<b>(j+k) = i</b>	<b>27</b>	<b>78</b>	<b>51</b>
<b>61131</b>	<b>Cultivated biological resources:</b>	<b>j</b>	<b>0</b>	<b>0</b>	<b>0</b>
611311	Animal resources yielding repeat products		0	0	0
611312	Tree, crop, and plant resources yielding repeat products		0	0	0
<b>61132</b>	<b>Intellectual property products:</b>	<b>(l+m+n+o+p) = k</b>	<b>27</b>	<b>78</b>	<b>51</b>
611321	Research and development	l	0	0	0
611322	Mineral exploration and evaluation	m	0	0	0
<b>611323</b>	<b>Computer software and databases:</b>	<b>n</b>	<b>27</b>	<b>78</b>	<b>51</b>
6113231	Computer software		27	78	51
6113232	Databases		0	0	0
611324	Entertainment, literary, and artistic originals	o	0	0	0
611325	Other intellectual property products	p	0	0	0
<b>6114</b>	<b>Weapons systems</b>	<b>q</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>612</b>	<b>Inventories</b>	<b>r</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>613</b>	<b>Valuables</b>	<b>s</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>614</b>	<b>Non-produced assets</b>	<b>t</b>	<b>3</b>	<b>6</b>	<b>3</b>

<sup>1</sup> The sum of the data may not necessarily add up to totals due to rounding-off of figures.

<sup>2</sup> Revised since the previous publication.

The largest contributor to the cash outflow from investment in non-financial assets in the 2018 financial year was buildings and structures (R3 503 million), followed by machinery and equipment (R2 138 million), other fixed assets (R78 million) and non-produced assets (R6 million).



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**Annexure A: Information on disaggregated tables is available on the Stats SA website:**  
<http://www.statssa.gov.za/?s=P9103.1&sitem=publications>

**Tables**

Table 1	Economic classification of revenue cash flows from operating activities for the 2018 financial year
Table 2	Economic and functional classification of expense cash flows for operating activities for the 2018 financial year
Table 3	Economic and functional classification of the cash outflows (purchases) from investment in non-financial assets for the 2018 financial year
Table 4	Economic classification of the cash inflows (sales) from investment in non-financial assets for the 2018 financial year
Table 5	Economic classification of the net acquisition of financial assets other than cash for the 2018 financial year
Table 6	Economic classification of the net incurrence of liabilities for the 2018 financial year
Table 7	Economic and functional classification of expense cash flows for operating activities for the 2018 financial year: Government consumption cash payments divided between individual and collective services
Table 8	Economic and functional classification of expense cash flows for operating activities for the 2018 financial year: Subsidies paid divided between subsidies on products and subsidies on production



**Annexure B – Statement of sources and uses of cash of higher education institutions for the 2018 financial year <sup>1</sup>**

Higher education institutions	Grants received	Tuition fees	Other receipts <sup>2</sup>	Compensation of employees	Purchases of goods and services	Interest paid	Other payments <sup>3</sup>	Purchases of non-financial assets	Sales of non-financial assets	Financial assets	Financial liabilities
R million											
Cape Peninsula	1 589	969	297	1 422	815	26	86	128	6	-65	-3
Cape Town	2 296	1 769	2 646	3 321	1 937	1	613	387	1	124	165
Central	842	405	67	490	282	1	29	27	1	588	176
Durban	1 199	930	320	1 001	711	9	17	153	0	-148	0
Fort Hare	1 019	490	90	612	490	108	4	76	0	0	98
Free State	1 405	1 187	546	1 528	886	21	96	212	2	436	74
Johannesburg	2 178	1 724	847	2 503	787	5	451	195	2	126	61
KwaZulu-Natal	2 449	1 916	918	2 272	1 719	57	320	474	1	-87	-16
Limpopo	999	687	308	905	383	0	0	83	5	17	33
Mangosuthu	686	398	15	373	350	0	47	48	0	0	-26
Mpumalanga	1 019	92	32	209	114	0	2	643	0	0	0
Nelson Mandela	1 197	775	806	1 264	749	7	144	66	0	564	9
North West	1 961	1 736	1 231	2 211	1 471	7	232	180	1	1 046	69
Pretoria	2 641	2 254	2 141	3 459	2 073	1	146	847	2	432	-7
Rhodes	661	583	257	684	378	0	109	50	0	82	-36
Sefako Makgatho	981	266	246	630	333	0	30	50	0	0	-3
Sol Plaatje	656	76	36	150	123	0	3	176	0	178	0
Stellenbosch	2 112	1 375	2 089	2 471	1 686	35	486	575	1	725	16
Tshwane	2 052	1 486	356	2 425	1 118	2	73	185	0	110	18
Unisa	3 690	3 368	912	5 080	1 728	8	82	159	3	961	-97
Vaal	878	458	180	888	517	1	20	134	10	2	-39
Venda	752	536	140	662	319	37	28	172	6	-209	88
Walter Sisulu	1 188	810	84	1 031	676	0	25	67	0	0	0
Western Cape	1 449	625	451	1 157	586	17	136	296	4	66	-27
Wits	1 946	2 218	1 794	2 868	1 314	117	467	321	0	769	-112
Zululand	802	335	117	470	262	2	6	21	0	-5	-66
<b>Total</b>	<b>38 647</b>	<b>27 468</b>	<b>16 928</b>	<b>40 085</b>	<b>21 806</b>	<b>459</b>	<b>3 652</b>	<b>5 725</b>	<b>47</b>	<b>5 713</b>	<b>374</b>

<sup>1</sup> The sum of the data may not necessarily add up to totals due to rounding-off of figures.<sup>2</sup> Other receipts include interest, dividends, sales of goods and services and transfers not elsewhere classified.<sup>3</sup> Other payments mainly consist of transfers to households (bursaries). These are bursaries from the higher education institutions to students.

## Explanatory notes

<b>Introduction</b>	This statistical release provides economic and functional classifications of financial transactions of higher education institutions for the 2018 financial year. Higher education institutions consist of 20 universities and 6 universities of technology for the 2018 financial year (see the scope on pages 10 and 11 for the list of higher education institutions used in this publication).
<b>Methodology</b>	Statistics South Africa (Stats SA) receives financial statements of higher education institutions annually from the Department of Higher Education and Training. The transactions are classified economically and functionally according to the GFSM 2014. However, the figures in this statistical release have been converted from an accrual basis of recording to a cash basis of recording and do not include other economic flows (e.g. revaluations). Separating all these 'other economic flows' is viewed as not useful for fiscal analysis, on the basis that revaluations and changes in volume do not represent fiscal policy decisions directly within the control of government.
<b>Purpose of this statistical release</b>	This statistical release provides financial statistics of cash transactions of higher education institutions. The primary purpose is to provide a comprehensive conceptual and reporting framework suitable for analysing and evaluating fiscal policy, especially the performance of the general government sector and the broader public sector.
<b>Scope of the financial statistics of higher education institutions</b>	The cash payment transactions of the following higher education institutions were classified economically and functionally.

### Universities

- 1) Cape Town
- 2) Fort Hare
- 3) Free State
- 4) Johannesburg
- 5) KwaZulu-Natal
- 6) Limpopo
- 7) Mpumalanga
- 8) Nelson Mandela
- 9) North-West
- 10) Pretoria
- 11) Rhodes
- 12) Sefako Makgatho Health Sciences
- 13) Sol Plaatje
- 14) South Africa
- 15) Stellenbosch
- 16) Venda
- 17) Walter Sisulu
- 18) Western Cape
- 19) Witwatersrand
- 20) Zululand

## Universities of Technology

- 21) Cape Peninsula
- 22) Central
- 23) Durban
- 24) Mangosuthu
- 25) Tshwane
- 26) Vaal

## Classifications

### Economic and functional classifications

Cash flows from operating activities and transactions of non-financial assets in this statistical release are classified economically and functionally according to the standard classification of the GFSM 2014 of the International Monetary Fund (IMF).

### Economic classification

**Revenue cash flows and expense cash flows for operating activities, cash flows from transactions in non-financial assets, net acquisition of financial assets other than cash and net incurrence of liabilities were classified economically as follows:**

- **Revenue cash flows**

Taxes;  
Social contributions;  
Grants; and  
Other receipts.

- **Expense cash flows**

Compensation of employees;  
Purchases of goods and services (excluding capitalised goods and services);  
Interest;  
Subsidies;  
Grants;  
Social benefits; and  
Other payments.

- **Cash outflows (purchases) from investment in non-financial assets (including capitalised goods and services)**

Fixed assets;  
Inventories;  
Valuables; and  
Non-produced assets.

- **Cash inflows (sales) from investment in non-financial assets**

Fixed assets;  
Inventories;  
Valuables; and  
Non-produced assets.

- **Net acquisition of financial assets other than cash**

Domestic; and  
Foreign.

- **Net incurrence of liabilities**

Domestic; and  
Foreign.

**Functional classification**

Functional classification measures the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources of government in order to promote various services and objectives rendered to the community. The functional codes used in the tables are based on the functional codes used in the GFSM 2014 of the IMF.

**Expenditure cash flows from operating activities and purchases of non-financial assets are classified functionally as follows:**

- **Education**

Tertiary education

**Comparability with the previous year**

The 2017 classified information is generally comparable with the 2018 information. Additional details in terms of the GFSM 2014 is available on the Stats SA website (or on request).

**The Public Sector Classification Committee (PSCC)**

The Public Sector Classification Committee (PSCC) consists of the South African Reserve Bank (SARB), National Treasury (NT) and Statistics South Africa (Stats SA). The purpose of the PSCC is coordinate the economic institutional classification of the public-sector units and subsectors for purposes of reporting to national and international stakeholders. The classification lists are made public by the SARB to inform stakeholders of the scope of the public sector and sub-sectors. Classification of public-sector institutions that have taken place for the year ended 31 March 2017. Currently the PSCC is classifying the public-sector institutions for the year ended 31 March 2018.

**Revised figures**

Figures for 2018 should be regarded as preliminary, and may be revised. Revisions to 2017 data are indicated by footnotes in Tables A and B. Revisions are due to improved classification of data and additional information becoming available after this statistical release was published.

**Rounding off figures**

The figures in the tables have been rounded off to the nearest digit shown, and as a result there may be slight discrepancies between the sums of the constituent items and the totals shown.

**Related publications**

Statistics South Africa also publishes information on the transactions of the following levels of the general government in statistical releases:

P0441	<i>Gross Domestic Product;</i>
P9101	<i>Capital expenditure by the public sector;</i>
P9102	<i>Financial statistics of extra-budgetary accounts and funds;</i>
P9114	<i>Financial census of municipalities;</i>
P9119.3	<i>Financial statistics of national government;</i>
P9119.4	<i>Financial statistics of consolidated general government; and</i>
P9121	<i>Financial statistics of provincial government.</i>

**Symbols and abbreviations**

GFSM	Government Finance Statistics Manual
IMF	International Monetary Fund
n.e.c.	Not elsewhere classified
NT	National Treasury
PSCC	Public Sector Classification Committee
R&D	Research and Development
SA	South Africa
SARB	South African Reserve Bank
SNA	System of National Accounts
Stats SA	Statistics South Africa

## Glossary of selected variables

<b>Accrual basis of recording</b>	Flows are recorded at the time economic value is created, transformed, exchanged, transferred, or extinguished.
<b>Books</b>	Include library books and periodicals.
<b>Buildings and structures</b>	Consist of dwellings, buildings other than dwellings, other structures and land improvements.
<b>Buildings other than dwellings</b>	Buildings other than dwellings include whole buildings or parts of buildings not designated as dwellings. Fixtures, facilities, and equipment that are integral parts of the structures are included. Examples of types of buildings included in this category are office buildings, schools, hospitals, buildings for public entertainment, warehouses and industrial buildings, commercial buildings, hotels, and restaurants.
<b>Capital expenditure</b>	Any expenditure incurred for or incidental to the acquisition or improvement of land, buildings, engineering structures and machinery and equipment. Note: The expenditure normally confers a lasting benefit and results in the acquisition of, or extends the life of, a fixed or long-term work, irrespective of whether payments were made outside contractors or concerns, or the work was done by the enterprise itself. Capital expenditure includes vehicles, office furniture and equipment, but excludes minor items that are generally regarded as being expendable even though in some instances their useful lives may extend beyond one year.
<b>Capital transfers</b>	Capital transfers are transfers in which the ownership of an asset (other than cash or inventories) changes from one party to another or that obliges one or both parties to acquire or dispose of an asset (other than cash or inventories).
<b>Cash basis of recording</b>	Flows are recorded when cash is received or disbursed.
<b>Collective services</b>	Services provided collectively to the community, particularly applicable to services such as general administration, public order or safety and economic services.
<b>Compensation of employees</b>	Compensation of employees is the total remuneration, in cash or in kind, payable to a government employee in return for work done during the accounting period, except work connected with own account capital formation. It includes both wages and salaries and social contributions. Wages and salaries include primarily basic wages, salaries, services and other bonuses, allowances (including car allowances), overtime payments and housing subsidies.
<b>Dwellings</b>	Buildings that are used entirely or primarily as residences, including garages and other associated structures. Houseboats, barges, mobile homes, flats, hostels, nursing homes and caravans that are used as principal residences are also included. Dwellings acquired for military personnel are included because they are used in the same way as dwellings acquired by civilians.
<b>Economic classification</b>	A measure of the nature and economic effect of government operations on the economy of the country.
<b>Expense</b>	A decrease in net worth resulting from a transaction.
<b>Extra-budgetary accounts and funds</b>	Extra-budgetary accounts and funds refer to accounts and funds of national and provincial governments not included in normal budget totals and which do not operate through normal budgetary procedures, e.g. trading accounts and general government accounts.

<b>Financial assets</b>	Financial assets consist of financial claims which entitles one unit (the owner of the asset i.e., the creditor) to receive one or more payments from a second unit (the debtor) according to the terms and conditions specified in a contract between the two units.
<b>Fixed assets</b>	Fixed assets are produced assets that are used repeatedly or continuously in production processes for more than one year.
<b>Functional classification</b>	Classification of expenditure according to the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources by government in order to promote various services and objectives rendered to the community.
<b>GFSM (2014)</b>	The manual provides a harmonised systematic basis for reporting and analysing government finances. The manual describes an integrated statistical system that is harmonised, to the extent possible, with the 2008 edition of the System of National Accounts (2008 SNA). The GFSM 2014 is intended to be a reference volume describing the GFS system.
<b>Government consumption expenditure</b>	Expenditure on all goods and services which are used (without further transformation) by government units for the direct satisfaction of individual needs or wants or the collective needs of members of the community.
<b>Grants</b>	Grants are non-compulsory current or capital transfers from one government unit to another government unit or an international organisation. Current grants are those made for purposes of current expense and are not linked to or conditional on the acquisition of an asset by the recipient. Capital grants involve the acquisition of assets by the recipient.
<b>Higher education</b>	All learning programmes leading to qualifications higher than grade 12 or its equivalent in terms of the National Qualifications Framework as contemplated in the South African Qualification Authority Act, 1995 (Act No. 58 of 1995).
<b>Higher education institutions</b>	Any institution providing higher education on full-time, part-time or distance basis, and which is (a) merged, established or deemed to be established as a public higher education institution under this Act; (b) declared as a public higher education institution under this Act; or (c) registered or [conditionally] provisionally registered as a private higher education institution. See Higher Education Act as amended (Section 1 of Act No.63, 2002).
<b>Households</b>	Households may be defined as individuals or a small group of persons who share the same living accommodation, pool some or all of their income and wealth, and consume certain types of goods and services collectively.
<b>Individual services</b>	Community and social services, such as education, health and welfare, rendered to individuals or a small group of persons.
<b>Information, computer, and telecommunications</b>	Consists of devices using electronic controls and also the electronic components forming part of these devices. Examples are products that form part of computing machinery and parts and accessories thereof, television and radio transmitters, television, video, and digital cameras, and telephone sets.
<b>Intellectual property products</b>	Intellectual property products are the result of research, development, investigation, or innovation leading to knowledge that the developers can market or use to their own benefit in production for which the use of the knowledge is restricted by means of legal or other protection.

<b>Inventories</b>	Consists of goods and services, which came into existence in the current period or in an earlier period, and that are held for sale, use in production, or other use at a later date.
<b>Land improvements</b>	Are the result of actions that lead to major improvements in the quantity, quality or productivity of land, or prevent its deterioration. Activities such as land reclamation, land clearance, land contouring, creation of well sand watering holes that are integral to the land in question are to be treated as resulting in land improvements.
<b>Liability</b>	An obligation to provide economic benefits to the units holding the corresponding financial responsibility.
<b>Machinery and equipment</b>	Machinery and equipment include motor vehicles, ships, aircraft, equipment and furniture. Military expenditure on machinery and equipment which could be used for civilian purposes is included.
<b>Machinery and equipment not elsewhere classified</b>	This category includes all machinery and equipment not classified in any of the other machinery and equipment categories. Types of assets that would be included are general and special purpose machinery; office and accounting equipment; electrical machinery; medical appliances; precision and optical instruments; furniture; watches and clocks; musical instruments; and sports goods. It also includes paintings, sculptures, other works of art or antiques and other collections of considerable value that are owned and displayed for the purpose of producing museum and similar services.
<b>National government</b>	It is the first level of government which controls a nation and has power to set and maintain foreign policy and the ability to collect taxes.
<b>Non-produced assets</b>	Non-produced assets consist of tangible assets, natural occurring assets over which ownership is enforced. Natural occurring assets include land, subsoil assets and other naturally occurring assets.
<b>Other economic flows</b>	Changes in the volume or value of assets or liabilities that do not result from transactions.
<b>Other structures</b>	All structures other than buildings. Included are the following: highways, streets, roads, bridges, elevated highways, tunnels, railways, subways, airfield runways, sewers, waterways, harbours, dams, other waterworks, shafts, tunnels, other structures associated with mining subsoil assets, communication lines, power lines, pipelines, outdoor sport and recreation facilities.
<b>Provincial government</b>	It is the second level of government, between the national government and the municipalities. The powers of the provincial governments are circumscribed by the national constitution.
<b>Revenue</b>	An increase in net worth resulting from a transaction.
<b>Social benefits</b>	Social benefits are transfers in cash or in kind to protect the entire population or specific segment of it against certain social risks.
<b>Social contributions</b>	Social contributions are actual receipt from either employer on behalf of their employee or from employee, self-employed, or non-employed persons on their own behalf that secure entitlement to social benefits for their contributors, their dependents or their survivors.



<b>Subsidies</b>	Subsidies are current unrequited payments that government units pay to enterprises on the basis of levels of their production activities or the quantities or values of the goods and services that they produce, sell, export or import. Subsidies may be designed to influence levels of production, prices at which outputs are sold, or the remuneration of the enterprises.
<b>Subsidies on production</b>	Payments made to resident enterprises as a consequence of engaging in production which are not related to specific product. Included are subsidies on payroll or workforce, which are payable on the total wage and salary bill, the size of the total workforce or the employment of particular types of persons; subsidies to reduce pollution; and payments of interest on behalf of corporations.
<b>Subsidies on products</b>	Current unrequited payments that government units make to enterprises on the basis of quantities or values of the goods and services that they produce, sell, export or import.
<b>Tax revenue</b>	Tax revenue forms the dominant share of revenue for many government units and is composed of compulsory transfers to the general government sector.
<b>Transfer</b>	Is a transaction in which one institutional unit provides a good, service, or asset to another unit without receiving from the latter any good, service, or asset in return as a direct counterpart.
<b>Transport equipment</b>	Transport equipment consists of equipment for moving people and objects, including motor vehicles, trailers and semitrailers, ships, railway locomotives and rolling stock, aircraft, motorcycles, and bicycles.
<b>Valuables</b>	Valuables are produced goods of considerable value acquired and held primarily as store of value and not used primarily for purposes of production or consumption.
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