



# higher education & training

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA

## ANNUAL PERFORMANCE

# REPORT | 2024



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## **VISION, MISSION AND KEY VALUES STATEMENT**

### **VISION**

A global institution of excellence, surpassing community needs

### **MISSION**

To provide high quality Education and Training that is affordable, relevant, learner-centred and that contributes to the total development of individuals through:

- Optimal utilisation of resources
- Creative and innovative modes of delivery
- Appropriately skilled staff and
- Community upliftment

### **KEY VALUES**

ORIBT College believes in

#### **Transformation**

Policies, procedures, activities and programmes are responsive to community needs and redress imbalances of the past, thereby ensuring increased inclusivity and accessibility

#### **Accountability**

Decision-making processes are transparent with proper financial management systems and procedures with the focus on efficiency and effectiveness, including being fair, ethical and trustworthy in all that we do

#### **Respect**

We respect the values of human dignity, equality, human rights and freedom, non-racism and non-sexism

#### **Teamwork**

Co-operating with one another, the community, business stakeholders and partners in education in an open and supportive way to achieve shared goals

## 1. INTRODUCTION

This Annual Performance Report for 2024 aims to present and showcase the performance and achievements of ORBIT TVET College during the 2024 academic year. The report serves to provide an honest overview of the extent to which strategic targets have been met in terms of academic, enrolment, management and administrative performance.

## 2. ABBREVIATIONS AND ACRONYMS

AB	Academic Board
AGSA	Auditor General of South Africa
AI	Artificial Intelligence
ARPL	Artisan Recognition of Prior Learning
ASB	Accounting Standards Board
ASD	Assistant Director
ARC	Audit and Risk Committee
BMS	Business Management System
BS	Business Studies
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sports Sector Education and TRAINING Authority
CET	Continuing Education and Training
CET Act No.16 of 2016	CET Act
CETA	Construction Education and Training Authority
CfERI	Centre of Entrepreneurship Rapid Incubator
CoECOM	Conditions of Employment Committee
CoS	Centres of Specialisation
CoSACSA	College Sports, Arts & Culture Championships
DBE	Department of Basic Education
DHET	Department of Higher Education and Training

ES	Engineering Studies
ETDP SETA	Education, Training and Development Practices Sector and Training Authority
EWSETA	Energy and Water Sector Education and Training Authority
EXCO	Executive Committee
FASSET	Finance and Accounting Services Sector Education and Training Authority
FINCOM	Finance Committee
FTE	Full Time Equivalent
GRAP	Generally Recognised Accounting Practice
HC	Head Count
HE	Higher Education
HEI	Higher Education Institution
HIRA	Hazard Identification and Risk Assessment
HoD	Head of Department
HWSETA	Health and Welfare Sector Education and Training Authority
ICASS	Integrated Continuous Assessment
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IOD	Injury on Duty
INSETA	Insurance Sector Education and Training Authority
IPSAS	International Public Sector Accounting Services
ISAT	Integrated Summative Assessment Tasks
ISO9001:2008	International Quality Standard of the International Organisation for Standardisation
MANCO	Management Committee
MerSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MICTSETA	Media, Information and Communication Technologies Sector Education and Training Authority
MIS	Management Information System
MOU	Memorandum of Understanding
MQA	Mining Qualifications Authority

NAFBI	National African Federation for the Building Industry
NATED	National Department of Education Report 190/191 Programmes
NC	National Certificate
NC(V)	National Certificate (Vocational)
NDP	National Development Plan
NEETs	Not in Employment, Education, nor in Training
NGO	Non-profit Government Organisation
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
NTC	National Technical Certificate
NYDA	National Youth Development Agency
OHS	Occupational Health and Safety
OIHD	Occupations in High Demand
PAL	Peer Academic Leaders
PL	Post Level
PLP	Pre-learning Programme
PQM	Programme Qualification Mix
PPN	Post Provisioning Norms
PRC	Planning and Resource Committee
PRO	Public Relations Officer
PSET	Post School Education and Training Sector
QCTO	Quality Council for Trades and Occupations
QMS	Quality Management System
RMC	Risk Management Committee

SABEN	South African Broadcast Education Networks
SABS	South African Bureau of Standards
SACPO	South African College Principals' Organisation
SAICA	South African Institute of Chartered Accountants
SARS	South African Revenue Services
SDG	Sustainable Development Goal
SETA	Sector Education and Training Authority
SL	Salary Level
SMME	Small Medium Macro Enterprise
SNE	Students with Special Needs for Education
SoP	Schedule of Particulars
SRC	Student Representative Council
THETA	Tourism, Hospitality and Sport Education and Training Authority
TVET	Technical and Vocational Education and Training
Umalusi	Quality Assurance Body for the General and Further Education and Training Sectors in South Africa
UN	United Nations
VAT	Value Added Tax
W & R SETA	Wholesale and Retail Sector Education and Training Authority
WAN	Wide Area Network
WBE	Workplace-based Education
WIL	Work Integrated Learning

***References in this Annual Report are to the FET Colleges Act No.16 of 2006 as amended by Act No.3 of 2012 and the Continuing Education and Training (CET) Colleges Act (No 16 of 2006)***



# GENERAL OVERVIEW

### **3. MESSAGE FROM THE COUNCIL CHAIRPERSON**

*"Learning is a treasure that will follow its owner everywhere." - Chinese Proverb*

ORBIT College, like other TVETs, has a mandate to focus on promoting and facilitating skills development to enhance the South African skills profile. It is with great pride that I present this foreword to the 2024 Annual Report of ORBIT TVET College. This document not only reflects the achievements and progress of the College over the past year but also underscores our unwavering commitment to delivering quality Technical and Vocational Education and Training in the North West Province and beyond.

The core values—transformation, accountability, respect and teamwork —inform all aspects of our governance and institutional culture. Through the effective oversight of Council and the dedicated efforts of the ORBIT College leadership, the College strengthened its focus on innovation, inclusivity, and stakeholder collaboration, making significant strides in programme expansion, student support, industry partnerships, and campus infrastructure. The policymakers are vital to ensure that what is taught in classrooms translates seamlessly into practical, on-the-ground applications. The College hold the tools to inspire innovation and cultivate entrepreneurial mindsets among young South Africans.

In the financial year under review, the ORBIT Council's strategic role has created a priority-focused approach aligned to the National Development Plan (NDP) 2030 targets. Moving the country's economy to the next level of inclusivity, sustainability, and competitiveness requires the modernisation of education by exposing young people to opportunities and providing appropriate support that is more responsive to the needs of communities and strategic partners.

This report highlights the tangible outcomes of our strategic objectives and operational commitments. It also reflects how ORBIT College has continued to respond to national priorities, contribute to local economic development, and remain aligned with the broader goals of the Department of Higher Education and Training (DHET).

As interim Chairperson of the College Council, this annual report reflects our ongoing efforts to build on the foundation of ensuring that the decisions we make today create a better future for generations to come. I wish to extend my sincere appreciation to our Council members, executive management, academic and support staff, students, and all stakeholders who contributed to the successes documented herein. Our collaborative efforts are crucial in steering the College towards a future of excellence, sustainability, and opportunity for all.

I affirm the Council's commitment to good governance, ethical leadership, and the continuous advancement of the College mandate. We remain steadfast in our role as stewards of public trust and partners in building a skilled and capable workforce for South Africa. By fostering bold ideas, strengthening collaborations, and investing in sustainable solutions, we can transform ORBIT TVET College into an engine of progress that supports both students and the broader South African technological landscape.



**SEPENG GS (Ms)**

**INTERIM COUNCIL CHAIRPERSON**



#### **4. THE ACCOUNTING OFFICER'S FOREWORD**

2024 has been a landmark year in the history of ORBIT TVET College—a year defined by exceptional academic performance, innovation, strategic partnerships, and national recognition. At the core of these achievements lies the unwavering commitment of our staff, students, and stakeholders, who have collectively propelled the College to new heights.

We began the year with an unprecedented celebration: ORBIT TVET College achieved the number one ranking nationally in the Report 191 Engineering Studies Trimester 3 results for 2023—a first in the College's history. This outstanding performance was not a once-off accomplishment. It was followed by a repeat achievement when Trimester 1 results for 2024 were released, once again placing ORBIT at the top. These results are testament to the dedication of our lecturers and the determination of our students, supported by robust academic systems and a culture of excellence.

2024 also marked a strategic shift in the technical education landscape, with the phasing out of N1–N3 qualifications and the introduction of QCTO-aligned programmes. While change often brings uncertainty, we view this transition as an opportunity for growth. The College remains committed to reskilling and upskilling our lecturers and to aligning our curriculum with industry needs, particularly in critical areas such as the Fourth Industrial Revolution (4IR).

ORBIT TVET College also received the prestigious W&RSETA award for excellence in the administration of bursaries, learnerships, and internships. This recognition reflects the efficiency of our administrative systems and our commitment to holistic student support and community upliftment.

We also strengthened our international partnerships. A significant milestone was the signing of a Memorandum of Understanding with multiple Chinese institutions, including Zhengzhou Electric Power College. These partnerships foster collaboration in digital education, curriculum development, and teacher and student exchanges, enhancing our global competitiveness and expanding opportunities for our staff and students. At Brits Campus, we celebrated numerous technological milestones: the opening of the first CHIETA SMART Skills Centre in the North West Province, successful student participation in global AI competitions, and the expansion of our pioneering AI Workforce Programme—making us

the only public TVET college in South Africa currently offering this initiative. Our students' achievements on international platforms, such as the African Elevate Competition and the AI Global Impact Festival, demonstrate the effectiveness of our innovation-driven approach.

Our collaboration with industry remains strong, exemplified by the Ford engine donation to our Diesel Mechanic Centre of Specialisation, and partnerships with Huawei as part of the Smart Campus initiative. We also hosted best practice visits from sister colleges across South Africa—an affirmation of the impactful work being done at ORBIT.

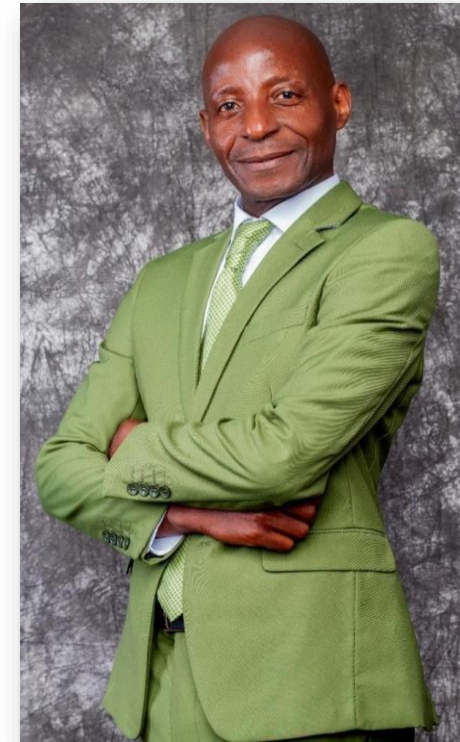
None of these successes would have been possible without the tireless efforts of our dedicated staff, the support of our strategic partners such as SETAs, government departments, and industry collaborators, and the commitment of our students. The resilience and agility of our institutional systems and sub-systems have enabled us to remain a leading institution in the TVET College sector.

As we reflect on 2024, we are proud of what we have achieved, inspired by our progress, and determined to continue serving our communities with excellence, innovation, and purpose.



**MOKOENA DF**

**PRINCIPAL/ACCOUNTING OFFICER**



## 5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY

To the best of my knowledge and belief, I confirm the following:

1. All information and amounts disclosed throughout annual report are consistent.
2. The annual report has been prepared in accordance with the guidelines issued by the Department of Higher Education and Training.
3. The annual financial statements have been prepared in accordance with the relevant standards, frameworks and guidelines issued by National Treasury.
4. The accounting officer, i.e. the principal, is responsible for the preparation of the annual financial statements and for the judgements made in this document.
5. The accounting officer, i.e. the principal, is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
6. The Auditor-General and/or external auditors express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of ORBIT TVET College for the financial year ended 31 December 2024.



**MOKOENA DF**

**PRINCIPAL/ACCOUNTING OFFICER**

## 6. LEGISLATION AND OTHER DIRECTIVES

### 6.1 LEGISLATIVE FRAMEWORK

ORBIT TVET College is enjoined by Section 44(3) of the Act, read in conjunction with section 25(3) of the same Act to prepare and submit to the Minister for Higher Education and Training an annual report.

In terms of Sections 25(3) and 25(4) of the Continuing Education and Training (CET) Colleges Act, no 16 of 2006 (as amended), public technical and vocational education and training (TVET) colleges are required to produce annual financial reports and to comply with any reasonable additional reporting requirement established by the Minister. Moreover, Section 44 of the Act requires colleges to annually report to the Minister in respect of its performance and its use of available resources.

In addition, these pieces of legislation govern and steer the College in terms of achievement of its strategic and performance objectives.

### 6.2 LEGISLATIVE AND OTHER MANDATES

In terms of Sections 25(3) and 25(4) of the Continuing Education and Training (CET) Colleges Act no 16 of 2006 (as amended), public technical and vocational education and training (TVET) colleges are required to produce annual financial reports and to comply with any reasonable additional reporting requirement established by the Minister. Moreover, Section 44 of the Act requires colleges to annually report to the Minister in respect of its performance and its use of available resources. In addition, these pieces of legislation govern and steer the college in terms of achievement of its strategic and performance objectives.

Further sets of legislation that impact on the TVET Colleges Sector and its strategic and national imperatives are listed below:

- o *National Qualifications Framework (NQF) Act (No 67 of 2008);*
- o *Higher Education (HE) Act (No 101 of 1997);*
- o *Skills Development Act (No 97 of 1998);*
- o *Skills Development Levies Act (no 9 of 1999); and*
- o *General and Further Education and Training Quality Assurance Act (No 58 of 2001).*

In addition, the *White Paper for Post-School Education and Training* mandates delivery and strategic priorities in the TVET College sector. Other policy mandates include:

- *National Trade Testing Regulations;*
- *SETA Grant Regulations;*
- *National Skills Development Strategy;*
- *Public TVET College Attendance and Punctuality Policy; and*
- *Policy on the Conduct of National Examinations and Assessment*



# GOVERNANCE

## 7. REPORT OF COUNCIL CHAIRPERSON

The following report on Governance is extracted from the ORBIT TVET College Statute and serves to point out the constitution, duties, governance structure and terms of reference for Council Committees.

Subject to the Continuing Education and Training (CET) Colleges Act no. 16 of 2006 (as amended) and the College Statute the Council governs ORBIT TVET College. To facilitate good governance and effective management, the boundaries between the two must be discussed and clearly defined. If the boundaries between governance and management are blurred, it may lead to tensions, conflicts of interest and ultimately to organisational non-performance.

While governance is the process of making, and monitoring compliance, of policies to regulate the delivery of services towards the achievement of organisational goals, management is the process of planning, organising, leading and controlling the resources of an organisation to achieve organisational goals as effectively and efficiently as possible.

Furthermore, the King I, II, III and IV Reports on Corporate Governance, which is applicable to all organisations, including TVET Colleges, emphasises the need for the Council of a College to be independent and to avoid conflicts of interest.

The following 2 quotations from the King III report provide credence to this statement:

- (i) *“A director is a steward of the company. The ethics of governance requires that in this stewardship role, each director be faithful to the four basic ethical values of good corporate governance (responsibility, accountability, fairness and transparency).”*
- (ii) *“The non-executive director plays an important role in providing judgment independent of management on issues facing the company. Not being involved in the management of the company defines the director as non-executive. Non-executive directors are independent of management on all issues including strategy, performance, sustainability, resources, transformation, diversity, employment equity, standards of conduct and evaluation of performance.”*

The independence of the Council demands that non-executive or independent members:

- (i) do not have direct or indirect interest in the College.
- (ii) do not function in any executive capacity nor have not been employed by the College in any such capacity for the preceding three financial years.
- (iii) are not professional advisers to the College.
- (iv) are free from any business or other relationship that could be seen to interfere materially with the individual's capacity to act in an independent manner.

## 7.1 CONSTITUTION OF THE COLLEGE COUNCIL AND GOVERNANCE STRUCTURES

### 7.1.1 COLLEGE COUNCIL 2024 AND ITS DESIGNATED FUNCTIONS

#### Executive Committee (EXCO)

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION &amp; MEMBERSHIP</b>	<b>DATE APPOINTED</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
Moloantoa K (Dr) <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member Chairperson of College Council	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Bogopa MB <sup>1</sup>	Ministerial Appointee Section 10 4) (b) member Deputy Chairperson of College Council Chairperson of Finance Committee Chairperson of Planning and Resource Committee	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Hoogkamer JA (Ms) <sup>2</sup>	Ministerial Appointee Section 10 4) (b) member Interim Chairperson of Conditions of Employment Committee	Appointed June 2024	2	2
Magolego PM <sup>1</sup>	Section 10 (4) (d) Donor Appointee Chairperson of Conditions of Employment Committee	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Mathye MG (Ms) <sup>1</sup>	Section 10 (6) Additional member appointee Chairperson of Audit and Risk Committee	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Mokgatle M (Prof) <sup>2</sup>	Ministerial Appointee Section 10 4) (b) member Interim Council Member of Academic Board	Appointed June 2024	2	2

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION &amp; MEMBERSHIP</b>	<b>DATE APPOINTED</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
Mokoena DF	Internal Member Section 10 (4) (a) member Principal		3	3
Molapisi J (Dr) <sup>2</sup>	Ministerial Appointee Section 10 4) (b) member Interim Chairperson of Planning and Resource Committee	Appointed June 2024	2	2
Matjiane MS <sup>3</sup>	Internal invitee Deputy Principal Corporate Services	Transferred to another College as Acting Principal	1	1
Mosito TJ <sup>4</sup>	Internal invitee Deputy Principal Academic Programmes and Student Support Services		1	1
Qoma L (Ms) <sup>2</sup>	Ministerial Appointee Section 10 4) (b) member Interim Chairperson of Audit and Risk Committee	Appointed June 2024	2	2
Sebaetse M	Internal Invitee Deputy Principal Finance of College	Appointed 2023	2	2
Sepeng S (Ms) <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Council	Appointed June 2024	2	2
Tlhopile T (Ms) <sup>4</sup>	Internal Invitee Deputy Principal Academic Programmes and Student Support Services	Appointed 2024	1	1
Viljoen J (Dr)	Internal Invitee Deputy Principal Innovation and Development	Appointed 2024	1	1

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	DATE APPOINTED	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Mafojane G	Internal Invitee Acting Deputy Principal Corporate Services	Appointed 2024	1	1

- 1) Term of Office came to an end May 2024
- 2) Section 10 (4) (b) Council Member. Term of Office June 2024 to May 2029
- 3) Matjiane MS was transferred to a Sister College as Acting Principal
- 4) Mosito TJ went on pension in June 2024 and Ms T Tlhopile was appointed as Deputy Principal Academic Programmes and Student Support Services
- 5) Mafojane G was appointed Acting Deputy Principal Corporate Services

### Council members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	DATE APPOINTED	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Bogopa MB <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member Deputy Chairperson of College Council Chairperson of Finance Committee Chairperson of Planning and Resource Committee	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Dubazana T <sup>1</sup>	Section 10 (6) Additional member appointee	Appointed 16 April 2019	1	1
Hoogkamer JA (Ms) <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Conditions of Employment Committee	Appointed June 2024	2	2
Khoza M (Ms)	Section 10 (4) (g) member SRC Secretary	Term started October 2023 Replaced <b>Ms Khoza</b> as SRC President after SRC bi-elections	3	3
Lefophane H (Dr) <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member Council Representative on Academic Board	Appointed 16 April 2019	1	1

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION &amp; MEMBERSHIP</b>	<b>DATE APPOINTED</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
Letsoalo SM <sup>1</sup>	Section 10 (4) (c) member Academic Board Representative on Council	Appointed 1 May 2019 but backdated to 16 April 2019	1	1
Magolego PM <sup>1</sup>	Section 10 (4) (d) Donor Appointee Chairperson of Conditions of Employment Committee	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Mangoma APC (Ms) <sup>1</sup>	Section 10 (6) Additional member appointee	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Mathye MG (Ms) <sup>1</sup>	Section 10 (6) Additional member appointee Chairperson of Audit and Risk Committee	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Mlambo TV (Ms) <sup>2</sup>	Section 10 (4) (e) member Lecturing Staff Representative on Council	Appointed August 2025 but backdated to June 2024	1	1
Mokgatle M (Prof) <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member	Appointed June 2024	2	2
Mokale AT <sup>1</sup>	Section 10 (4) (f) member Support staff representative	Appointed 1 May 2019 but backdated to 16 April 2019	1	0
Molapisi J (Dr) <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Planning and Resource Committee	Appointed June 2024	2	2
Mohajane P (Ms)	Section 10 (4) (g)	Term started October 2023	1	1

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	DATE APPOINTED	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
	SRC President	<b>Ms Mohajane</b> was elected as SRC President after SRC bi-elections		
Molope M (Dr) <sup>1</sup>	Ministerial Appointee Section 10(4) (b) member	Appointed 1 August 2021 but appointment was backdated to 16 April 2019	1	1
Mokoena D	Ministerial Appointee Section 10 (4) (a) member Principal		3	3
Moloantoa K (Dr) <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member Chairperson of College Council	Appointed 16 April 2019. Term of Office ended May 2024.	1	1
Qoma L (Ms) <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Audit and Risk Committee and Finance Committee	Appointed June 2024	2	2
Nkau P <sup>1</sup>	Section 10 (4) (c) appointee Academic Board Representative on Council	Appointed Audit 2024 but backdated to June 2024	1	1
Ntshole E	Section 10 (4) (f) member Support Staff Representative on Council	Appointed August 2025 but backdated to June 2024	1	1
Ramaru MS <sup>1</sup>	Section 10 (4) (e) member Lecturing staff representative	Appointed 1 May 2019 but backdated to 16 April 2019	1	0

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION &amp; MEMBERSHIP</b>	<b>DATE APPOINTED</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
Ramdass K (Prof.) <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member Council Academic Board Representative	Appointed 1 August 2021 but appointment was backdated to 16 April 2019	1	1
Sepeng S (Ms) <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Council	Appointed June 2024	1	1

1) Term of Office came to an end May 2024

2) Section 10 (4) (b) Council Member. Term of Office June 2024 to May 2029

## 7.1.2 COUNCIL SUB-COMMITTEES

### Audit and Risk Sub-committee members

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION AND MEMBERSHIP</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
<b>Carrim I</b>	External Appointee	2	1
<b>Fourie W (Ms)</b>	External Appointee	2	2
<b>Hoogkamer JA (Ms)<sup>1</sup></b>	Section 10 (4) (b) Member	1	1
<b>Kgalaki R</b>	External Appointee	2	2
<b>Mathye M (Ms)<sup>2</sup></b>	Section 10 (6) Additional member appointee Chairperson of Audit and Risk Sub-committee	1	1
<b>Mafojane G<sup>3</sup></b>	Internal Invitee Acting Deputy Principal Corporate Services	1	1
<b>Matjiane MS<sup>4</sup></b>	Internal Invitee Deputy Principal Corporate Services	1	0
<b>Mokgatle M (Prof)<sup>1</sup></b>	Section 10 (4) (b) Member	1	0

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION AND MEMBERSHIP</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
<b>Mokoena DF</b>	Internal Member Section 10 (4) (a) member Principal of College	2	2
<b>Molapisi J (Dr)<sup>1</sup></b>	Section 10 (4) (b) Member	1	1
<b>Qoma L (Ms)<sup>1</sup></b>	Section 10 (4) (b) Member	1	1
<b>Sebaetse M</b>	Internal invitee Deputy Principal Finance of College	2	2
<b>Sepeng S (Ms)<sup>1</sup></b>	Section 10 (4) (b) Member	1	1
<b>Tshabangwe M</b>	Internal invitee ASD: Audit and Assurance Manager	2	2

- 1) Section 10 (4) (b) Council Member. Term of Office June 2024 to May 2029
- 2) Term of Office came to an end May 2024
- 3) Mafojane G was appointed as Acting Deputy Principal Corporate Services
- 4) Matjiane SM was transferred to another College as Acting Principal

## Finance Sub-committee members

SURNAME & INITIALS	DESIGNATED FUNCTION AND MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
<b>Bogopa B</b> <sup>1</sup>	Ministerial Appointee Section 10(4) (b) member Chairperson of Finance Sub-committee	1	1
<b>Hoogkamer JA (Ms)</b> <sup>2</sup>	Ministerial Appointee Section 10(4) (b) member	1	1
<b>Mokgatle M (Prof)</b> <sup>2</sup>	Ministerial Appointee Section 10(4) (b) member	1	0
<b>Mokoena DF</b>	Internal Member Section 10 (4) (a) member Principal of College	2	2
<b>Molapisi J (Dr)</b> <sup>2</sup>	Ministerial Appointee Section 10(4) (b) member	1	1
<b>Molope M (Dr)</b> <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member	1	1
<b>Qoma L (Ms)</b> <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) Interim Chairperson of Finance Sub-committee	1	1
<b>Singh R</b> <sup>1</sup>	Section 10 (6) Additional member appointee	1	2
<b>Sebaetse M</b>	Internal invitee Deputy Principal Finance of College	2	2
<b>Sepeng S (Ms)</b> <sup>2</sup>	Ministerial Appointee Section 10(4) (b) member	1	0

1) Term of Office came to an end May 2024

2) Section 10 (4) (b) Council Member. Term of Office June 2024 to May 2029

## Conditions of Employment sub-committee members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
<b>B Bogopa</b> <sup>1</sup>	Ministerial Appointee Section 10(4) (b) member	1	1
<b>T Dubazana</b> <sup>1</sup>	Ministerial Appointee Section 10(4) (b) member	1	1
<b>JA Hoogkamer (Ms)</b> <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of the Conditions of Employment Committee	1	1
<b>G Mafojane</b> <sup>3</sup>	Internal invitee – Acting Deputy Principal Corporate Services	2	2
<b>P Magolego</b> <sup>1</sup>	Section 10 (4) (d) Donor Appointee Chairperson of conditions of employment committee	1	1
<b>MS Matjiane</b> <sup>4</sup>	Internal invitee Deputy Principal Corporate Services of College	1	1
<b>M Mokgatle (Prof)</b> <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member	1	1
<b>DF Mokoena</b>	Internal Member Section 10 (4) (a) member Principal of College	2	2
<b>J Molapisi (Dr)</b> <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member	1	1
<b>L Qoma (Ms)</b> <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member	1	1
<b>K Ramdass (Prof)</b> <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member	1	0
<b>S Sepeng (Ms)</b> <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member	1	0

1) Term of Office came to an end May 2024

2) Section 10 (4) (b) Council Member. Term of Office June 2024 to May 2029

3) Mafojane G was appointed as Acting Deputy Principal Corporate Services in 2024

4) Matjiane M was transferred to another College to assist in the position of Acting Principal in 2024

## Planning and Resource sub-committee members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
<b>Bogopa B<sup>1</sup></b>	Ministerial Appointee Section 10(4) (b) member Chairperson of Planning and Resource Committee	1	1
<b>Dubazana T<sup>1</sup></b>	Section 10 (6) Additional member appointee	1	0
<b>Hoogkamer JA<sup>2</sup></b>	Ministerial Appointee Section 10(4) (b) member	1	1
<b>Magolego P<sup>1</sup></b>	Section 10 (4) (d) Donor Appointee	1	1
<b>Mangoma P<sup>1</sup></b>	Section 10 (6) Additional member appointee	1	1
<b>Merementsi A</b>	Internal invitee Capital Infrastructure & Efficiency Grant Project Manager	2	2
<b>Mokgatlé M (Prof)<sup>2</sup></b>	Ministerial Appointee Section 10(4) (b) member	1	0
<b>Mokoena DF</b>	Internal Member Section 10 (4) (b) member Principal of College (Appointed June 2018)	2	2
<b>Molapisi J (Dr)<sup>2</sup></b>	Ministerial Appointee Section 10(4) (b) member Interim Chairperson of Planning and Resource Committee	1	1
<b>Moleko K<sup>3</sup></b>	Internal invitee Business Development and Innovation	1	1
<b>Motlhaga T<sup>4</sup></b>	Internal Invitee ASD Supply Chain Management	1	1
<b>Sebaetse M</b>	Internal invitee Deputy Principal Finance of College (Appointed June 2019)	2	2

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION &amp; MEMBERSHIP</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
<b>Sepeng S (Ms)<sup>2</sup></b>	Ministerial Appointee Section 10 (4) (b)	1	0
<b>Viljoen J (Dr)</b>	Internal invitee Deputy Principal Innovation and Development	2	2

1) Term of Office came to an end May 2024

2) Section 10 (4) (b) Council Member. Term of Office June 2024 to May 2029

3) Moleko K resigned in 2024

4) Motlhaga T resigned in 2024

### **Council Members serving on the Academic Board**

<b>SURNAME &amp; INITIALS</b>	<b>DESIGNATED FUNCTION AND MEMBERSHIP</b>	<b>DATE APPOINTED</b>	<b>NUMBER OF MEETINGS HELD</b>	<b>NUMBER OF MEETINGS ATTENDED</b>
<b>Hoogkamer JA (Ms)<sup>2</sup></b>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Conditions of Employment Committee	June 2024	1	1
<b>Lefophane H (Dr)<sup>1</sup></b>	Ministerial Appointee Section 10 (4) (b) member Council Representative on Academic Board	16 April 2019	1	1
<b>Mokgatle M (Prof)<sup>2</sup></b>	Ministerial Appointee Section 10 (4) (b) member	June 2024	1	1
<b>Molapisi J (Dr)<sup>2</sup></b>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Planning and Resource Committee	June 2024	1	1
<b>Mokoena D</b>	Ministerial Appointee Section 10 (4) (a) member Principal		2	2
<b>Qoma L (Ms)<sup>2</sup></b>	Ministerial Appointee Section 10 (4) (b) member	June 2024	1	1

SURNAME & INITIALS	DESIGNATED FUNCTION AND MEMBERSHIP	DATE APPOINTED	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
	Interim Chairperson of Audit and Risk Committee and Finance Committee			
<b>Ramdass K (Prof.)</b> <sup>1</sup>	Ministerial Appointee Section 10 (4) (b) member Council Academic Board Representative	Appointed 1 August 2021 but appointment was backdated to 16 April 2019	1	1
<b>Sepeng S (Ms)</b> <sup>2</sup>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Council	June 2024	1	1

1) Term of Office came to an end May 2024

2) Section 10 (4) (b) Council Member. Term of Office June 2024 to May 2029

### 7.1.3 APPOINTMENTS MADE IN 2024 IN TERMS OF SECTIONS 10 (4) AND 10(6) OF THE CET ACT

New appointments were made on the ORBIT TVET College Council in 2024.

SURNAME & INITIALS	DESIGNATED FUNCTION AND MEMBERSHIP	DATE APPOINTED
<b>Hoogkamer JA (Ms)</b>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Conditions of Employment Committee	Appointed June 2024
<b>Mlambo TV (Ms)</b>	Section 10 (4) (e) member Lecturer Staff Representative on Council	Appointed August 2025 but backdated to June 2024
<b>Mokgatle M (Prof)</b>	Ministerial Appointee Section 10 (4) (b) member	Appointed June 2024
<b>Molapisi J (Dr)</b>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Planning and Resource Committee	Appointed June 2024
<b>Mokoena D</b>	Ministerial Appointee Section 10 (4) (a) member Principal	
<b>Qoma L (Ms)</b>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Audit and Risk Committee and Finance Committee	Appointed June 2024
<b>Nkau P</b>	Section 10 (4) (c) member Academic Board Representative on Council	Appointed August 2025 but backdated to June 2024
<b>Ntshole E</b>	Section 10 (4) (f) member Support Staff Representative on Council	Appointed August 2025 but backdated to June 2024
<b>Sepeng S (Ms)</b>	Ministerial Appointee Section 10 (4) (b) member Interim Chairperson of Council	Appointed June 2024

## 7.1.4 PERFORMANCE OF COUNCIL TERMS OF ITS STATUTORY FUNCTIONS, EXPLAINED IN SECTION 10(1) – (3) OF THE CET ACT

### 7.1.4.1 *Duties of the College Council*

Without derogating from the generality of subsection (1), the Council -

- a. makes rules for the College;
- b. establishes the Council Committees and determines the composition and functions of each committee;
- c. establishes, in consultation with the Academic Board, joint Committees of the Council and the Academic Board to perform functions which are common to the Council and the Academic Board;
- d. subject to applicable policy and the approval of the Director-General, determines the student admission policy of the College, after consultation with the Academic Board;
- e. determines and provides student support services after consultation with the SRC;
- f. subject to the approval of the Director-General, determines the language policy of the College, after consultation with the Academic Board;
- g. determines tuition fees, accommodation fees and any other fees payable by students as well as accommodation fees payable by employees;
- h. approves the annual budget of the College; and
- i. may conclude a loan or overdraft agreement, with the approval of the Minister.

Without derogating from the generality of subsection (1), the Council –

- a. determines conditions of service, code of conduct and privileges and functions of its employees and may, in the manner set out in the code of conduct, suspend or dismiss employees of the College; and
- b. may order an employee of the College who has been suspended to refrain from being on any premises under the control of the College and to refrain from participating in any of the activities of the College, or issue such other conditions as it may consider necessary.

#### **7.1.4.2 Composition of Council**

The Council, as contemplated in section 10(4) of the Act, consists of –

the Principal;

five external persons appointed by the Minister;

one member of the Academic Board elected by the Academic Board;

one lecturer elected by the lecturers at the College;

two students of the College elected by the SRC;

one member of the support staff elected by the support staff of the College;

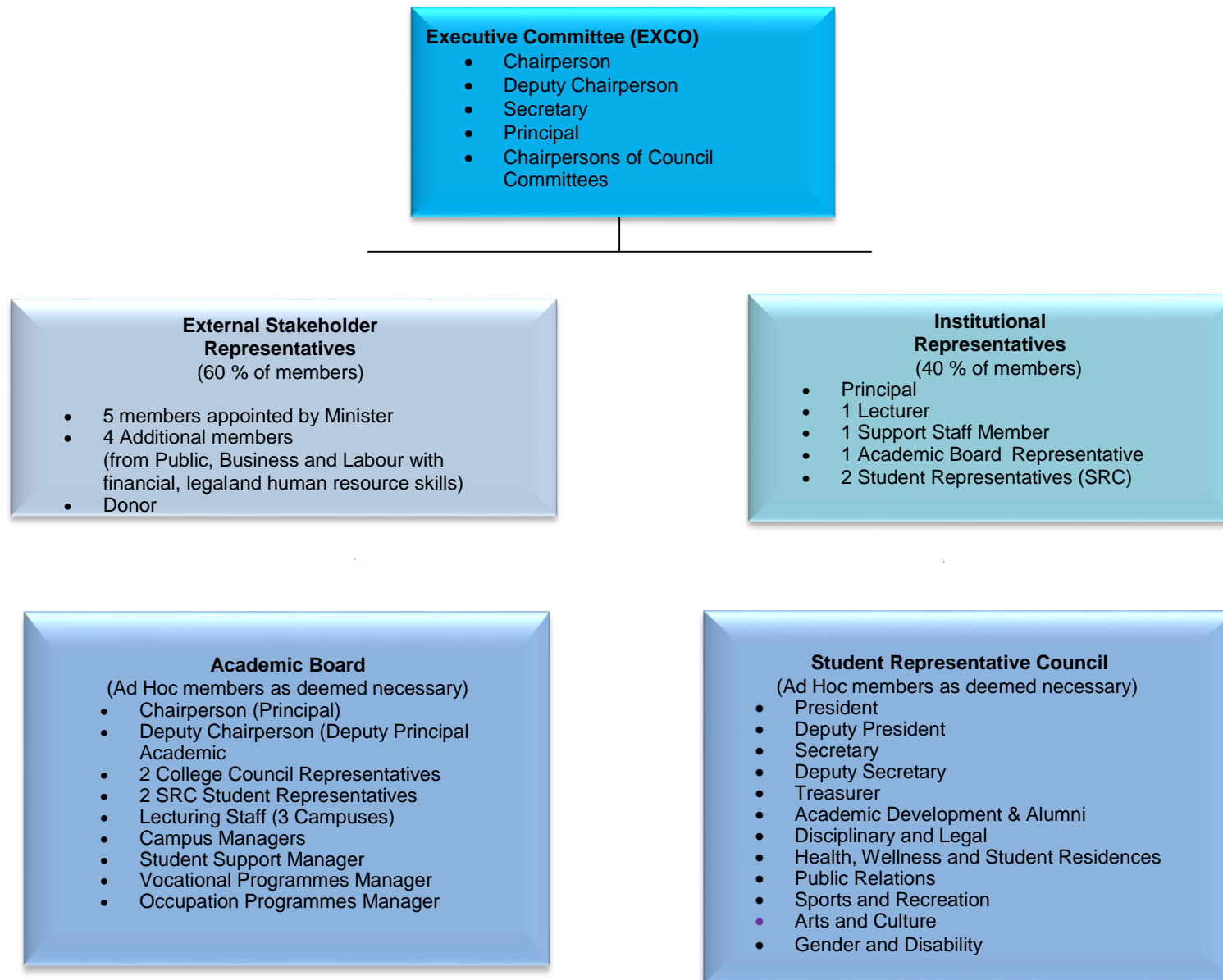
one external member representing donors; and

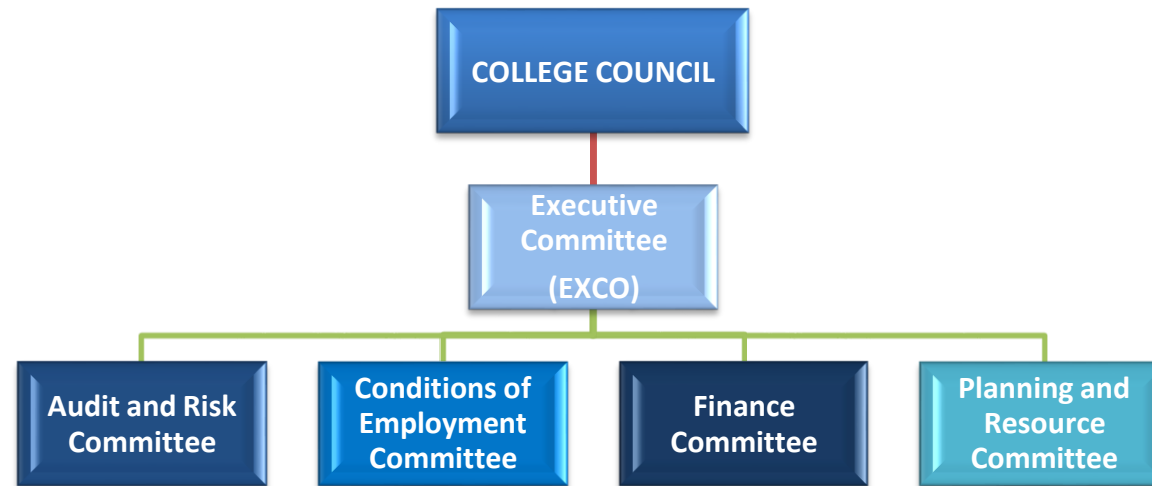
at least four members contemplated in section 10(6) of the Act with a broad spectrum of competencies in the fields of education, business, finance, law, marketing, information technology and human resource management appointed by the Council in consultation with the Minister.







At least 60% of the members of the Council must be external persons who are not employed by the Minister or Council, or are not students of the College.

The Council members contemplated in Section 10(8) and (9) of the Act must have knowledge and experience relevant to the objects and governance of the College.

### 7.1.4.3 Council Governance Structure





-  External stakeholder representatives constitute 60% of members and institutional representatives constitute 40% of members
-  11 members (Chairperson, Deputy Chairperson, Secretary, Principal, Chairpersons of Council Committees, Deputy Principals)
-  6 Committee members (1 x external member of Council to chair, 3 external members with appropriate expertise in the field of Information Technology, Finance, Risk Management, Law and Auditing, appointed by Council and 2 internal staff members, namely the Principal and ASD Internal Audit and Assurance)
-  5 Committee members (3 External members of Council (one of whom is the Chairperson) and 1 internal staff member namely the Deputy Principal Corporate Services and 1 invited member, namely the ASD Human Resource Management)
-  6 Committee members (3 External Members of Council (one of whom is the Chairperson) and 3 internal staff members namely the Principal, DeputyPrincipal Finances and 1 invited member, namely the ASD Financial Accounting)
-  7 Committee members (3 External Members of Council (one of whom is the Chairperson) and 3 internal staff members namely the Principal, 2 Deputy Principals and 1 invited member, namely the ASD Supply Chain & Asset Management)

#### **7.1.4.4 Terms of Reference for Governance and Council Committees**

##### **a) Executive Committee**

The Executive Committee meets:

- one week before scheduled Council meetings
- when the need arises when an urgent matter needs attention, and decision needs to be made
- when a mandate has been received from the Council to finalise a specific matter

##### **Purpose of the Executive meeting before regular scheduled Council Meetings:**

To receive and discuss reports and recommendations from Council Sub Committees and Management.

##### **b) Audit and Risk Committee**

An independent Audit and Risk Committee fulfils a vital role in corporate governance. The Audit and Risk Committee is a critical component in ensuring the integrity of integrated reporting and financial controls, the proper identification and management of financial risks and the integrity of the reporting practices.

The Audit and Risk Committee should meet as frequently as necessary to perform its role, but should meet at least four times a year.

##### **Purpose of the committee:**

To ensure compliance with the best financial and accounting practices and standards, and to oversee the management of risk in the organisation.

The Audit and Risk Committee should oversee the College's reporting and assurance functions and review aspects of risk and sustainability issues where it is mandated to do so by the Council.

**c) Finance Committee**

The Finance Committee should meet at least four times per year or more often as circumstances require, keep minutes of proceedings and report regularly to Council. The Finance Committee may invite to its meetings any council member, officer of the College or such other person as it deems appropriate to assist it in performing its responsibilities.

**Purpose of the committee:**

To consider matters of financial strategy and policy and to optimise the use of financial resources

**d) Conditions of Employment Committee**

The Conditions of Employment Committee should meet regularly, not less than four times per year, and at such other times as may be requested by the Chairperson of the Committee. No executive officer should attend a portion of any meeting where such an executive's performance or compensation is discussed, unless specifically invited by the Conditions of Employment Committee.

**Purpose of the Committee:**

To approve Human Resource Management policies and monitor their implementation.

**e) Planning and Resource Committee**

The Planning and Resource Committee should meet regularly, not less than four times per year, and at such other time as may be requested by the Chairperson of the Committee. A member must attend a minimum of 3 meetings in a financial year, failure of which, the member's conduct should be referred to the Chairperson of the College Council for intervention and may lead to permanent dismissal from the Committee.

**Purpose of the committee:**

To assist the Council in its duties relating to the planning, management and maintenance of infrastructure and capital expenditure for infrastructure expansion and diversification of programmes inclusive of ICT infrastructure and compliance with health, safety and environmental legislation and policies

## 7.2 REPORTS BY COMMITTEES OF COUNCIL

### 7.2.1 REPORT OF THE FINANCE COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2024

#### 1. TERMS OF REFERENCE

In terms of section 25 of the Continuing Education and Training Act 2006 the Finance Committee (FINCOM) was established as an independent Oversight Committee on financial affairs of ORBIT College. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report on quarterly basis and annually for the financial year ending 31 December 2024.

#### 2. FINANCE COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of 3 External members of Council (one member appointed as the Chairperson of the FINCOM), and consists of the members listed below. During the period under review, four meetings were held.

MEMBER	ROLE	MEETINGS HELD	MEETINGS ATTENDED
Mr B Bogopa <sup>1</sup>	Section 10 (4) (b) Council Member	1	1
Ms JA Hoogkamer <sup>2</sup>	Section 10 (4) (b) Council Member	1	1
Prof. M Mokgatlé <sup>2</sup>	Section 10 (4) (b) Council Member	1	1
Dr J Molapisi <sup>2</sup>	Section 10 (4) (b) Council Member	1	1
Dr M Molope <sup>1</sup>	Section 10 (4) (b) Council Member	1	1
Ms L Qoma <sup>2</sup>	Section 10 (4) (b) Council Member	1	1
Mr R Singh <sup>1</sup>	Section 10 (6) Council Member	1	1

MEMBER	ROLE	MEETINGS HELD	MEETINGS ATTENDED
Mr DF Mokoena	Section 10 (4) (a) Council Member	2	1
Mr M Sebaetse	Deputy Principal Finances	2	2
Ms S Sepeng <sup>2</sup>	Section 10 (4) (b) Council Member	1	1

1) Prior Member of Council. Term of Office came to an end May 2024.

2) Section 10 (4) (b) member of Council. Term of Office June 2024 to May 2029

### 3. FINANCE COMMITTEE RESPONSIBILITY

As at the 31 December 2024 the FINCOM reported that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements. The FINCOM has during the period under review considered all matters of financial strategy and policy, and optimised the use of ORBIT college's financial resources.

### 4. EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL

During the period under review the FINCOM has effectively and efficiently executed the following responsibilities:

- 4.1 Approved finance policies and monitor compliance.
- 4.2 Overseen the preparation of the annual budget and financial statements.
- 4.3 Considered and approved financial strategies and objectives as recommended by the Deputy Principal Finances in support of adopted development and growth plans for the College.
- 4.4 Monitored financial performance against budgets.
- 4.5 Overseen the administration, collection, and disbursement of the financial resources of the College.
- 4.6 Advised the Council with respect to making significant financial decisions.
- 4.7 Considered and assessed all investment opportunities available to the College, in respect of all funds which it administers, and to determine the manner and extent to which funds are to be invested with a view to ensuring both security and optimisation of income.

- 4.8 Reviewed the actual and projected financial situation of the College as required, including among other matters, the respective level of debt, the sources of financing and the College's financial ratios.
- 4.9 Reviewed the financial aspects of any acquisitions submitted to the Council; and as delegated to the Finance Sub-Committee by the Council, to review and approve any acquisitions covered by such delegation.
- 4.10 Monitored the performance of the Finance Component of the College.

## 5. CONCLUSION

The FINCOM fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the students of the College.

## 6. APPRECIATION

The FINCOM would like to express its sincere appreciation to the Council Chairperson and all Members, Principal (Accounting Officer), Management, Officials, Auditor-General South Africa (AGSA) and the ORBIT college's Finance Unit for their support to the FINCOM during the year under review.

A handwritten signature in black ink, consisting of a stylized 'Q' and 'L' followed by a horizontal line and a small flourish.

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**QOMA L (Ms)**  
**INTERIM CHAIRPERSON**

## 7.2.2 REPORT OF THE CONDITIONS OF EMPLOYMENT COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2024

### 1. TERMS OF REFERENCE

The Conditions of Employment Committee (HRCOM) has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report for the financial year ended 31 December 2024.

### 2. CONDITIONS OF EMPLOYMENT COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of 3 external members of Council (one of whom is the Chairperson), and consists of the members listed below:

MEMBER	ROLE	MEETINGS HELD	MEETINGS ATTENDED
<b>Mr B Bogopa<sup>1</sup></b>	Section 10 (4) (b) Council Member	1	1
<b>Mr T Dubazana<sup>1</sup></b>	Section 10 (4) (6) Council Member	1	1
<b>Ms JA Hoogkamer<sup>2</sup></b>	Section 10 (4) (b) Council Member	1	1
<b>Mr G Mafojane</b>	Acting Deputy Principal Corporate	2	2
<b>Mr P Magolego<sup>1</sup></b>	Section 10 (4) (d) Council Member	1	1
<b>Mr MS Matjiane<sup>3</sup></b>	Deputy Principal Corporate Services	1	1
<b>Prof M Mokgatle<sup>2</sup></b>	Section 10 (4) (b) Council Member	1	1
<b>Mr DF Mokoena</b>	Section 10 (4) (a) Council Member	2	1
<b>Dr J Molapisi<sup>2</sup></b>	Section 10 (4) (b) Council Member	1	1
<b>Ms L Qoma<sup>2</sup></b>	Section 10 (4) (b) Council Member	1	1
<b>Prof K Ramdass<sup>1</sup></b>	Section 10 (4) (b) Council Member	1	0
<b>Ms S Sepeng<sup>2</sup></b>	Section 10 (4) (b) Council Member	1	0

1) Prior Member of Council. Term of Office came to an end May 2024.

2) Section 10 (4) (b) member of Council. Term of Office June 2024 to May 2029

3) Matjiane MS was temporarily transferred to assist as Acting Principal at a TVET Sister College

### **3. CONDITIONS OF EMPLOYMENT COMMITTEE RESPONSIBILITY**

The CoECOM reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

### **4. EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL**

The CoECOM has effectively and efficiently executed the following responsibilities:

- 4.1 Periodically reviewed and approved new human resource policies of the College.
- 4.2 Monitored the College performance against its HR or workforce plan.
- 4.3 Reviewed the total compensation practices of the College.
- 4.4 Monitored the performance management and development systems and their impact on individual and organisational performance.
- 4.5 Reviewed and approve the organisational structure and post establishment of the College.
- 4.6 Monitored the College performance against defined strategic HR targets.
- 4.7 Monitored systems and procedures for all Council-approved human resources and employment equity policies
- 4.8 Monitored the management development programmes of the College.
  
- 4.9 Reviewed and reported to the full Council, with recommendations, the following:
  - 4.9.1 the ethical standards of the College to ensure that Management has identified the values that determine acceptable behaviour in the College and has put in place a process that ensures these values are reflected in actions that are taken within the College.
  - 4.9.2 the periodic review of the College's Code of Ethics and Conduct.
  - 4.9.3 compliance under the College's Code of Ethics and Conduct.

5. **CONCLUSION**

The CoECOM fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the students of the College.

7. **APPRECIATION**

The CoECOM expresses its sincere appreciation to the Council, Accounting Officer, Management, Officials, Auditor-General South Africa and the Human Resource Unit for their support to the HRCOM during the year under review.



**HOOGKAMER JA (Ms)  
INTERIM CHAIRPERSON**

## 7.2.3 REPORT OF THE AUDIT AND RISK COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2024

### 1. TERMS OF REFERENCE

The Audit and Risk Committee (ARC) has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report for the financial year ended 31 December 2024.

### 2. AUDIT AND RISK COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of four members, and consists of the members listed below. During the year under review, eight meetings were held which includes meetings with the Accounting Officer, Internal Audit and Senior Management. Various stakeholders such as the Auditor-General were invited to some of the meetings.

MEMBER	ROLE	MEETINGS HELD	MEETINGS ATTENDED
Mr. I. Carrim	External Member	2	1
Ms W. Fourie	External Member	2	2
Ms JA Hoogkamer <sup>1</sup>	Section 10 (4) b) member of Council	1	1
Mr R. Kgalaki	External Member	2	2
Mr P Mafojane <sup>2</sup>	Acting Deputy Principal Corporate	1	1
Ms M Mathye <sup>3</sup>	Council Member	1	1
Mr SM Matjiane <sup>4</sup>	Deputy Principal Corporate Services	1	0
Prof. M Mokgatle <sup>1</sup>	Section 10 (4) (b) member of Council	1	1
Mr D Mokoena	Section 10 (4) (a) member of Council	2	2
Dr J Molapisi <sup>1</sup>	Section 10 (4) (b) member of Council	1	1
Ms L Qoma <sup>1</sup>	Section 10 (4) (b) member of Council	1	1
Mr M Sebaetse	Invitee	2	2
Ms S Sepeng <sup>1</sup>	Section 10 (4) (b) member of Council	1	1
Mr M Tsabangwe	Invitee	2	2

1) Newly appointed Section 10 (4) (b) members of the Council

2) Prior Council, Term of Office came to an end May 2024

3) Mafojane G was internally appointed as Acting Deputy Principal Corporate Services

4) Matjiane SM was internally transferred to assist as Acting Principal at a Sister TVET College

### **3. AUDIT AND RISK COMMITTEE RESPONSIBILITY**

The ARC reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

### **4. EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL**

The ARC has considered the work performed by Internal Audit on a quarterly basis and has reviewed the Internal Audit Annual Report on Internal Controls for the year ended 31 December 2024. In line with relevant legislation and good cooperate governance requirements, Internal Audit provides the ARC and Management with the assurance that the internal controls are appropriate and effective with emphasis on continuous improvement to strengthen the internal controls. The majority of audit findings reported to the Committee related to the control activities and monitoring components. In relation to the aspect of monitoring, the audits indicated a lack of management and supervisory reviews to ensure:

- compliance with legislation, regulations, policies and procedures;
- the design and implementation of adequate controls; and
- that implemented controls operate effectively.

Management intervention is required to effect improvement in these areas. Focus and prioritisation should be given to identified control areas that put at risk the College achieving its key objectives.

### **6. RISK MANAGEMENT**

Risk management has been formalised within the College, in relation to the establishment of various structures, processes and systems to give effect to risk management. Further initiatives are required to further embed risk management in the College's processes. This includes further clarifying roles and responsibilities, improving training, developing performance measurements, monitoring compliance with the integrated risk management policy and framework, and consistent application of approach.

### **7. ACCOUNTING POLICIES**

Accounting Policies that forms part of the Annual Financial Statements (AFS) were reviewed during each ARC meeting were the AFS were discussed. The ARC is content with appropriateness and compliance of the accounting policies with all relevant legislation.

8. **REVIEW OF ANNUAL FINANCIAL STATEMENTS**

The ARC noted and recommended approval of the Annual Financial Statements for the year ended 31 December 2024 as presented by Management.

The ARC noted the progress to date and advised Management to address outstanding balances and disclosures for final review by the ARC. The Committee further advised Management to ensure that the AFS are submitted to the Auditor-General before on the submission date.

9. **COMBINED ASSURANCE**

Regular engagements occurred between assurance providers to give effect to the Combined Assurance Framework. These engagements continue to be developed and enhanced to make combined assurance in the College more effective. The Committee regularly reviews developments in this area.

10. **INTERNAL AUDIT**

The ARC is satisfied that the internal Audit activity is operating effectively and that it has addressed the risks pertinent to the College in its Audit engagements.

The ARC approved internal Audit's strategic documents for 2024. The 2024 operational plan was implemented by internal Audit and monitored by the ARC on a quarterly basis.

11. **PROHIBITED EXPENDITURE**

The ARC is recommending that Management improve and develop a standardised mechanism in ensuring that unauthorised, irregular, fruitless and wasteful expenditure is avoided.

12. **INFORMATION TECHNOLOGY (IT) GOVERNANCE**

The ARC is recommending to Management to give more focus on the IT Governance framework for the College. This will enable the Committee and College to achieve their objectives in relation to IT governance.

13. **CONCLUSION**

The ARC concurs and accepts the conclusions of both Internal Audit and the Auditor-General. The Committee is of the opinion that the Audited Annual Financial Statements should be accepted and read together with the Report of the Auditor General. The Committee fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the students of the College.

14. **APPRECIATION**

The ARC expresses its sincere appreciation to the Council, Accounting Officer, Management, Officials, Auditor-General South Africa and the Internal Audit for their support to the ARC during the year under review.

A handwritten signature in black ink, consisting of a stylized 'Q' and 'L' followed by a horizontal line and a small flourish.

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**QOMA L (Ms)**  
**INTERIM CHAIRPERSON**

## 7.2.4 REPORT OF THE PLANNING AND RESOURCE COMMITTEE TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2024

### 1. TERMS OF REFERENCE

The Planning and Resource Committee (PRC) has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Committee has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Committee presents its report for the financial year ended 31 December 2024.

### 2. PLANNING AND RESOURCE COMMITTEE MEMBERS AND ATTENDANCE

The Committee's Terms of Reference requires a minimum of 4 external members of Council (one of whom is the Chairperson), and consists of the members listed below. During the year under review, four meetings were held.

Member	Role	Meetings held	Meetings attended
Mr MB Bogopa <sup>1</sup>	Section 10 (4) (b) Council Member	1	1
Mr T Dubazana <sup>1</sup>	Section 10 (6) Council Member	1	0
Ms JA Hoogkamer <sup>2</sup>	Section 10 (4) (b) Council Member	1	1
Mr P Magolego <sup>1</sup>	Section 10 (4) (d) Council Member	1	1
Ms P Mangoma <sup>1</sup>	Section 10 (6) Council Member	1	0
Mr A Merementsi	Infrastructure Manager	2	2
Prof. M Mokgatle <sup>2</sup>	Section 10 (4) (b) Council Member	1	0
Mr D Mokoena	Section 10 (4) (a) Council Member	2	2
Dr J Molapisi <sup>2</sup>	Section 10 (4) (b) Council Member	1	1
Mr K Moleko <sup>3</sup>	I&O Manager	1	1
Mr P Motlhaga <sup>4</sup>	ASD: Supply Chain Management	1	1
Ms L Qoma <sup>2</sup>	Section 10 (4) (b) Council Member	1	1
Mr M Sebaetse	Member	2	2
Ms S Sepeng <sup>2</sup>	Section 10 (4) (b) Council Member	1	0
Dr J Viljoen	Deputy Principal: I&D	2	2

- 1) Prior Council. Term of Office came to an end May 2024
- 2) Section 10 (4) (b) member of Council. Term of Office June 2024 to May 2029
- 3) Moleko K resigned in 2024
- 4) Motlhaga P resigned in 2024

### 3. **PLANNING AND RESOURCE COMMITTEE RESPONSIBILITY**

The P&RComm reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

### 4. **EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL**

The P&RComm has effectively and efficiently executed the following responsibilities:

4.1 Recommended to Council to approve the College infrastructure planning, management and maintenance and supply chain policies and monitor compliance and implementation.

4.2 Monitored the management of the facilities register and its associated maintenance and construction activities.

4.3 Reviewed the actual and projected capital needs of the College as required, including among other matters, the sources of financing and related implications noting the mandate of expansion for TVET Colleges.

4.4 Recommended the College five-year capital expenditure programme.

4.5 Overseen the execution of capital projects, including that:

4.5.1 each project meets the strategic and technical specifications and deliverables.

4.5.2 all project-related risks have been identified and mitigated.

4.5.3 critical decisions, project parameters and governance processes are followed and addressed prior to committing funds.

4.5.4 each project enhances the portfolio value of the College.

4.6 Reviewed the performance of the College Supply Chain component of the College in terms of operational targets

4.7 Overseen the compliance to Health, Safety and Environmental legislation

4.8 Monitored the achievement of targets in respect of the Environmental Plan as contained in the annually approved College Operational Plan

**5. CONCLUSION**

The P&RComm fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the students of the College.

**6. APPRECIATION**

The P&RComm expresses its sincere appreciation to the Council, Accounting Officer, Management, Officials, Auditor-General South Africa and the Supply Chain Unit for their support to the PRC during the year under review.

A handwritten signature in black ink, consisting of a stylized initial 'M' followed by a long horizontal stroke.

**MOLAPISI J (Dr)**  
**INTERIM CHAIRPERSON**

## **7.3 REPORT OF THE ACADEMIC BOARD TO THE COUNCIL OF ORBIT COLLEGE FOR THE YEAR ENDED 31 DECEMBER 2024**

### **1. TERMS OF REFERENCE**

The Academic Board has been established as an independent Committee, in terms of section 25 of the Continuing Education and Training Act 2006. The Board has adopted formal Terms of Reference, which are regularly updated and approved by Council. The Board presents its report for the financial year ended 31 December 2024.

### **2. ACADEMIC BOARD MEMBERS AND ATTENDANCE**

2.1 The Board's terms of reference require that the Board consist of the following 23 members:

- Principal
- Deputy Principal Academic Programmes and Student Support Services
- Deputy Principal Innovation and Development
- ASD Curriculum Implementation
- ASD Curriculum Implementation and Development
- ASD Student Support Services
- Council Members (2 external Council members)
- SRC Members (2 members)
- Campus Managers (Brits, Mankwe and Rustenburg Campuses)
- Head of Department Artisan Development and Partnerships (1 to represent all 3 Campuses)
- NC(V) Engineering Lecturer Representatives (X3 [1 per Campus])
- Report 191 Business and Utility Studies Lecturer Representatives (X3 [1 per Campus])
- Occupational Programmes Lecturer Representatives (X3 [1 per Campus])

2.2 The criteria to elect the 3 lecturer representatives are as follows:

2.2.1 Representatives can be elected from any Post Level (PL 1 to 3) – it therefore implies that there is no need for representatives for each level.

2.2.2 Representatives must be permanently appointed.

2.2.3 Representatives must have a proven success rate for programmes that they are teaching or have been teaching.

2.2.4 Representatives must have a thorough understanding of the programme (NC(V)/Report 191/ Occupational Programmes) which they will be representing.

2.2.5 Members of Academic Board do not represent any constituents; they are not stakeholders who are representing the mandates of the constituents they come from.

2.2.6 Academic Board members must participate in the deliberations in the best interest of the College and deliberate on the College matters to the best of their knowledge in their functional area in order to improve governance of the College.

2.3 The Chairperson of the Academic Board is the Principal of the College.

2.4 The Deputy Chairperson of the Academic Board is the Deputy Principal Academic Programmes and Student Support Services of the College.

2.5 The Academic Board consists of the members listed below. During the year under review, four meetings were held.

<b>Member</b>	<b>Role</b>	<b>Meetings held</b>	<b>Meetings attended</b>
<b>Hoogkamer H<sup>1</sup></b>	Section 10 (4) (b) member of the ORBIT TVET College Council	1	1
<b>Mohajane P</b>	SRC President	2	2
<b>Tawana A (Ms)</b>	Academic Development and Alumni Representative of the SRC	2	1
<b>Kekana S</b>	ASD Student Support Services	2	1
<b>Kgaboesele B</b>	Campus Manager Rustenburg Campus	2	2
<b>Lefophane HM (Dr) <sup>2</sup></b>	Council Representative	1	1
<b>Letsoalo SM</b>	NC(V) Engineering Studies Rustenburg Campus	2	2
<b>Lupuwana LG</b>	NC(V) Business and General Studies Brits Campus	2	2

Member	Role	Meetings held	Meetings attended
<b>Matlou P</b>	Centre of Entrepreneurship Manager	2	0
<b>Mokgatle M (Prof)<sup>1</sup></b>	Section 10 (4) (b) member of the ORBIT TVET College Council	1	0
<b>Mokoena DF</b>	Principal ORBIT TVET College	2	1
<b>Molapi W</b>	Acting Mankwe Campus Manager	2	2
<b>Molapisi M<sup>1</sup> (Dr)</b>	Section 10 (4) (b) member of the ORBIT TVET College Council	1	1
<b>Moleko K</b>	ASD Partnerships & Linkages	1	1
<b>Molele BS (Ms)</b>	NC(V) Business and General Studies Rustenburg Campus	2	1
<b>Mosito TJ<sup>3</sup></b>	Deputy Principal Academic Programmes and Student Support Services	1	1
<b>Ngobeni A</b>	Lecturer	2	1
<b>Ngwato E<sup>4</sup></b>	Acting Campus Manager Brits Campus	2	2
<b>Nkau P</b>	ASD Curriculum Implementation	2	2
<b>Phiri KA</b>	Report 191 Engineering Studies Brits Campus	2	1
<b>Qoma L<sup>1</sup></b>	Section 10 (4) (b) member of the ORBIT TVET College Council	1	1
<b>Ramdass K<sup>2</sup></b>	Council Representative	1	1
<b>Sepeng S<sup>1</sup></b>	Section 10 (4) (b) member of the ORBIT TVET College Council	1	1
<b>Tlhopile T (Ms)</b>	Acting Deputy Principal Academic and Student Support Services	2	2
<b>Viljoen H</b>	Acting Deputy Principal Innovation & Development	2	2

1) Section 10 (4) (b) member of Council appointed in June 2024. Term of Office of prior Council came to an end in May 2024. The College did not have a fully constituted Council from June 2024 to December 2024 and therefore resolved that all Section 10 (4) (b) members of Council will serve on the Academic Board to ensure continuous teaching and learning.

2) Prior Council. Term of Office came to an end in May 2024

3) Mosito TJ went on pension in June 2024

4) Ngwato E was appointed as the Acting Campus Manager for Brits Campus

### 3. ACADEMIC BOARD RESPONSIBILITY

The Academic Board reports that it has, as far as possible, complied with its responsibilities arising from its charter, including all relevant legislative requirements.

#### **4. DUTIES AND RESPONSIBILITIES OF THE ACADEMIC BOARD**

4.1 Subject to the Act, the Academic Board of the College is accountable to the Council for:

- 4.1.1 all the teaching, learning, research and academic functions of the College;
- 4.1.2 the academic functions of the College and the promotion of the participation of women and the disabled in its learning programmes;
- 4.1.3 establishing internal academic monitoring and quality promotion mechanisms;
- 4.1.4 ensuring that the requirements of accreditation to provide learning against standards and qualifications registered in the National Qualifications Framework are met;
- 4.1.5 identifying training needs of lecturing staff; and
- 4.1.6 performing such other functions as may be delegated or assigned to it by the Council;

4.2 The Academic Board of the College must:

- 4.2.1 advise the Council on a Code of Conduct and rules concerning students;
- 4.2.2 determine, in accordance with any relevant deed or gift and after consultation with the Principal, the conditions applicable to any scholarships and other academic prizes;
- 4.2.3 determine the persons to whom scholarships and academic prizes are awarded;
- 4.2.4 determine the functions of its Committees as well as the procedure of meetings of these Committees; and
- 4.2.5 take note of any action taken by a Committee in exercising its delegated powers or functions when such Committee reports its actions to the next meeting of the academic board; and

4.3 The Academic Board of the College may:

- 4.3.1 establish Committees to perform any of its functions, and may for this purpose deem a single person to be a committee;
- 4.3.2 make standing orders on procedures and delegation of powers; and
- 4.3.3 delegate its functions to a Committee.

4.4 Without derogating from the generality of subsection (1) the organisation and supervision of instruction and examinations, and of lectures and classes, vest in the Academic Board.

4.5 The Academic Board submits to the Council:

4.5.1 such reports upon its work as may be required by the Council;

4.5.1 recommendations on matters referred to it by the Council; and

4.5.2 recommendations on any other matter affecting the College that the Academic Board considers useful.

## **5. CONCLUSION**

The Academic Board fully supports the College in its vision, as embodied in the strategic documents, and in its journey of improved service delivery to the Learners of the College.

## **6. APPRECIATION**

The Academic Board expresses its sincere appreciation to the Council, Accounting Officer, Management, Student Representative Council, Officials, Auditor-General South Africa and the Academic Unit for their support to the Academic Board during the year under review.



**DF MOKOENA  
CHAIRPERSON**

## **7.3 STUDENT REPRESENTATIVE COUNCIL REPORT FOR 2024**

### **1. TERMS OF REFERENCE**

The ORBIT TVET College Student Representative Council (SRC) Constitution is promulgated with reference to the Continuing Education and Training (CET) Colleges Act 16 of 2006 and the CET Colleges Amendment Act 3 of 2012 in line with the Constitution of the Republic of South Africa. Being the umbrella body of all student organisations, the SRC aims at unifying students of the College, in order to contribute to the advancement of the students' interest in the academic, social and extra-curricular spheres.

### **2. SRC ELECTIONS**

Elections are conducted annually before 31 March of each Academic Year. The election process is managed by an Independent Electoral Company. Each Campus has 8 Elected SRC Members, that make a total of 24 SRC Members from our 3 Campuses. The 24 elected SRC members then elect the College Executive which consist of 12 members. The College SRC is Elected by a democratic process through a Secret Ballot (Online Hybrid – Onsite and Offsite) and the process is led by an Independent Electoral Company. The Campus SRC Chairpersons stand for the position of President, Deputy President and Head of Discipline and Legal. The Campus Secretaries stand for the position of Secretary, Deputy Secretary and the Gender and Disability Officer. The rest of the Office Bearers of the SRC Executive Committee must be serving the same portfolios at Campus Level. The College SRC Executive is voted for by total number of votes or by agreement amongst the three (3) Campuses.

Office Bearers for the SRC Executive Committee are as follows:

- i. President
- ii. Deputy President
- iii. Secretary - General
- iv. Deputy-Secretary
- v. Treasurer - General
- vi. Academic Development & Alumni

- vii. Disciplinary and Legal Officer
- viii. Health & Wellness
- ix. Public Relations Officer
- x. Sport & Recreation
- xi. Arts & Culture
- xii. Gender & Disability

### 3. SRC MEMBERS

#### 2024 SRC College Executive Committee members

MEMBER	PORTFOLIO	CAMPUS
MOHAJANE P (Ms)	President	BRITS
MOGALOB F (Ms)	Deputy President	MNK
KHOZA M (Ms)	Secretary	RTB
MOGOTSI O (Ms)	Deputy Secretary	BRITS
SEABI K (Ms)	Treasurer	RTB
NTWAGAE T (Ms)	Academic Officer	Mankwe
SIMANE K	Disciplinary & Legal	Rustenburg
NXELE S (Ms)	Health & Wellness	Mankwe
TLHABELA R	PRO	Brits
MATHIBE O	Sport & Recreation	Rustenburg
RAMASHALA S	Arts & Culture	Brits
MMETI R (Ms)	Gender & Disability	Mankwe

### 2024 Brits Campus SRC Members

<b>NAME</b>	<b>DESIGNATION</b>
<b>MOHAJANE P (Ms)</b>	Chairperson
<b>MOGOTSI O (Ms)</b>	Secretary
<b>MOJAKI H</b>	Treasurer
<b>THIPE O</b>	Academic
<b>TLHABELA R (Ms)</b>	Public Relations
<b>MOGANO B</b>	Sports & Recreation
<b>RAMASHALA S</b>	Arts & Culture
<b>MATLADI N</b>	Health & Wellness

### 2024 Mankwe Campus SRC Members

<b>NAME</b>	<b>DESIGNATION</b>
<b>MOGALOBHE F (Ms)</b>	Chairperson
<b>MMETI R (Ms)</b>	Secretary
<b>SETLHABI M (Ms)</b>	Treasurer
<b>NTWAGAE T (Ms)</b>	Academic
<b>SEGAMI J</b>	Public Relations
<b>MAGOME B (Ms)</b>	Sports & Recreation
<b>MOTLHABEDI K</b>	Arts & Culture
<b>NXELE S</b>	Health & Wellness

## 2024 Rustenburg Campus SRC Members

SURNAME	DESIGNATION
<b>SIMANE K</b>	Chairperson
<b>KHOZA M (Ms)</b>	Secretary
<b>SEABI K (Ms)</b>	Treasurer
<b>MOLELE K</b>	Academic
<b>TAUKOBONG K (Ms)</b>	Public Relations
<b>MATHIBE O</b>	Sports & Recreation
<b>MEDIWANE O</b>	Arts & Culture
<b>THEBE K (Ms)</b>	Health & Wellness

## Representation on other Bodies

The following members were democratically elected to serve on each of the committees as indicated:

Name	Portfolio	Committee
<b>Mohajane P (Ms)</b> <b>Khoza M (Ms)</b>	President Secretary	College Council
<b>Mohajane P (Ms)</b> <b>Setlhabi M (Ms)</b> <b>Mojaki H</b> <b>Seabi K (Ms)</b>	President Mankwe Campus Treasurer Brits Campus Treasurer Rustenburg Campus Treasurer	Financial Aid Committee of the College
<b>Mohajane P (Ms)</b> <b>Ntwagae T (Ms)</b>	President Academic Development Officer	Academic Board

The SRC is established to:

- a. function as a channel of communication between the Student Body and the Staff Leadership Team;
- b. provide a channel of communication between the students of this College and Students of other Institutions;
- c. crystallize the needs and aspirations of students and to make known their problems and point-of-views;
- d. seek clarification on general academic issues and Student community issues, conducting the dialogue and consultation within the parameters of regulations embedded within the College;
- e. promote the spirit of harmony and unity among Students and Staff of each Campus and the College;
- f. establish a solid identity amongst the Students and to help ensure that they are treated with the respect and dignity they deserve.

#### **4. SRC INDUCTION/TRAINING**

All elected SRC members undergo training and induction in governance and leadership development immediately after their election. The training not only focuses on specific responsibilities and tasks assigned and managed by the SRC, but also bears a very strong focus on relevant legislation, regulations as well as the SRC Constitution. This enables the SRC to fulfil their role with the necessary confidence and accountability that it requires. The SRC also receives unit standard based capacity building training focusing on topics such as leadership, meeting skills, communication skills, governance, management and project management to mention a few.

Guidance and mentorship are provided by Student Support Officers at the different campuses under the supervision of the Student Support Coordinator, Student Support Manager and the Deputy Principal Academic Programmes at Central Office.

#### **5. SRC BUDGET**

The SRC is responsible for managing their own budget which is approved by Council. The execution of all SRC activities is subject to the availability of funds as allocated in the budget. The SRC budget is used to cover, amongst others; training, incentives, administrative costs (stationery, telephone calls, travelling and accommodation).

## **6. ACTIVITY PLAN FOR SRC**

SRC members at the different campuses are responsible for drawing up and implementing annual campus activity plans. Activities that are hosted by the different campus SRCs differ from campus to campus as opposed to activities that are planned and implemented from the College SRC Executive level.

## **7. CONCLUSION**

The Student Representative Council supports the College in its vision, as embodied in strategic documents, and in its journey of improved service delivery to the students of the College.

## **8. APPRECIATION**

The SRC expresses its sincere appreciation to the Council, Accounting Officer, Management, Student Support Officials, Lecturers and Support Staff and all students of the College for their support to the SRC during the year under review.





# PERFORMANCE INFORMATION

## 8. REPORT BY PRINCIPAL ON MANAGEMENT AND ADMINISTRATION

The ORBIT College Strategic Plan took into account the following priority areas to ensure more effective teaching and learning and improvement of student achievement and success. The strategic priority focus areas were:

- a) Growth and expansion of access and articulation opportunities for the youth;
- b) Improvement of academic quality and success, i.e. improving certification, throughput and retention rates;
- c) Establishing partnerships and linkages with industry, sector education and training authorities (SETAs) and/or other professional bodies and/or institutions of Higher Education for articulation into the labour market and/or further and higher learning opportunities;
- d) Support system efficiency and functionality;
- e) Sound institutional governance, management and leadership;
- f) Monitoring and evaluation and reporting of college performance; and
- g) Growth and expansion of artisan development opportunities.

This report on management and administration serves to provide an overview of the extent in which College Management managed to address the strategic priority focus areas listed above. This is done by highlighting compliance with as well as improvement of all strategic management and administrative processes, procedures, systems and activities during 2024.

Significant progress was made in respect of reviewing and implementing changes to business operations, not only to ensure compliance with the requirements of government but also to support and enhance the delivery of our services. Improvements to connectivity, infrastructure, risk management and internal control, curriculum support, occupational health and safety, staff development and student support services were all planned and introduced with a considered approach to achieve maximum impact.

## 9. COLLEGE PERFORMANCE AND ORGANISATIONAL ENVIRONMENT

ORBIT TVET College mainly serves the Madibeng, Moses Kotane and Rustenburg communities. By being actively involved in communities, and by making sure that the College is included in relevant structures and plans, ORBIT College becomes a significant role player in growing the economy of the North West Province.

As part of our strategy to reach out to these communities the College engages with local municipalities and enters into MoUs with them. In addition, partnerships are forged with local business and industry, business forums and engagement with tribal authorities takes place on a continuous basis.

Partnerships such as these enable ORBIT College to respond meaningfully to the respective municipalities' Integrated Development Plans (IDPs) in terms of economic development, assist in addressing rural development challenges and contribute to the development of an informed and educated citizenry. Empowerment of out-of-school youth and alleviation of poverty by skilling the youth and advancing their employability levels, are strategic goals that ORBIT TVET College strive to achieve on an annual basis. To this end, the Programmes Qualification Mix (PQM) that is offered comprises:

- National Certificate Vocational NC(V) programmes
- Report 191 (NATED) programmes (Engineering Studies, Business Studies and General Studies)
- Centres of Specialisation programmes focused on Artisan Development
- Artificial Intelligence (AI) Workforce Programme
- Learnerships and skills programmes – The College has programme approval from various SETAs to offer occupational/skills programmes which comply with industry standards

### 9.1 ENTREPRENEURSHIP PROGRAMMES

In addition to offering training that is responsive to the needs of business and industry, the college also has a responsibility to support students by means of a comprehensive exit strategy. Such a strategy includes vastly expanded access to workplace-based experiential learning and strong links between colleges, employers and employer organisations. To complement the College Graduate Support Programme, the Centre for Entrepreneurship Rapid Incubator (CfERI) supports students who would

like to establish their own businesses and provides support to Small Medium Macro Enterprises (SMMEs).

The rising trend of entrepreneurship has been fueled by the increasing desire for independence and the potential for financial success. As people seek more control over their careers and income, entrepreneurship offers an alternative to traditional employment. The accessibility of online platforms and the availability of resources have simplified the process of starting a business. With entrepreneurship training, aspiring business owners can gain the necessary skills and knowledge to navigate the challenges they may face. This includes understanding market trends, developing business plans, and honing leadership abilities. By participating in entrepreneurship training, individuals can increase their chances of success and make informed decisions in the competitive business landscape.

Students face many obstacles when entering the job market. In some fields supply outstrips demand, which has the effect of graduates ending up in jobs they did not train for. In other cases, graduates lack the minimum of three to four years of work experience in their field of study, which is often a requirement for jobs advertised. Without support from their colleges, students generally struggle to break into the job market and frequently end up in employment that is unrelated to their training.

## **9.2 RESPONSIVE CURRICULUM DELIVERY**

The North West Province is one of the smaller provinces of South Africa but it still maintains strong social and economic links with the Gauteng Province. The province has a total population of roughly 3.6 million inhabitants of which only 1.4 million are economically active.

There has been a significant improvement of appropriately qualified human resources in the following economic sectors of the North West Province:

- Agriculture
- Mining and Mineral Processing
- Manufacturing and Processing
- Tourism and Hospitality
- Trade and Commerce
- Renewable Energy
- Infrastructure and construction.

In order to remain relevant and responsive to the needs of our community, ORBIT TVET College continued to offer a diverse range of vocational and occupational programmes in 2024. The Programme Qualification Mix (PQM) of the College included, amongst others, the following:

- Business Studies programmes such as, Finance and Economics, Financial Management, Public Management, Medical Secretary, Legal Secretary, Hospitality & Catering Services, and Tourism
- Engineering-related programmes such as Electrical and Mechanical Engineering, Engineering and Related Design (Fitting and Turning/Machining and Boiler-Making/Automotive), Civil Construction and ICT
- Artificial Intelligence Programmes
- Programming and Robotics
- Art and Design Programmes in Jewellery Design and Manufacture
- Accredited occupational programmes that empower individuals for self-employment and enhance employability. The respective Centres of Specialisation at campuses qualify students to become artisans in fields such as electrical trade, diesel mechanic and hairdressing
- All programmes offered at the respective campuses are registered on the National Qualifications Framework and are fully accredited and certified by the Department of Higher Education and Training, UMALUSI and the QCTO in the case of learnerships and skills programmes or an International Accreditation Body.
- All National Certificate (Vocational) Programmes are quality assured by UMALUSI (the ETQA for Education)
- Report 191 (N4-N6) programmes are quality assured by UMALUSI

### 9.3 PROVISION OF STUDENT SUPPORT SERVICES

Our College mandate is clear. On the demand side, the College must deliver on the skills needed to drive our country's economic growth and social development at an increasing rate, because available, quality skills will enhance both investment and service delivery. On the supply side, the system must serve a growing number of both young people and adults; it must provide different entry points into, and pathways through the learning system; it must provide quality learning wherever learning takes place – be it at a college or in the workplace; and, importantly, it must provide easy pathways across the different learning sites. Fully functional Student Support Centres at each campus support this goal. These centers are complete with academic support and social support officials, academic support labs, study areas, internet cafés, job portals, etc. The fully functional Student Support Centres at all campuses and sound partnerships with Business and Industry such as the mining industry, automotive industry, business sectors and the construction industry assisted in developing and improving student pass and certification rates during a very difficult year.

The Student Support Services provided to students in 2024 also focused on addressing students' different socio-economic backgrounds. The approval and implementation of a holistic Student Support Plan for the College assisted management to respond to the geographical challenges of each delivery site, and to deal with the different economic and sociological profiles of students. Mankwe Campus is the only campus with student residences and substantive amounts are annually allocated for the maintenance, refurbishment, etc. of these residences so that students live in conducive conditions

Although the implementation of physical school visits and attendance of career expos were seriously hampered by the prolonged national lockdown, the College marketing strategy was adjusted to include a number of innovative marketing initiatives to continue reaching out to our communities. The continued hosting of virtual and physical marketing and recruitment activities included mini-campus open days as well as a virtual Open Day that yet again proved to be a tremendous success as stakeholders from schools, government, business, industry and educational sectors joined and shared in this unique experience. Other creative marketing strategies that were implemented included hosting of the annual College Business Brunch, participation in physical and digital career expos, expansion of online communication with allstakeholders and distribution of care packages to business and industry partners. All these strategies were successfully implemented with the aim of:

- Increasing access.
- Informing the community of the services rendered by the college.
- Establishing links with local, provincial, national and international entities to the benefit of our learners.

## 9.4 PARTNERSHIPS AND LINKAGES

ORBIT TVET College understands its stakeholder base and seeks to work with everyone who has interest in creating a vibrant College system. The following stakeholders were key to the delivery of the College vision and mission in terms of partnerships in 2024.

### PARTNERSHIPS

ORBIT TVET College has signed Memorandums of Understanding (MoUs) with the following Business, Industry, Government, SETAs and Community partners:

PARTNER	PURPOSE OF PARTNERSHIP
<u>Business and Industry</u>	
Seda Platinum Incubator	Incubator Business Support
Lekabe Engineering	Internship (WIL)
Moemise Thuto Car Services 7 Repairs	Internship (WIL)
Thywill Enterprise Trading & Projects	Internship (WIL)
Electro Diesel Group	Artisan Development Training
Ford SA	Placement & training of students/workshop support
Eullafied Tech Solutions	Internship (WIL)
Sharike Holdings	Internship (WIL)
CAMS Consulting (Pty) Ltd	Internship (WIL)
Mediclinic (Pty) Ltd	Internship (WIL)
Law Chambers	Internship (WIL)
Nanjing Zhongxing Information Technology Co Ltd	Internship (WIL)
SA College of Business	Internship (WIL)
Glencore Mine	Artisan Development Training
Tharisa Mine	Artisan Development Training
Impala Platinum Mines	Training of lecturers/ Placement of students
Laundri Engineering & Mining	Internship (WIL)
Baloyi Master Trucks	Apprenticeships & Internships
Moemisi Thuto Car Services	Apprenticeships & Internships
Ditsibi Engineering	Apprenticeships & Internships
Charora	Apprenticeships & Internships
Maiphephi Car Services	Apprenticeships & Internships
UD Trucks	Apprenticeships & Internships
Bell Equipment	Apprenticeships & Internships
Sun City	Internship (WIL)
Samsung	Placement and training of students
ABSA Bank	Placement and training of students
AECI	Artisan Development Training/funding for training

## PARTNERSHIPS

ORBIT TVET College has signed Memorandums of Understanding (MoUs) with the following Business, Industry, Government, SETAs and Community partners:

PARTNER	PURPOSE OF PARTNERSHIP
<u>Universities/Universities of Technology/TVET Colleges</u> Tshwane University of Technology Motheo Academy	Skills Development Internship (WIL)
<u>Government Departments</u> Department of Arts and Culture Department of Rural Development Department of Economic Development Department of Small Business Development North West Department of Education North West Department of Health	Internship (WIL) Automotive Repair and Nail Technology SMME Development Support to Centre for Entrepreneurship & Rapid Incubator ECD Training Artisan Development Training
<u>Public-benefit federal enterprises, local communities, NGOs and Municipalities</u> Deutsche Gesellschaft für Internationale Zusammenarbeit Rustenburg Local Municipality Bojanala Platinum District Municipality Kgetleng Local Municipality Office of the Sherriff of the Magistrate Court Job Shimankana Hospital Brits Hospital	Internship (WIL) Internship (WIL)/Use of facilities/artisan development training Internship (WIL) Internship (WIL) Internship (WIL) Internship (WIL) Internship (WIL)
<u>Sector Education and Training Authorities (SETAs)</u> ETDPSETA W&RSETA MerSETA MQA INSETA EWSETA MICTSETA CETA HWSETA FP&MSETA SERVICES SETA	Internship (WIL) Solar PV Installation Artisan Development (Discretionary grants funding) Jewellery Design & Manufacture Graduate Development Internship (Discretionary grants funding) 4IR Partnership Internship (WIL)/Graduate Development Artisan Development Internship (WIL) Internship (WIL)

## 9.5 HUMAN RESOURCE MANAGEMENT

Staff is one of our most valuable assets. In the interest of staff safety, health, health wellness and to meet set targets employees were assisted to compile personal development plans to determine training needs and support needed. Staff were supported through workshops, in-house training and bursaries. The approved staff establishment for ORBIT COLLEGE allow for a total number of **433** posts to be filled from 2024 onwards. By December 2024, **410** posts were filled and **23** posts were still vacant across the four sites:

VACANT POSTS AS AT DECEMBER 2024					
CATEGORY	BRITS	MANKWE	RUSTENBURG	CENTRAL OFFICE	ORBIT VACANT POSTS
Lecturing staff	6	2	3	0	11
Office based staff	0	0	0	0	0
Support staff	1	1	1	8	11
<b>TOTAL</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>8</b>	<b>22</b>

Critical posts that were still vacant at December 2024 included a number of management positions:

CRITICAL POST	SITE
HoD Artisan Development	Rustenburg Campus
Assistant Director Student Support	Central Office
Assistant Director Management Accounts	
Assistant Director Partnerships and Linkages	
Assistant Director Supply Chain and Asset Management	
Assistant Director TVETMIS and Student Registration	
Assistant Director Occupational Programmes	
Campus Manager	Brits Campus

Critical posts in which people were acting at December 2024:

<b>CRITICAL POST WITH ACTING PERSON</b>	<b>ACTING</b>	<b>SITE</b>
Assistant Director Student Support Services	Mr MS Kekana was appointed as the acting Student Support Manager upon the resignation of Ms Modiba in 2020.	<b>Central Office</b>
Campus Manager	Ms ES Ngwato was appointed as the acting Campus Manager Brits Campus on 01 January 2024 due to the fact that Ms TM Tlhophile was appointed as Acting to the Deputy Principal Academic and Student Support and later got promoted into the same position on 01 July 2024.	<b>Brits Campus</b>

<b>NUMBER OF LECTURING AND SUPPORT STAFF - 2024</b>					
<b>CATEGORY</b>	<b>BRITS</b>	<b>MANKWE</b>	<b>RUSTENBURG</b>	<b>CENTRAL OFFICE</b>	<b>ORBIT STAFF 2024</b>
<b>Management Staff</b>	0	0	0	5	<b>5</b>
<b>Lecturing Staff</b>	68	81	92	0	<b>240</b>
<b>Office based</b>	1	1	1	1	<b>4</b>
<b>Support Staff</b>	31	48	29	52	<b>160</b>
<b>TOTAL</b>	<b>100</b>	<b>130</b>	<b>122</b>	<b>58</b>	<b>409</b>

# HIGH-LEVEL ORGANISATIONAL ORGANOGRAM

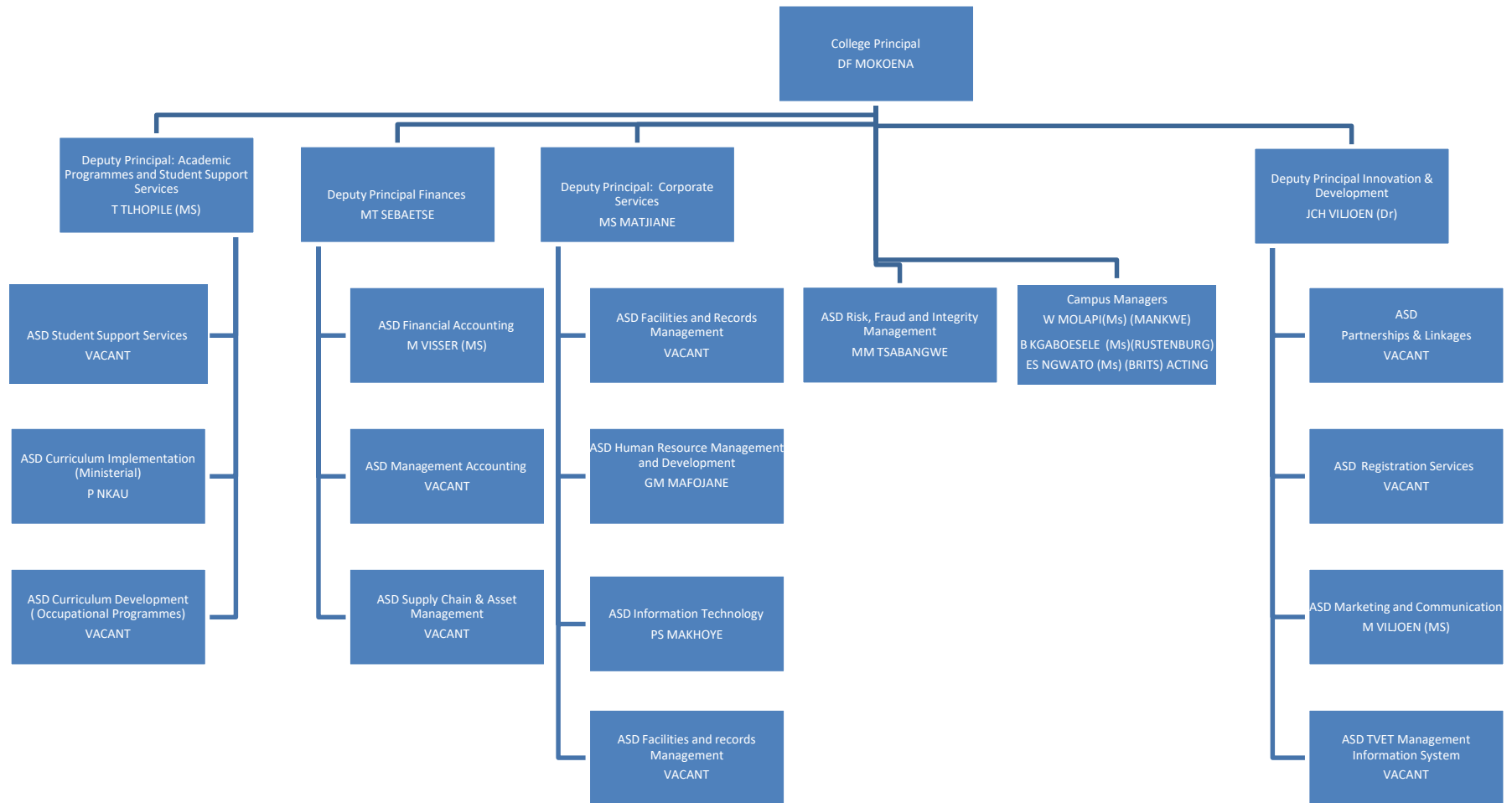


Figure 9.5.1

## **9.6 FINANCES AND FUNDING**

The Deputy Principal Finance together with the ASD Management Accounting and ASD Financial Accounting managed the finances of the College soundly by adhering to general accounting principles, consolidating all budgets of campuses/units and by recording and keeping proper records of income and expenditure. Alternative funding secured through projects by the Business Development and Innovation Unit and value-added relations with potential investors, paying clients, donors, sponsors or partners in the private and public sectors were also managed well.

## **9.7 CONDUCTING EXAMINATIONS AND ASSESSMENT**

The ASD Curriculum Implementation, Campus Managers and Examination Officers were responsible for managing and administering campus examinations and assessments in compliance with the applicable legislation and regulations. By making sure that proper systems, strategies and structures were in place, the Academic Unit promoted the education and training of students effectively and efficiently and in accordance with applicable policies.

## **9.8 GOVERNANCE, MANAGEMENT AND LEADERSHIP**

Proper governance, management and leadership at College and campus level are preconditions for optimal institutional functionality. The development of common standards of governance, management and leadership provided the College with a common framework of monitoring and evaluating the level of governance in the college, albeit through adapted means of virtual meetings.

The College Council of ORBIT College is responsible for the overall governance of the Institution with the focus on the optimal utilisation of College resources through an effective and appropriate organisational structure, policies and systems. Full compliance to Governance Policies was effected by Council and Council Sub-committee meetings that took place regularly and as per required schedule.

The Academic Board was fully functional and met governance policy requirements to oversee the development and implementation of the Teaching and Learning Plan by meeting quarterly as per policy requirements.

The Management Board aimed to establish and maintain an organisational culture and climate that resulted in effective teaching and learning as evident in the academic performance of students.

## 9.9 RISK MANAGEMENT

Risk identification and evaluation sessions were conducted with all ORBIT College Management in 2024. The process involved the confirmation of objectives, identification of events, the setting of the risk scoring matrix and identification and evaluation of new risks, the identification and evaluation of existing controls and identification of future actions and timeframes to mitigate the identified risks. The process was informed by the DHET Risk Management Policy.

The college has in place an approved risk management policy and risk management strategy. In the risk management policy, the college stance on an enterprise-wide risk management approach is captured. The risk management process, stakeholders and their related roles and responsibilities appear in the risk management strategy. Risk management implementation is embedded in the risk management strategy. Progress registered with the implementation of the strategy is reported at three levels,

i.e. College management board committee meetings, Audit and Risk Committee and College Council. The college conducts strategic risk assessments on an annual basis and has adopted a process for the identification and management of emerging risks in the approved Risk Management Strategy.

The college has a Risk Management Committee (RMC) in place comprising management board members. The independent chairperson of the RMC is vacant.

The Audit and Risk Committee also provides an independent and objective view of the risk management effectiveness of the college as part of risk management oversight every quarter. The Audit and Risk Committee has recommended the approval of the strategic risk register to the council. Though the college has registered progress with regards to the mitigation of risks as captured in the strategic risk registers, there still are some deficiencies identified. Consequently, measures have been designed and put in place in the 2024 financial year to strengthen both the monitoring and reporting of risk treatment plans.

Senior Management prioritised ten (10) risks for quarterly reporting to the Audit & Risk Committee. These risks included:

- Ineffective inventory management
- Absence of ICT governance
- Ineffective administration of accounts receivables and accounts payable
- Non-compliance to health and safety regulations
- Unstable student body (Strikes, protests and riots)
- Late commencement of classes
- Lack of policy and procedure manual for conference centre & guesthouse, staff village, and student residences.

- Prior years' student debtors account with a credit balance not refunded.
- Unclaimed NSFAS amounts not refunded to NSFAS for prior years.
- Unavailability of WIL opportunities and WBE (L4 and N6) opportunities

The internal audit and assurance unit monitored the implementation of existing controls and future actions, updated the college risk register and reported to the management board, Audit and Risk Committee and council every quarter.

#### **9.10 OCCUPATIONAL HEALTH AND SAFETY**

Health and safety in the workplace is regulated by the Occupational Health and Safety (OHS) Act, No. 85 of 1993. In terms of the Act, the Accounting Officer (Principal) is charged with the responsibility of ensuring that the workplace that is safe and without risk to the health of employees.

The employer has a duty in terms of this Act to report all injury-on-duty (IOD) cases to the compensation commissioner. IOD cases for the year 2024 were reported to the compensation commissioner and claim numbers were given to the affected employees for claim tracking purposes. Periodic servicing of fire equipment, generators, first aid kits and deep cleaning of offices etc. was conducted at the respective college sites. Hazard identifications and risk assessments were conducted for all campuses. Health and safety committees at campus are continuously closing gaps as per the Hazard Identification and Risk Assessment (HIRA) report.

## **9.11 QUALITY MANAGEMENT SYSTEM**

The College is certified against the ISO 9001:2015 by the South African Bureau of Standards (SABS). The college uses the SABS logo on some of its material according to the signed agreement. The logo is displayed on the college website, college memos and letterheads to name a few. The college internally implements the management system and also conducts audits on its management system. The Quality Management System policy is displayed on the College website and across all college sites as an awareness to both the staff members and customers/contractors.

The fourth cycle re-certification audit was conducted in October 2024. A detailed report with findings of the audit together with the conclusion was issued to the college. The issued audit non-conformance findings have all been addressed. Mankwe Campus, Rustenburg Campus and Central Office were audited. The college was successfully re-certified for the next 2 years until April 2027.

## **9.12 INTERNAL AUDIT**

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

The key objective of the internal audit is to provide a value-added risk-based internal audit service to the college. For the financial year ended 31 December 2024, one advisory report was issued to the college.

### **9.13 CONCLUSION**

As the Accounting Officer/Principal of ORBIT TVET College I committed myself and the resources of the college to achieving the targets outlined in the College Strategic and Operational Plans. This Annual Report is a reflection of the extent to which the College managed to achieve these targets in spite of challenges that the College were faced with. As a College, we are justifiably proud of the initiatives and achievements accomplished over the past year. As an education and training institution of choice, we have no option but to remain relevant and accessible, offering services to meet our clients' unique needs within the landscape for the TVET College Sector. I am of the opinion that the Management and Council of ORBIT College will remain committed to keep improving, growing and sustaining the College, steering it to even greater heights, going forward.

The fundamental principle and vision of ORBIT TVET College is that it is a global institution of excellence, surpassing community needs. This is a principle that commits everyone involved with the College to tirelessly strive to make sure that our students enjoy quality learning environment, opportunities and stimulation, regardless the circumstances we are confronted with. We will continue to embrace our core values of Transformation, Accountability, Respect and Teamwork. For us, meeting and exceeding the expectations of the communities we serve is not a process but rather an ethos.



**MOKOENA DF**

**ACCOUNTING OFFICER/PRINCIPAL**

## 10. PERFORMANCE REPORTING

The graphical information displayed in this section of the Annual Report aims at providing a visual presentation of the performance of ORBIT TVET College during 2024 in terms of:

### **Enrolment targets**

A growth analysis has been done, based on comparative headcounts covering 2020 – 2024. This graph provides an indication of the growth rate per campus over a period of five years.

Headcount is based on an average calculation of 1 HC = 7subject enrolments for NCV, 1 HC = 4 subject enrolments for Report 191 programmes and 1 HC = 1 student for occupational programmes.

### **Academic Compliance**

The information presented in this section was extracted from Practice Note 1 which is aimed at measuring the extent at which students are achieving their full potential through high quality learning experiences. The graphs focus on programme retention rates, exam retention rates, subject pass rates, and progression rates for NCV and Report 191 (Semester and Trimester) programmes respectively. In addition, the throughput rate for NCV Level 4 and achievement rates for all exit levels are also presented. Calculations for all rates are based on pre-determined formulae as explained by the accompanying tables for each category. With each category, the maturity level assessment for the College is shown on a pre-determined scale of 1 to 4, where 1 represents a novice college compared to 4 which represents a mature college.

### **Graduation Compliance**

A comparative analysis of graduation statistics was done for the period 2023-2024 for exit level qualifications only, i.e. NCV Level 4 and National N Diploma. The compliance of NCV Level 4 graduates with the admission requirements of Higher Education Institutions such as Universities and Universities of Technology is also presented as this provides an indication of articulation of NCV graduates into Higher Education as one of the exit level options.

## 10.1 STUDENT ENROLMENTS

### 10.1.1 Growth Analysis (Comparative Headcount: 2020-2024)

5 YEAR HEADCOUNT GROWTH ANALYSIS						
Campus	2020	2021	2022	2023	2024	% Growth / Campus
BRITS	2352	3022	2874	4084	3261	-20%
MANKWE	3007	3663	4006	5539	3787	-32%
RUSTENBURG	3113	3915	3768	5220	3545	-32%
<b>ORBIT College Totals</b>	<b>8472</b>	<b>10600</b>	<b>10648</b>	<b>14843</b>	<b>10593</b>	
<b>% College Growth / Year</b>	<b>-64%</b>	<b>20%</b>	<b>0,45%</b>	<b>28%</b>	<b>-40%</b>	

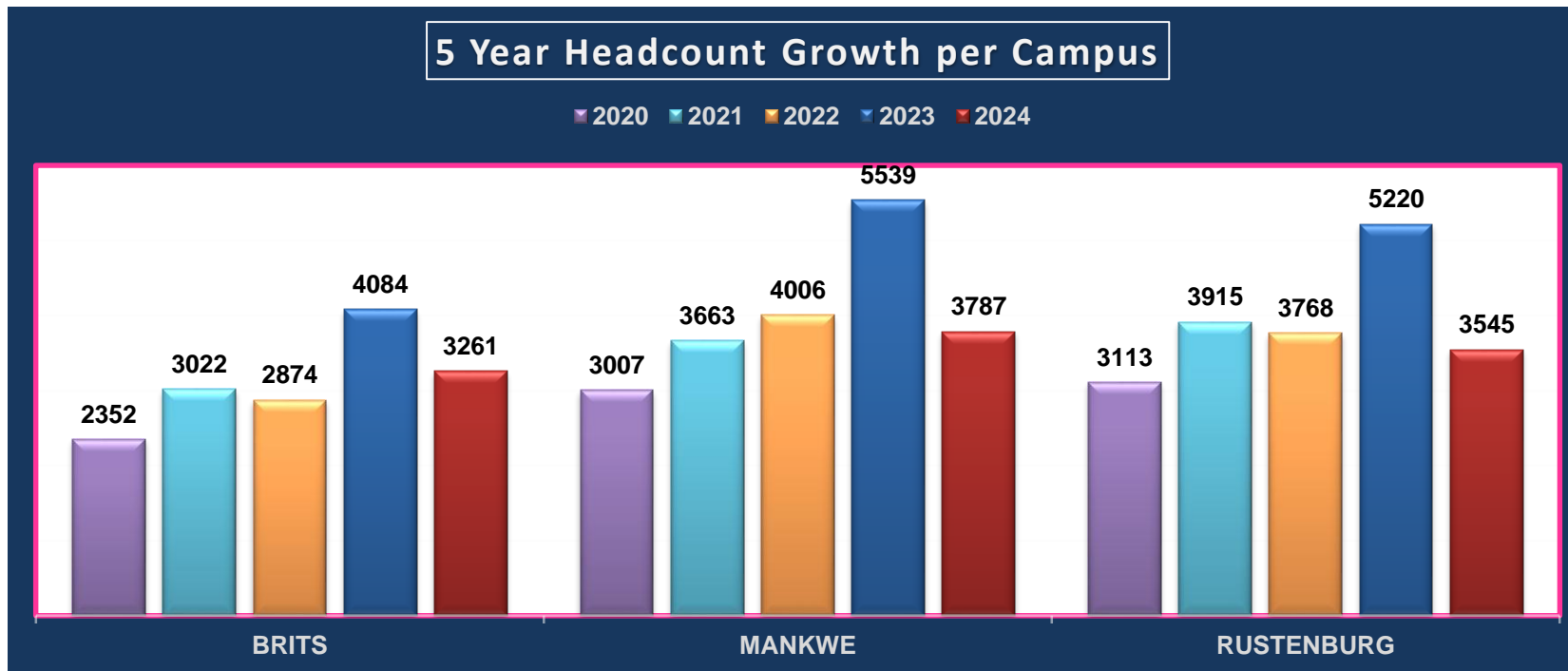


Figure 10.1.1

# 5 Year Headcount Totals for ORBIT TVET College

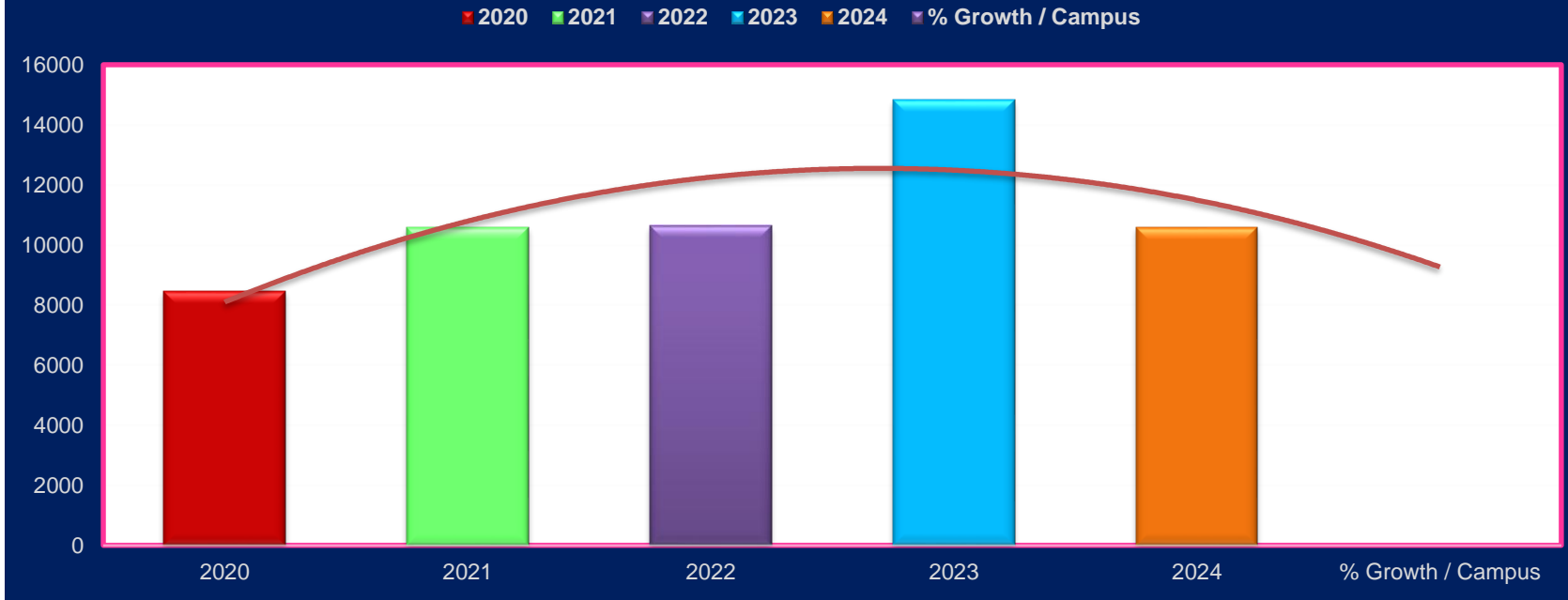


Figure 10.1.2

## 10.2 STUDENT ACADEMIC PERFORMANCE

### 10.2.1 Programme retention rates 2024

Enrolment cycle and programme type	A	B	A-B	Retention Rate
Report 191 Trimester 1	1964	366	1598	81%
Report 191 Trimester 2	1819	307	1512	83%
Report 191 Trimester 3	1610	254	1356	84%
Report 191 Semester 1	1752	238	1514	86%
Report 191 Semester 2	1877	220	1657	88%
NC(V)	3344	725	2619	78%
PLP	97	10	87	90%
Occupational Qualifications	234	12	222	95%
<b>College rate:</b>	<b>12697</b>	<b>2132</b>	<b>10565</b>	<b>83%</b>

A = Number of students registered for the programme type in the enrolment cycle/period and reported to TVETMIS

B = Number of student de-registered for the programme type in the enrolment cycle/period and enrolment reported as discontinued to TVETMIS

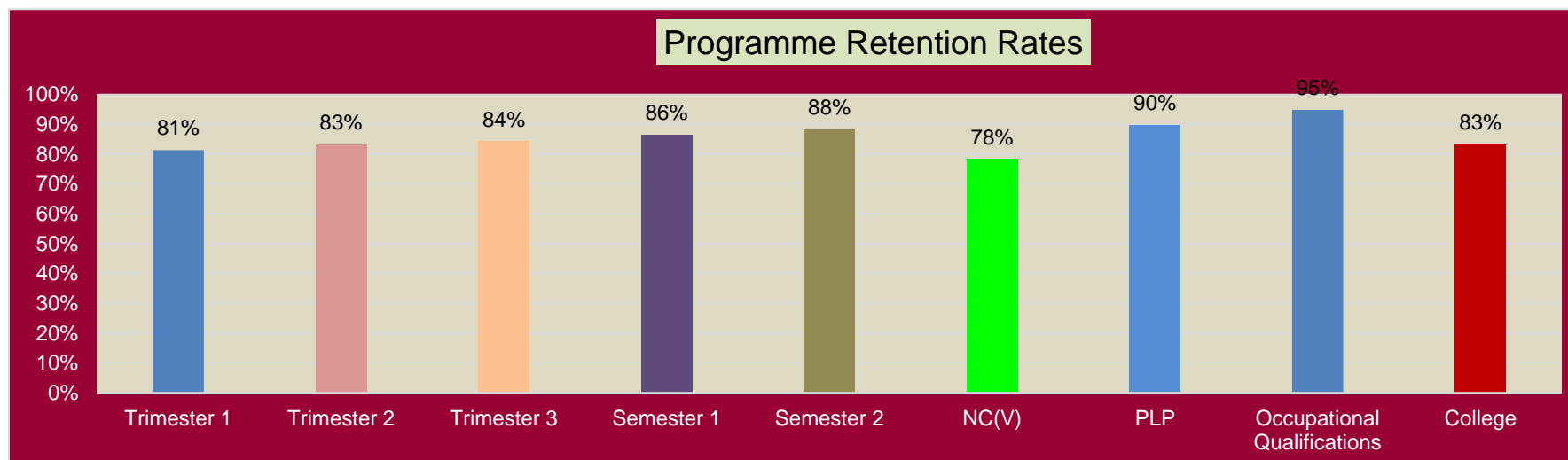


Figure 10.2.1.1

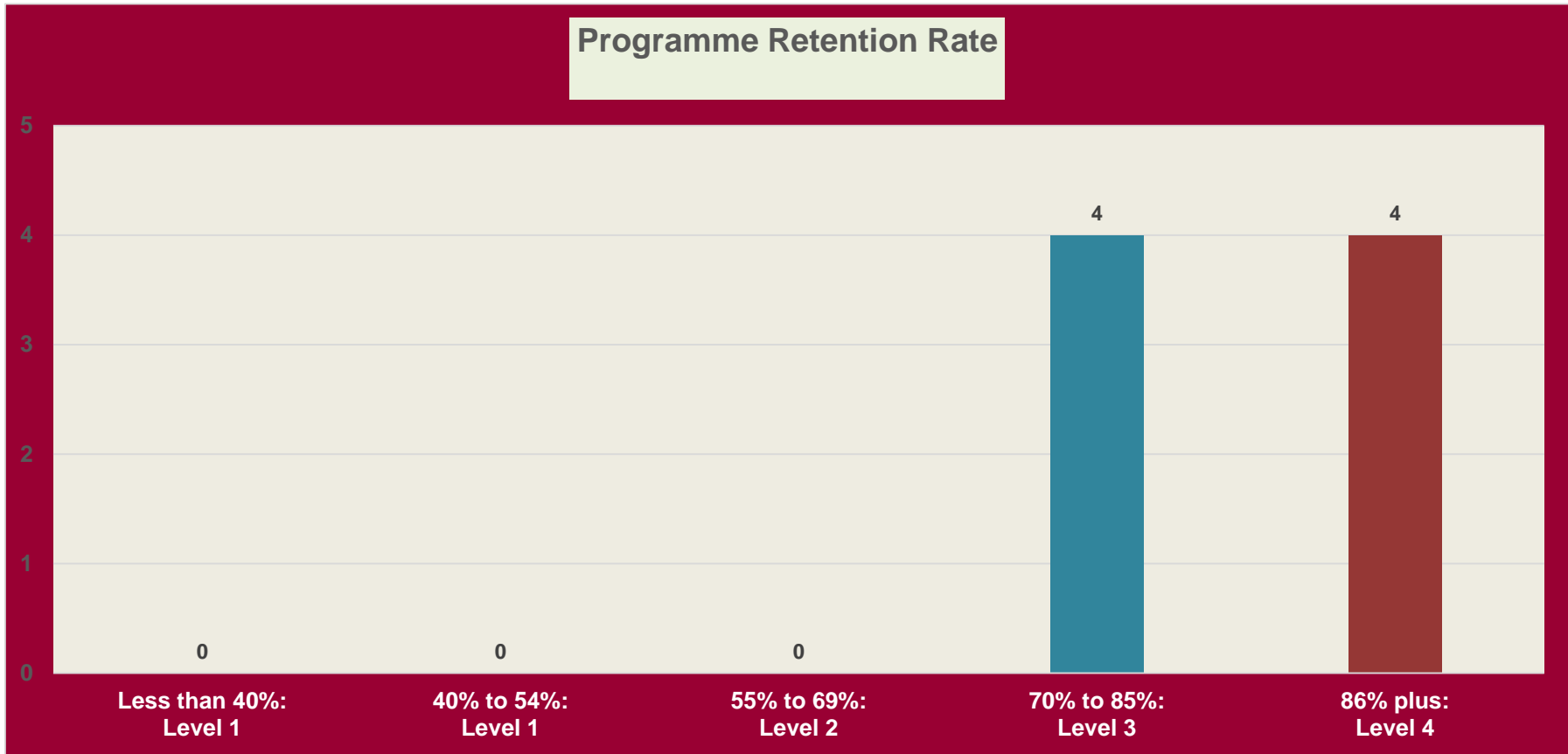


Figure 10.2.1.2

## 10.2.2 Examination retention rates 2024

Examination cycle	(A)	(B)	(C)	(D)	Retention Rate (%)
Report 191 Trimester 1	4832	26	6364	27	76%
Report 191 Trimester 2	4578	163	6239	175	73%
Report 191 Trimester 3	4130	149	5315	160	77%
Report 191 Semester 1	5438	48	6209	58	88%
Report 191 Semester 2	5171	82	5936	88	87%
NC(V)	16364	0	20167	0	81%
<b>College rate:</b>	<b>40513</b>	<b>468</b>	<b>50230</b>	<b>508</b>	<b>81%</b>

A = Total number of subjects written at the college

B = Total number of examination-only subjects written at the college

C = Total number of subject examination enrolments at the college. Those appearing on the prelims.

D = Total number of subject examination-only enrolments

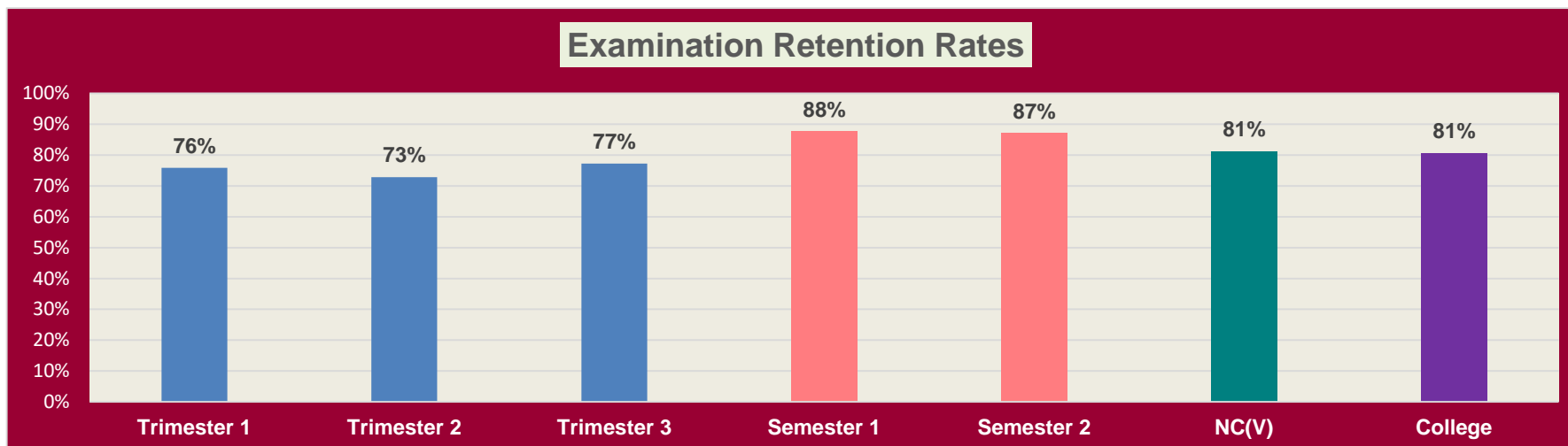


Figure 10.2.2.1

### Examination Retention Rate Maturity Distribution

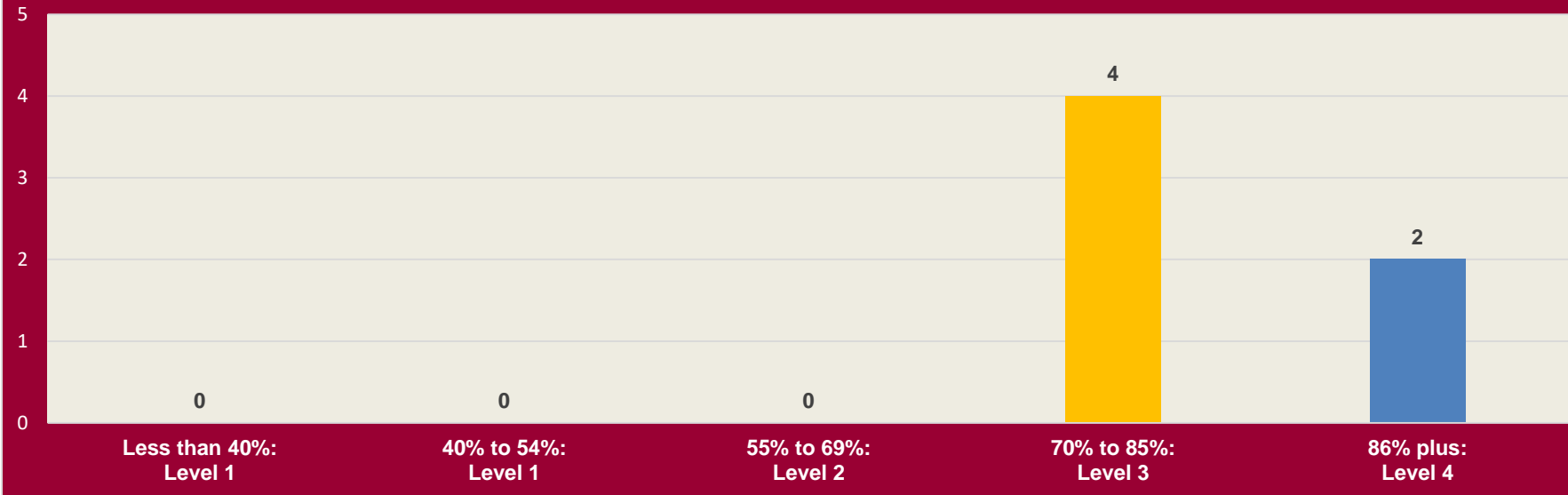


Figure 10.2.2.2

### 10.2.3 Pass rates for subjects 2024

Examination cycle	(A)	(B)	(C)	(D)	(A-B)	(C-D)	(E)	(F)	(E-F)	Pass rate (%)	Pass rate with distinction (%)
Report 191 Trimester 1	3821	18	4858	26	3803	4832	371	0	371	79%	9,76%
Report 191 Trimester 2	3628	76	4741	163	3552	4578	293	0	293	78%	8,25%
Report 191 Trimester 3	2797	60	4279	149	2737	4130	124	0	124	66%	4,53%
Report 191 Semester 1	4592	56	5253	82	4536	5171	250	0	250	88%	5,51%
Report 191 Semester 2	4829	28	5486	48	4801	5438	285	0	285	88%	5,94%
NC(V)	14190	0	16355	0	14190	16355	1244	0	1244	87%	8,77%
<b>College rates:</b>	<b>33857</b>	<b>238</b>	<b>40972</b>	<b>468</b>	<b>33619</b>	<b>40504</b>	<b>2567</b>	<b>0</b>	<b>2567</b>	<b>83%</b>	<b>7,64%</b>

A = Total number of **passes for subjects written** during the examination cycle  
 B = Total number of passes for examination-only subjects written during the examination cycle  
 C = Total number of **subjects written** during the examination cycle  
 D = Total number of examination-only subjects written during the examination cycle  
 E = Total number of **distinctions obtained** in the subjects written during the examination cycle  
 F = Total number of distinctions obtained of examination-only subjects written during the examination cycle

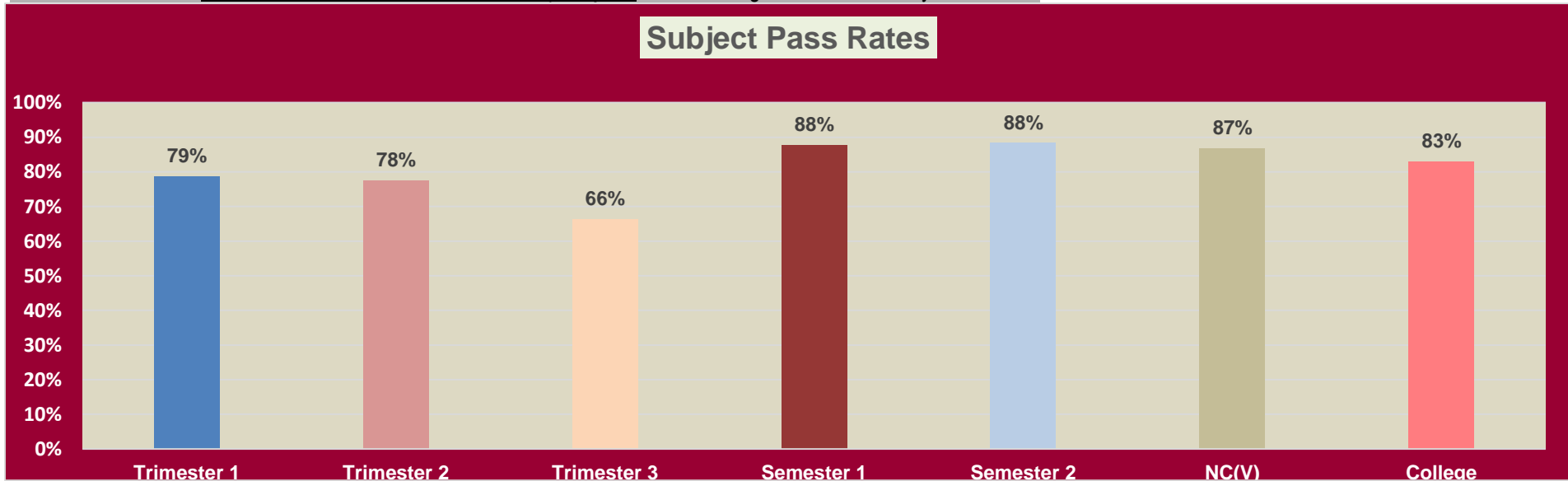


Figure 10.2.3.1

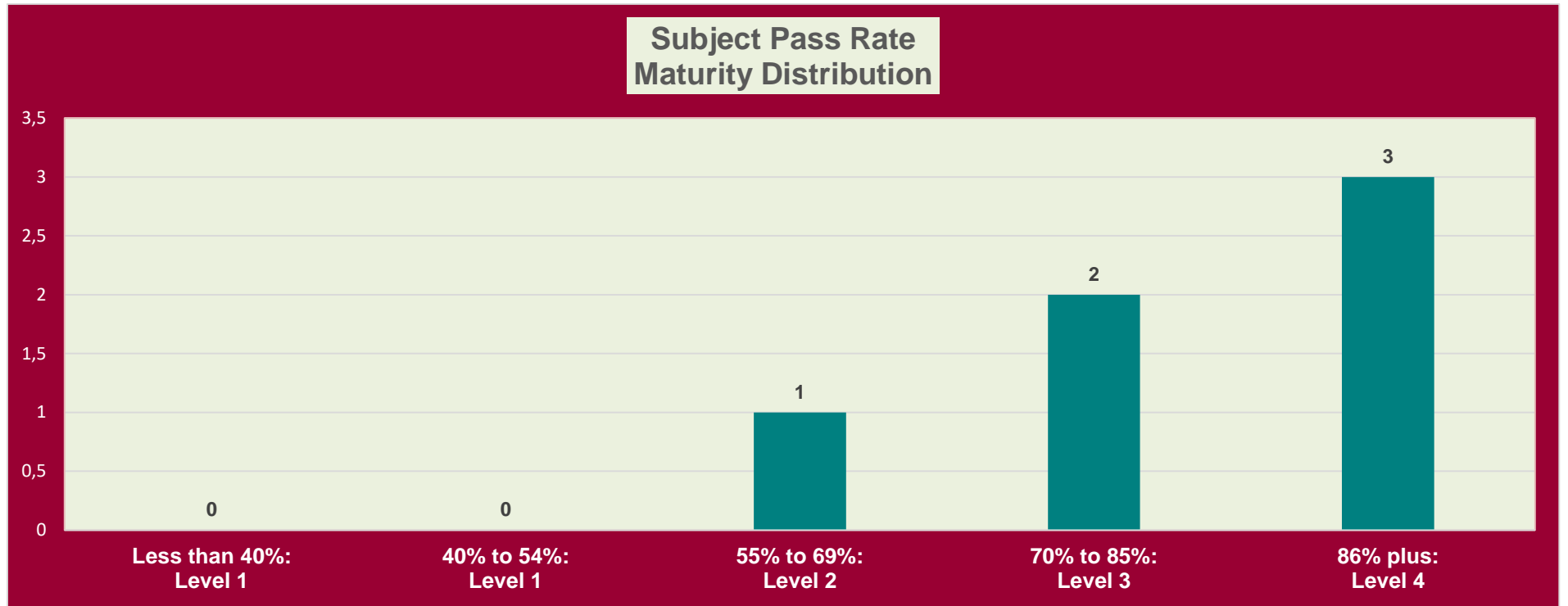


Figure 10.2.3.2

## 10.2.4 Progression rates 2024

Examination cycle	Number of students meeting all progression criteria	Number of students eligible to progress in the examination cycle	Progression rate (%)
Report 191 Trimester 1	680	710	96%
Report 191 Trimester 2	599	642	93%
Report 191 Trimester 3	403	435	93%
Report 191 Semester 1	939	973	97%
Report 191 Semester 2	1036	1056	98%
NC(V)	1772	1790	99%
<b>College rate:</b>	<b>5429</b>	<b>5606</b>	<b>97%</b>

**A** = Total number of students meeting all progression criteria as per academic and other policies & progressing to next programme level

**B** = Total number of students eligible to progress - for example enrolled enough subjects in examination cycle to be able to progress

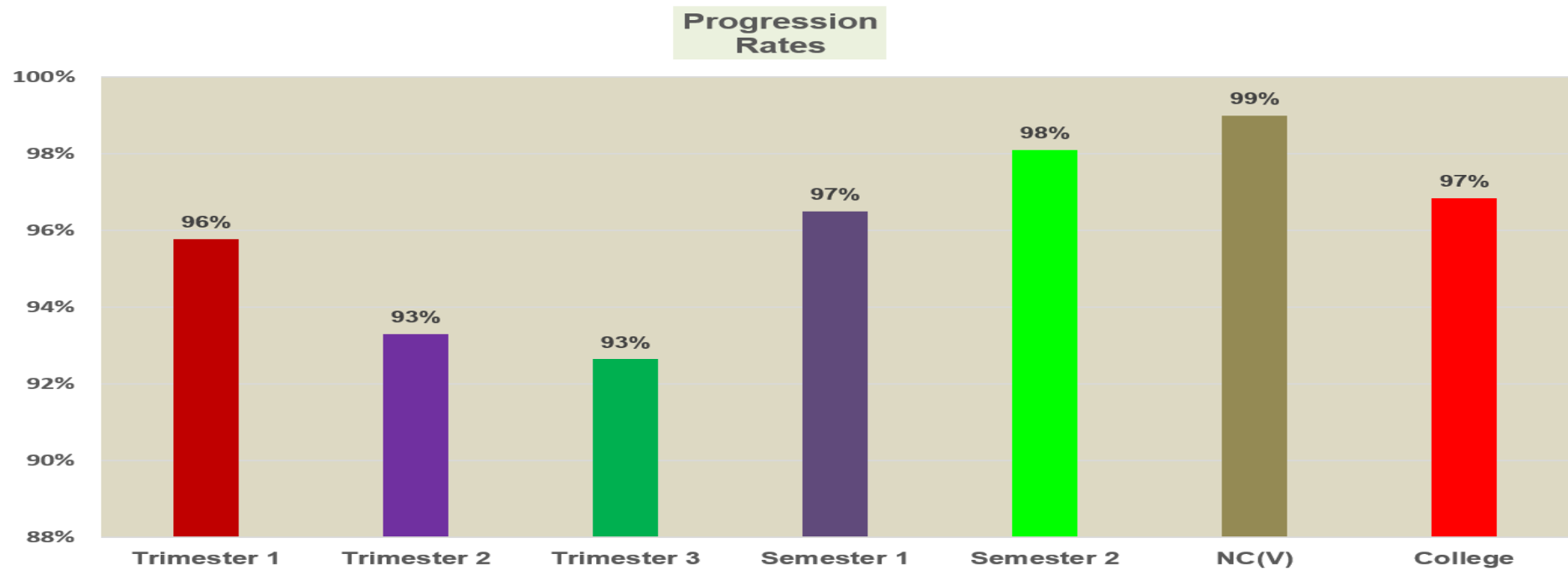


Figure 10.2.4.1

## Progression Rate Maturity Distribution

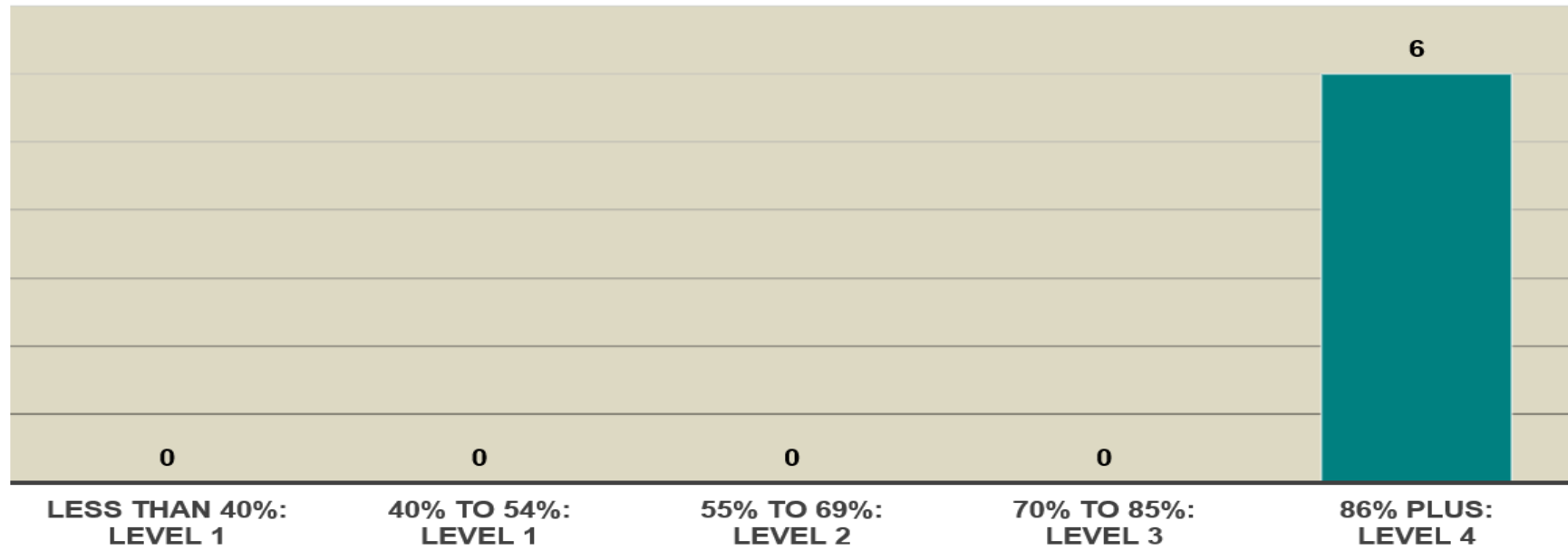


Figure 10.2.4.2

### 10.2.5 Throughput rate (%) NCV Level 4 2024

Output indicator	College annual level 4 target	No. of new entrants enrolled in NC(V) level 2 @ begin-year	No. of students who dropped out in the 3 years	Denominator number	No. of students that certify/complete NC(V) level 4 in end-year	Actual achievements
Reporting throughput rate for NC(V) level 4	21%	1207	798	409	275	67%

**Note:**

NC(V) is a 3-year qualification. Begin-year is the starting point of the 3-year cycle while end-year is the 3rd year of the cycle

**Only first-time entrants** into NC(V) must be considered for the denominator

Drop-outs from NC(V) enrolment must be deducted from the number of new entrants in the denominator

Students must certify in year 3 - they complete and are eligible to receive the NC(V) level 4 certificate

**Calculation is:** No. of students who certify in year 3 divided by (no. of new entrants @ level 2 minus no. of drop-outs) multiplied by 100 = % rate

This rate will be updated annually once the national report with the calculated rates is released

#### Maturity Rating

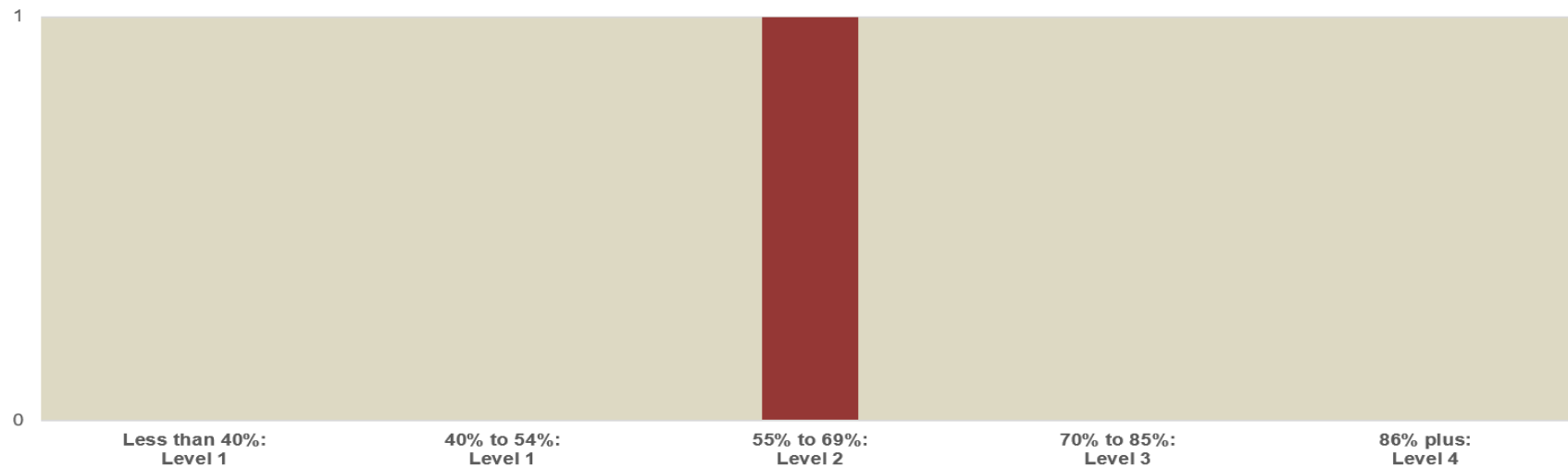


Figure 10.2.5.1

## 10.2.6 Achievement rates at all exit levels 2024

Programme type and examination cycle	A	B	Achievement rates
Report 191 Trimester 1	14	43	33%
Report 191 Trimester 2	17	54	31%
Report 191 Trimester 3	21	66	32%
Report 191 Semester 1	160	346	46%
Report 191 Semester 2	127	292	43%
NC(V)	275	333	83%
PLP	54	87	62%
Occupational Qualifications	222	222	100%
<b>College rates:</b>	<b>890</b>	<b>1443</b>	

**A** = Total number of students meeting the certification requirements after an examination or assessment cycle

**B** = Total number of students eligible to certify during the examination or assessment cycle, coming from different academic cohorts

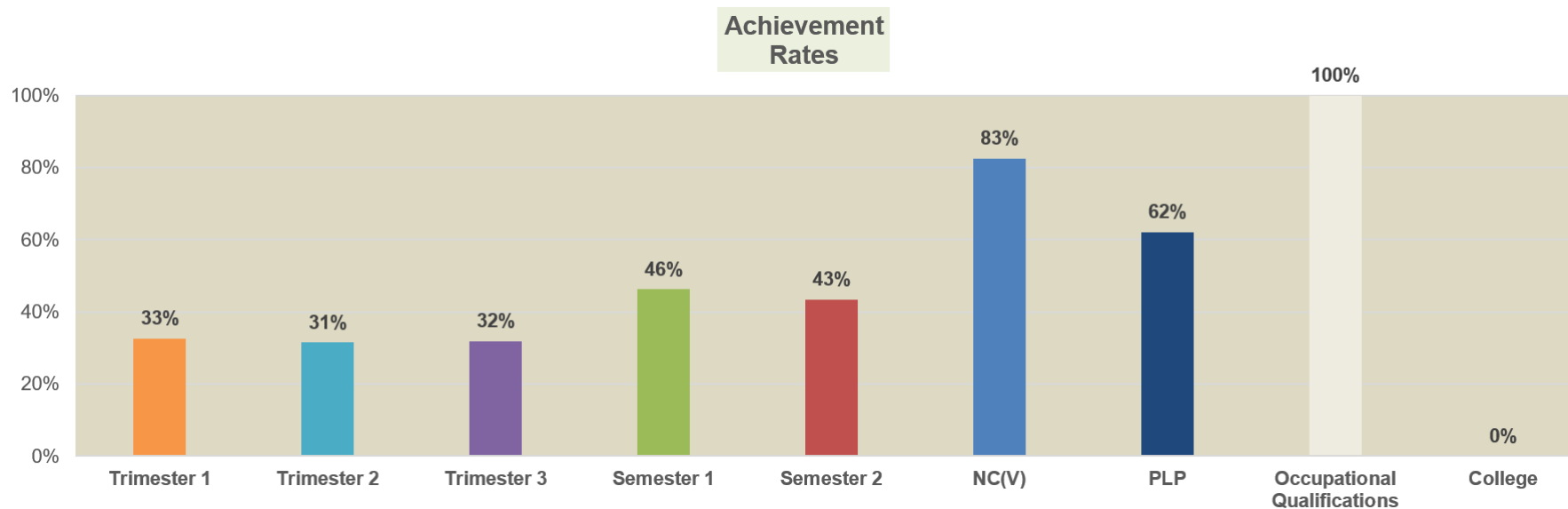


Figure 10.2.6.1

### Achievement Rate Maturity Distribution

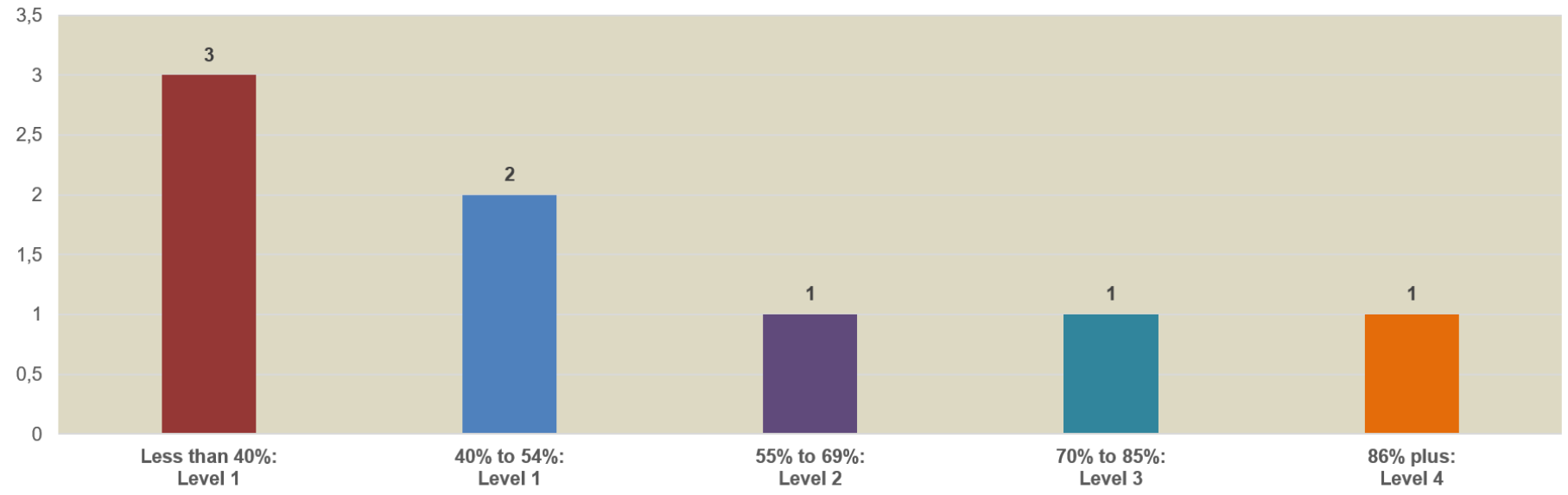


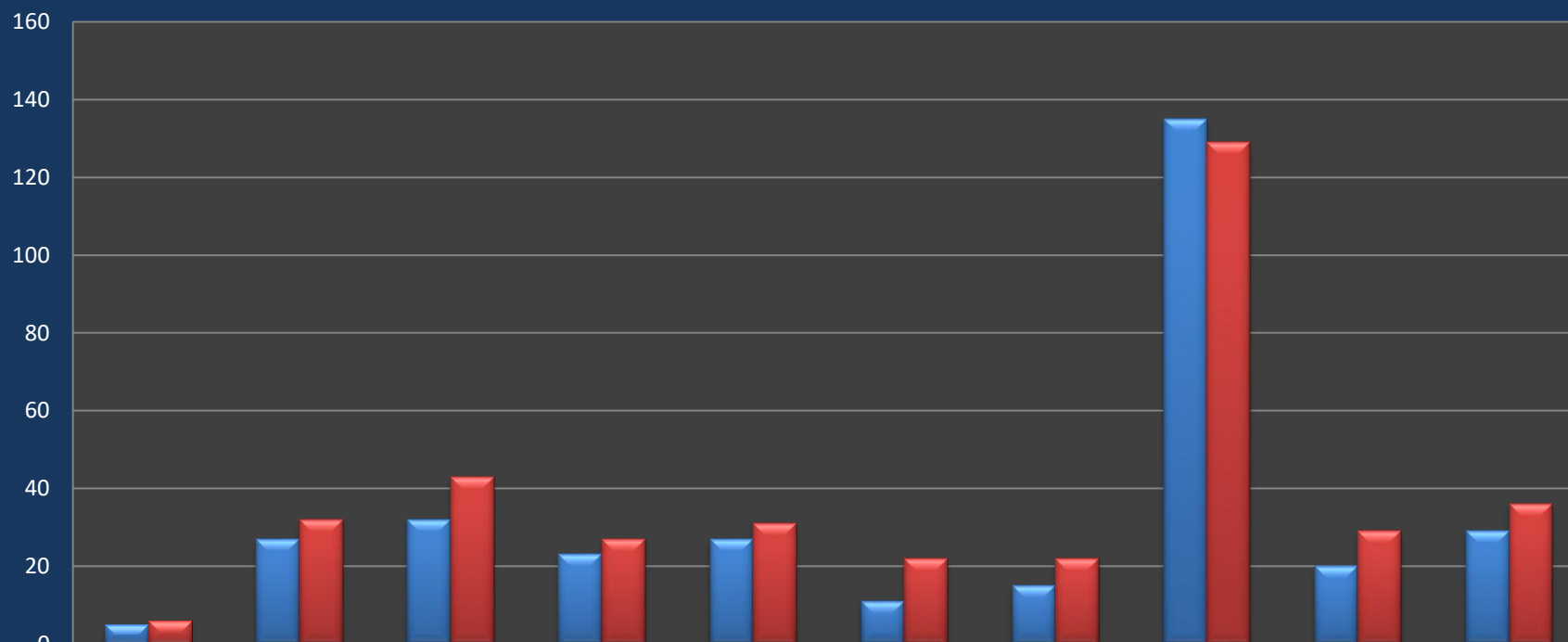
Figure 10.2.6.2

### 10.3. COMPLIANT GRADUATES

#### 10.3.1. NC(V) compliant graduates 2022 vs 2023

NC(V) LEVEL 4 GRADUATES (passing all 21 subjects) 2023 - 2024			2023 – 2024 Student compliance to HE institutional admission requirements					
Programme	2023	2024	2023	2024	2023	2024	2023	2024
	Graduates	Graduates	Higher Certificate pass	Higher Certificate pass	Diploma pass	Diploma pass	Bachelor's Degree pass	Bachelor's Degree pass
			Requires an NC(V) Level 4 certificate to have been issued, passing all 21 subjects)		Requires an NC(V) Level 4 certificate having been issued with 50% in three fundamental subjects and 60% in three compulsory vocational subjects)		Requires an NC(V) Level 4 certificate having been issued with 60% in three fundamental subjects and 70% in four vocational subjects)	
Civil Engineering Construction	5	6	4	6	0	0	1	0
Electrical Infrastructure Construction	27	32	26	29	1	3	0	0
Engineering & Related Design	32	43	30	34	1	9	1	0
Finance, Economics and Accounting	23	27	18	22	5	4	0	1
Hospitality	27	31	26	25	1	6	0	0
ICT & Computer Science	11	22	11	14	0	8	0	0
Management	15	22	12	11	2	6	1	5
Office Administration	135	129	106	97	21	29	8	3
Tourism	20	29	18	19	1	9	1	1
Transport & Logistics	29	36	20	23	8	12	1	1
<b>TOTAL COMPLIANT GRADUATES</b>	<b>324</b>	<b>377</b>	<b>271</b>	<b>280</b>	<b>40</b>	<b>86</b>	<b>13</b>	<b>11</b>
					<b>Total:</b>			<b>377</b>

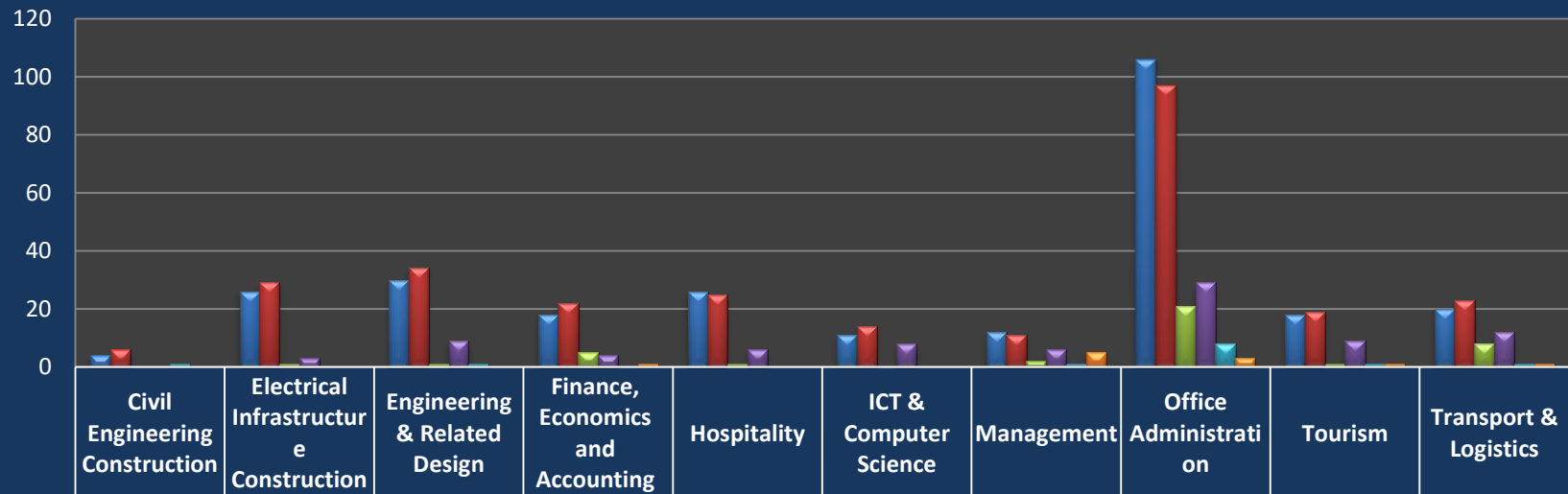
## NC(V) LEVEL 4 COMPLIANT GRADUATES 2023 - 2024



	Civil Engineering Construction	Electrical Infrastructure Construction	Engineering & Related Design	Finance, Economics and Accounting	Hospitality	ICT & Computer Science	Management	Office Administration	Tourism	Transport & Logistics
2023 graduates	5	27	32	23	27	11	15	135	20	29
2024 graduates	6	32	43	27	31	22	22	129	29	36

Figure 10.3.1.1

## ARTICULATION OF NC(V) GRADUATES 2023 - 2024



	Civil Engineering Construction	Electrical Infrastructure Construction	Engineering & Related Design	Finance, Economics and Accounting	Hospitality	ICT & Computer Science	Management	Office Administration	Tourism	Transport & Logistics
2019: Higher Certificate	4	26	30	18	26	11	12	106	18	20
2020: Higher Certificate	6	29	34	22	25	14	11	97	19	23
2019: Diploma	0	1	1	5	1	0	2	21	1	8
2020: Diploma	0	3	9	4	6	8	6	29	9	12
2019: Bachelor	1	0	1	0	0	0	1	8	1	1
2020: Bachelor	0	0	0	1	0	0	5	3	1	1

Figure 10.3.1.2

### 10.3.2 Report 191 National N-diploma compliant graduates 2023 vs 2024

#### REPORT 191 (NATED) NATIONAL N DIPLOMA GRADUATES 2023 - 2024

Programme	2023 graduates	2024 graduates
Art & Design	10	14
Business Management	4	0
Educare	12	9
Engineering Studies	24	2
Financial Management	22	19
Hospitality & Catering Services	1	2
Human Resources Management	28	20
Legal Secretary	0	0
Management Assistant	31	44
Medical Secretary	0	0
Popular Music: Performance	0	0
Public Management	0	0
Tourism	0	1
<b>TOTAL COMPLIANT GRADUATES</b>	<b>132</b>	<b>111</b>

# REPORT 191 DIPLOMA GRADUATES 2023 - 2024

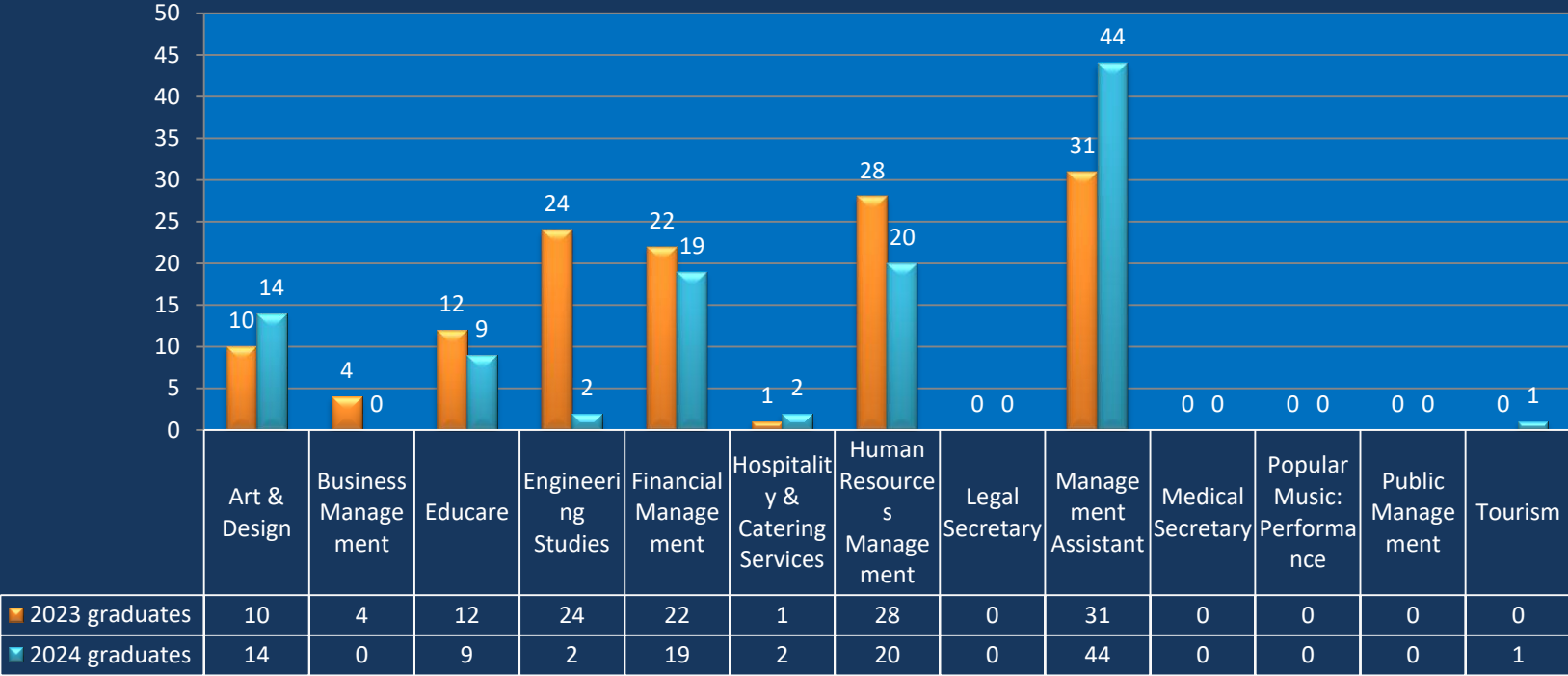


Figure 3.2.1

## 10.4 COLLEGE ANNUAL PERFORMANCE ACHIEVEMENTS IN TERMS OF TVET SYSTEM TARGETS

### 10.4.1 Annual institutional performance

The Annual Performance Plan provides a dashboard that displays to what extent strategic targets that were set for the academic year were met, not met or exceeded. Target achievement is presented by displaying achievement rate and achievement range and is mainly focused on student enrolment, student throughput rate, retention rate and progression rate as well as student placement.

Strategic Objective	Output	Output Indicator	Indicator No.	2024 Target	2024 Actual Achievement	Achievement Rate	Analysis
<b>Objective 1</b> Expanded access to TVET College opportunities	Students enrolled and managed as per enrolment plan	NCV	1	2930	2859	98%	Achieved
		PLP	2	100	97	97%	Achieved
		Report 191	3	7579	7200	95%	Achieved
		Occupational Qualifications (incl. COS)	4	392	218	56%	Not Achieved
		Skills programmes & shortcourses	5	0	71		NA
		NQF Level 5 & 6 qualifications	6	35	0	0%	Not Achieved
		<b>Total no. of enrolments</b>	<b>7</b>	<b>11036</b>	<b>10445</b>	<b>95%</b>	<b>Achieved</b>
	College student accommodation optimally utilised	Occupation rate (%) of student accommodation per enrolment cycle	8	100%	91%	91%	Not Achieved

Strategic Objective	Output	Output Indicator	Indicator No.	2023 Target	2023 Actual Achievement	Achievement Rate	Analysis
<b>Objective 2</b> Improved success and efficiency of TVET College systems	Apprentices in trade programmes qualify and pass trade test	Number (n) of artisan learners trained in COS per annum	9	140	113	81%	Not achieved
	Students complete qualifications and programmes and exit the College	<b>Number (n) of students completing college programmes at exit levels</b>					
		NCV L4	10	238	341	143%	Exceeded
		N6 Semester	11	320	379	118%	Exceeded
		N6 Trimester	12	104	122	117%	Exceeded
	NCV students complete qualification within 3 years	Throughput rate (%) of NCV L4 students	13	21%	67%	319%	Exceeded
	PLP students retained	Retention rate (%) of students placed in PLP	14	78%	94%	121%	Exceeded
	PLP students' progress into initial programmes as choice	Progression rate (%) of PLP students	15	75%	68%	91%	Not Achieved
	<b>Objective 3</b> Improved quality of TVET College provision	College council constituted and compliant with standards	Percentage (%) compliance with governance standards	16	100%	94%	94%
Examinations conducted with minimum irregularities reported		Percentage (%) compliance with examination policy and standards at all examination centres	17	100%	98%	98,0%	Achieved

Strategic Objective	Output	Output Indicator	Indicator No.	2023 Target	2023 Actual Achievement	Achievement Rate	Analysis
	More students meet the requirements for writing examinations	Percentage (%) of registered students qualifying to write examinations	18	95%	96%	101%	Achieved
	TVET College lecturers placed in industry for specified periods to gain relevant experience	Percentage (%) of TVET college lecturers placed in industry	19	14%	0%	0%	Not Achieved
	Partnerships signed for improving teaching and learning and relevance of programmes	Number (n) of signed partnerships for exchange and placement of students and lecturers	20	44	28	64%	Not Achieved
<b>Objective 4</b> Improved responsiveness of TVET Colleges to the world of work	More students enrolled in identified programme offerings relating to OIHD and priority skills	Number (n) of students enrolled in programmes relating to OIHD and priority skills	21	210	218	104%	Achieved
	Entrepreneurship hubs established and supported	Number (n) of students engaged in entrepreneurship programmes and projects	22	600	736	123%	Exceeded
	Number (n) of students placed for WBL at exit levels (Currently studying Level 4 or N6 at a college)	NCV L4	23	355	128	36%	Not Achieved
		Report 191 N6	24	727	0	0%	Not Achieved

Strategic Objective	Output	Output Indicator	Indicator No.	2023 Target	2023 Actual Achievement	Achievement Rate	Analysis
	Number of students placed for internships (completed Report 191 N6)	Report 191 (N6)	25	190	201	106%	Exceeded

### 10.4.1.1 Target achievement rate

Target Achievement Rates	No	%	Criteria
Achieved	7	28%	>94.5% & <104.6%
Target Exceeded	7	28%	>104.6%
Not Achieved	10	40%	<94.5%
NA	1	4%	
<b>TOTAL</b>	<b>25</b>	<b>100%</b>	

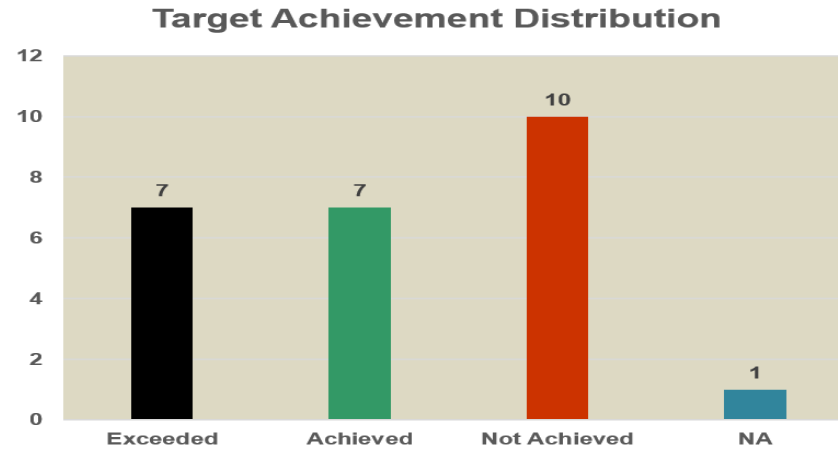


Figure 10.4.1.1

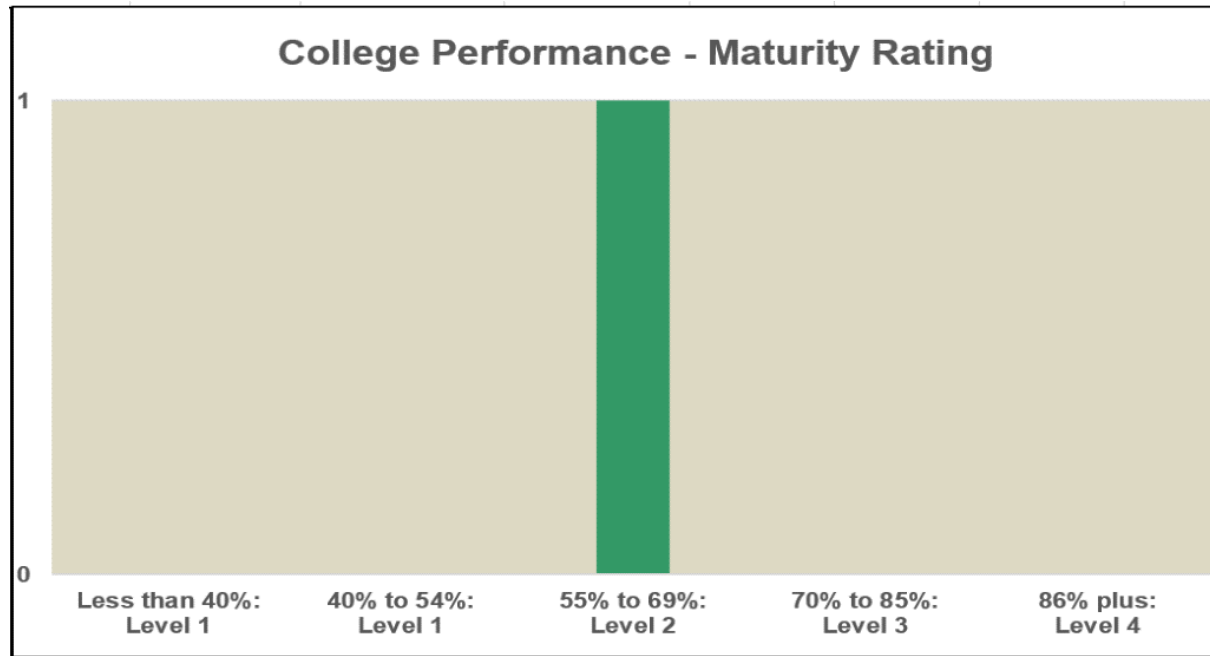


Figure 10.4.1.2

The four levels of assessment for college services are:

- (1) INTENT:** This level pertains to having plans in place, but there may be non-compliance or incomplete implementation. For example, there could be a plan to develop lecturers and management staff, but it has not been costed or put into action.
- (2) IMPLEMENTATION:** At this level, plans and policies are being implemented effectively and efficiently. An academic strategy to help failing students shows improvement in student performance, indicating the quality of college services.
- (3) INNOVATION:** This level involves adding a new or improved dimension to the implementation, making it replicable as best practices by other colleges. Critically reviewing and reflecting are crucial in managing quality and implementation innovatively.
- (4) IMPACT:** This is the highest level where there is clear evidence of achievement. The college demonstrates impact and manages quality at a level that affects change, often requiring a trend analysis over three years with statistical evidence.

## 10.5 STRATEGY TO DEAL WITH UNDERPERFORMANCE

Pass rates for the respective Vocational/Ministerial funded Programmes have been graphically presented in Section 10.2. Although pass rates reflect a positive picture across most levels and programmes, it does not indemnify College Management from putting measures in place to maintain good performance. The Academic Unit has implemented a variety of measurements, techniques, and interventions to uphold high academic standards and address student underperformance. To meet the annual performance goals set forth in the College's strategic plan, these interventions seek to consistently improve students' academic performance.

The following measures and strategies were put in place in 2024 to improve academic performance and to deal with general underperformance in isolated subjects:

- The college continues to implement a blended learning strategy, ensuring that a number of different platforms are used to make the curriculum as accessible as possible to students
- The College Portal was also used as an e-learning platform, providing additional content to student to access remotely, to support the reinforcement of learning content
- Comprehensive performance improvement, teaching and learning management plans and teaching and learning and examination monitoring plans were developed and communicated to allow for clarity of academic year goals and objectives
- Monitoring and support visits were intensified and used as a method to instill a culture of excellence
- The in-depth analysis of poor performing subjects per programme per level per campus was completed to identify root causes and to plan for improvement
- Planned follow-ups on monitoring were completed to ensure that all identified gaps were closed
- The effective use of the Peer Academic Leader (PAL) programme encouraged group study and peer-to-peer tutoring
- Subject Committees developed and implemented action plans with a specific focus on improving the performance of poor performing subjects
- Best practices were identified through inter-campus performance improvement workshops and were applied and used as far as possible
- Learning content reinforcement for Mathematics took place through centralised student camps in preparation for Examinations, yielding positive results

The consistent implementation and monitoring of the above-mentioned strategies and interventions went a long way to finally reflect the positive academic picture as presented in Section 10.2.



**NKAU P**

**ASD CURRICULUM IMPLEMENTATION**



# FINANCIAL INFORMATION



## Report of the auditor-general to the minister of Higher Education, Science and Innovation and the council on the OrbitTechnical and Vocational Education and Training College

### Report on the audit of the financial statements

#### Qualified opinion

1. I have audited the financial statements of the Orbit Technical and Vocational Education and Training (TVET) College set out on pages 116 to 179, which comprise the statement of financial position as at 31 December 2024, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Orbit TVET College as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the requirements of the Continuing Education and Training Act 16 of 2006 (CETA).

#### Basis for qualified opinion

##### Net Cash flow from operating activities

3. Net cash flows from operating activities was not correctly prepared and disclosed as required by Standards of GRAP 2, *Cash flow statements*. This was due to multiple errors in the current and previous year in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, as it was impracticable to do so.

## Net cash flow cash flow from investing activities

4. Net cash flows from investing activities was not correctly prepared and disclosed as required by Standards of GRAP 2, *Cash flow statements*. This was due to errors in the current year proceeds from disposal of investments and the previous year purchase of property plant, and equipment in determining cash flows from investing activities. I was not able to determine the full extent of the errors in the net cash flows from investing activities, as it was impracticable to do so.

## Statement of changes in net asset

5. The TVET College did not correctly calculate statement of changes in net assets in accordance with GRAP 1, *Presentation of financial statements*. This is due to unexplained differences in identified the statement of changes in net assets presented in the financial statements for the current and previous year. I was unable to determine the full extent of the errors as it was impracticable to do so.

## Property plant and equipment

6. The college did not accurately record the useful lives of property, plant and equipment at the reporting date in accordance with GRAP 17, *Property, plant and equipment*. As a result, differences were identified on the re-estimated useful lives. I was not able to determine the full extent of the misstatement on the gross carrying amount of property, plant and equipment as it was impracticable to do so.

## Context for opinion

7. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.
8. We are independent of the TVET college in accordance with the *Code of professional conduct for auditors* of the Independent Regulatory Board for Auditors (IRBA) 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)*.

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

### **Emphasis of matter**

10. We draw attention to the matters below. Our opinion is not modified in respect of these matters.

### **Material impairments - Trade and other receivables from exchange transactions**

11. As disclosed in note 6 to the financial statements, the TVET college provided for material impairment on trade and other receivables from exchange transactions amounting to R153 786 231 (2023: R143 041 971).

### **Responsibilities of the council for the financial statements**

12. The council is responsible for the preparation and fair presentation of the financial statements in accordance with Generally Recognised Accounting Practice (GRAP) and the requirements of the CETA and for such internal control as the council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

13. In preparing the financial statements, the council is responsible for assessing the college's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the college or to cease operations or has no realistic alternative but to do so.

## Responsibilities of the auditor-general for the audit of the financial statements

14. My 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 the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 6, forms part of our auditor's report.

### Report on the audit of the annual performance report

16. The college is not required to prepare a report on its performance against predetermined objectives, as it does not fall within the ambit of the Public Finance Management Act 1 of 1999 (PFMA) and such reporting is not required in terms of the entity's specific legislation.

### Report on compliance with legislation

17. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The council is responsible for the college's compliance with legislation.
18. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
19. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the college, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
20. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

## Annual financial statements

21. The financial statements submitted for auditing were not prepared in accordance with generally recognised accounting practice as required by section 25(1)(b) of the CET Act. Material misstatements from non-current assets, current assets, current liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

### Other information in the annual report

22. The council is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements.
23. My opinion on the financial statements and the report on compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
24. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
25. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

### Internal control deficiencies

26. I considered internal control relevant to my audit of the financial statements and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
27. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.
28. The council did not exercise adequate oversight responsibility for financial reporting, compliance monitoring and related internal controls, as material misstatements were identified in the financial statements submitted for auditing. These were subsequently corrected.

29. Senior management did not adequately review the financial statements before submission for auditing. Processes were not implemented to maintain regular, accurate and complete financial records and reconciliations to support the financial statements, which resulted in material misstatements in the originally submitted financial statements.
30. Although the internal audit unit and the audit committee reviewed the financial statements prior to submission for auditing, this was not effective as material misstatements were identified during the audit.

Auditor General

Rustenburg

31 May 2024



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Annexure to the auditor's report**

The annexure includes the following:

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

### **Auditor's responsibility for the audit**

#### **Professional judgement and professional skepticism**

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout our audit of the financial statements and on the TVET college's compliance with selected requirements in key legislation.

#### **Financial statements**

In addition to our responsibility for the audit of the financial statements as described in this auditor's report, I 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 college's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the college 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 about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause a college to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Communication with those charged with governance

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during our audit.

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

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Continuing Education and Training Act 16 of 2006	Section 25(3) Section 25(1)(b) Section 3(3) Section 44(1) Section 46(1)(a)(i) Section 46(1)(a)(ii) Section 34(1) Section 20(7)(b) Section 20(8)(a)-(c) Section 10(9) ( c ) Section 10(9)(e) (iii) Section 10(9B)

**ORBIT TVET COLLEGE ANNUAL  
FINANCIAL STATEMENTS for the year  
ended 31 December 2024**

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## General Information

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<b>Legal form of entity</b>	Technical and Vocational Education and Training College
<b>Nature of business and principal activities</b>	The College is a Public Technical and Vocational Education and Training College, constituted in terms of the Continuing Education and Training Act No. 16 of 2006, as amended and operates within the Republic of South Africa
<b>Councillors</b>	<p>P Mohajane (Ms) (SRC President)</p> <p>M Khoza (Ms) (SRC Secretary)</p> <p>Bogopa MB (Relationship Executive Public Sector - Ministerial Appointee) Deputy Chairperson</p> <p>Dubazana TC (Corporate Services - Additional Member)</p> <p>Van Heerden A (Secretary and College Employee)</p> <p>Molope (MB) (Dr) (General Manager: Pilanesberg - Mines Ministerial Appointee)</p> <p>Lefophane MH (Ms) (Lecturer - Ministerial Appointee)</p> <p>Letsoalo SM (College employee)</p> <p>Magolego PM (Attorney - Donor)</p> <p>Ramdass (KR) (Prof.) (Professor at UNISA - Ministerial Appointee)</p> <p>Mangoma APC (Ms) (Freelancing)</p> <p>Mathye MG (Ms) (Freelancing - Additional Member )</p> <p>Mokale AT (College employee)</p> <p>Mokoena DF (Principal - College Employee)</p> <p>Moloantsoa K (Dr) (Director - Ministerial Appointee) Chairperson</p> <p>Ramaru MS (College employee)</p> <p>Singh R (Financial Accountant)</p> <p>Carrim I (Council Member)</p> <p>Fourie W (Audit and Risk Committee)</p> <p>Hoogkamer JA (Council Member)</p> <p>Molapise JJ (Council Member)</p> <p>Qoma LE (Council Member)</p> <p>Sepeng S (Council Member)</p> <p>Ntshole GEE (College Employee)</p> <p>Mlambo TV (College Employee)</p> <p>Kgalaki R (Mr) (Audit and Risk Committee)</p>
<b>Registered office</b>	C/o Bosch & Fatima Bhayat Street Rustenburg 0299
<b>Postal address</b>	Private Bag X82086 Rustenburg

## **ORBIT TVET COLLEGE**

Annual Financial Statements for the year ended 31 December 2024

### **General Information**

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	0300
<b>Secretary</b>	Ms. A Van Heerden
<b>Bankers</b>	ABSA Bank
<b>Auditors</b>	Auditor General of South Africa
<b>Principal</b>	Dika Mokoena

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

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## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Index

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#### Abbreviations used:

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
ASB	Accounting Standards Board
CET Act	Continuing Education and Training Act 16 of 2006
DHET	Department of Higher Education & Training
GEPF	Government Employees Pension Fund
GRAP	Generally Recognised Accounting Practice
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
SA GAAP	South African Generally Accepted Accounting Practice
SARS	South African Revenue Service
SRC	Student Representative Council
TVET	Technical Vocational Education and Training
VAT	Value Added Tax
FTE's	Full Time Equivalent Students
PFMA	Public Finance Management Act
NATED	National Accredited Technical Education Diploma
NCV	National Certificate Vocational
NSFAS	National Student Financial Aid Scheme
HRM	Human Resource Management
SETA	Sector Education and Training Authority
NSF	National Skills Fund

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Responsibilities and Approval of Council

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The Council is required by the Continuing Education and Training Act No. 16 of 2006, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of Council to ensure the financial statements of the College fairly presents the results of its operations, cash flows and state of affairs in conformity with GRAP at financial year end. The Auditor General South Africa was engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records, related data and relevant parties.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) and in the manner required by the Minister of Higher Education and Training. The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The College council acknowledge that they are ultimately responsible for the system of internal financial control established by the College and place considerable importance on maintaining a strong control environment. To enable the College Council to meet these responsibilities, the College Council sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner.

The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the College and all employees are required to maintain the highest ethical standards in ensuring the College's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the College is on identifying, assessing, managing and monitoring all known forms of risk across the College. .

While operating risk cannot be fully eliminated, the College endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The College Council accepts its responsibility to ensure that the College is managed in a responsible manner, considering the interest if all stakeholders, including the DHET, Unions/Social Partners, employees, students, local communities and creditors. Responsible management entails, inter alia, compliance with applicable statutory and regulatory requirements, including risk management

The College Council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The College Council has reviewed the College's cash flow forecast for the year to 31 December 2025 and, in the light of this review and the current financial position, they are satisfied that the College has or has access to adequate resources to continue in operational existence for the foreseeable future.

The College is wholly dependent on the DHET for continued funding of operations. The annual financial statements are prepared on the basis that the College is a going concern and that the DHET has neither the intention nor the need to liquidate or curtail materially the scale of the college.

The Auditor General South Africa is responsible for independently reviewing and reporting on the College's annual financial statements and this report is presented with these annual financial statements on page 8.

The annual financial statements set out from page 12, which have been prepared on the going concern basis, were approved by the Council on 31 March 2025 and were signed on its behalf by:



31/05/2025

Acting Chairperson of Council: Orbit TVET College

Type te

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Audit & Risk Committee Report

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We are pleased to present our report for the financial year ended 31 December 2024.

### Audit committee members and attendance

The audit and risk committee consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. During the current year, three (3) meetings were held.

Name of member	Number of meetings attended
Mathye MG (Chairperson: Resigned April 2024)	3
Qoma LE (Acting Chairperson)	2
Mokoena DF	3
Carrim I	1
Fourie W	3
Van Heerden A	3
Hoogkamer JA	2
Kgalaki R	3

The audit and risk committee reports that it has complied with its responsibilities arising from section 38(10)(1) of the PFMA and Treasury Regulation 3.1.

The audit committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### The effectiveness of internal control

The system of internal controls applied by the college over financial and risk management is effective, efficient and transparent. In line with the relevant laws and regulations and the King III Report on Corporate Governance requirements, Internal Audit provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the annual financial statements, and the management report of the Auditor-General South Africa, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations therefrom. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

The audit and risk committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Principal of the college during the year under review.

### Evaluation of annual financial statements

The audit committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the management of the college;
- reviewed the Auditor-General of South Africa's management report and management's response thereto;
- reviewed changes in accounting policies and practices;
- reviewed the entities compliance with legal and regulatory provisions;
- reviewed significant adjustments resulting from the audit.

The audit and risk committee concur with and accept the Auditor-General of South Africa's report the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

### Internal audit

The audit and risk committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the college and its audits.

# **ORBIT TVET COLLEGE**

Annual Financial Statements for the year ended 31 December 2024

## **Audit & Risk Committee Report**

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**Auditor-General of South Africa**

The audit committee has met with the Auditor-General of South Africa to ensure that there are no unresolved issues.



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**Acting Chairperson of the Audit and Risk Committee**

Date: 01 June 2025

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Report from College Council

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The College Council submit their report for the year ended 31 December 2024.

### Report from Council

The Council of ORBIT Technical and Vocational Education and Training (TVET) College must perform all functions, which are necessary to govern the public TVET College. The Principal of ORBIT TVET College is responsible for the management and administration of the institution. This is duly stated in Section 13 of the Continuing Education and Training Act No. 16 of 2006 (CET Act). The Council submit their report for the year ended 31 December 2024.

#### 1. Incorporation/Domicile legal & jurisdiction

ORBIT TVET College was established in terms of the Continuing Education Act and Training Act 16 of 2006. The College comprises of the following campuses: Brits, Mankwe & Rustenburg.

The College is a Public TVET College, constituted in terms of CET Act 16 of 2006, as amended, and operates within the republic of South Africa.

#### 2. Review of activities

##### Main business and operations

The College is a Public Technical and Vocational Educational and Training Collage, constituted in terms of the Continuing Educational and Training Act no. 16 of 2006 and operates within the Republic of South Africa and operates principally in South Africa. ORBIT TVET College had the following operational results for the year ending 31 December 2024.

Net surplus of the College was R 40 641 855 (2023: surplus R 39 841 471).

#### 3. Council

Active councillors during the year

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Report from College Council

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### 3. Council (continued)

<b>Councillor</b>	<b>Committee</b>
P Mohajane (Ms) (SRC President)	Council
M Khoza (Ms) (SRC Secretary)	Council
Bogopa MB (Relationship Executive Public Sector - Ministerial Appointee) Deputy Chairperson	Finance (Chairperson), Conditions of Employment, Planning and Resource (Chairperson), EXCO
Dubazana TC (Corporate Services - Additional Member)	Conditions of Employment, Planning and Resource
Van Heerden A (Secretary and College Employee)	All
Molope (MB) (Dr) (General Manager: Pilanesberg - Mines Ministerial Appointee)	Finance
Lefophane MH (Dr) (Lecturer - Ministerial Appointee)	Academic Board
Letsoalo SM (College employee)	Academic Board
Magolego PM (Attorney - Donor)	Conditions of Employment (Chairperson, Planning and Resource)
Ramdass (KR) (Prof.) (Professor at UNISA - Ministerial Appointee)	Academic Board
Mangoma APC (Ms) (Free Lancing)	Planning and Resource
Mathye MG (Ms) (Freelancing - Additional Member)	Audit and Risk Committee (Chairperson)
Mokale AT (College employee)	Council
Mokoena DF (Principal - College Employee)	All
Moloantsoa K (Dr) (Director - Ministerial Appointee) Chairperson	Council, EXCO (Chairperson on both)
Ramaru MS (College employee)	Council
Singh R (Financial Accountant)	Finance
Carrim I (Audit and Risk Committee)	ARC
Fourie W (Ms) (Audit and Risk Committee)	ARC
Hoogkamer JA (Council Member)	Conditions of Employment (Acting Chairperson, Interim Audit and Risk)
Molapise JJ (Council Member)	Planning and Resource (Acting Chairperson)
Qoma LE (Council Member)	ARC (Acting Chair)
Sepeng S (Council Member)	Council (Acting Chairperson)
Kgalaki R (Mr) (Audit and Risk Committee)	ARC
Ntshole GEE (College Employee)	Council- Support Staff Representation
Mlambo TV (College Employee)	Council- Lecturing Staff Representation

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Report from College Council

### 3. Council (continued)

#### Terminations

Councillor	Committee	Date of Termination
P Mohajane (Ms) (SRC President)	Council	Feb-24
M Khoza (Ms) (SRC Secretary)	Council	Feb-24
Bogopa MB (Relationship Executive Public Sector - Ministerial Appointee) Deputy Chairperson	Finance (Chairperson), Conditions of Employment, Planning and Resource (Chairperson), EXCO	Apr-24
Dubazana TC (Corporate Services - Additional Member)	Conditions of Employment, Planning and Resource	Apr-24
Molope (MB) (Dr) (General Manager: Pilanesberg - Mines Ministerial Appointee)	Finance	Apr-24
Lefophane MH (Dr) (Lecturer - Ministerial Appointee)	Academic Board	Apr-24
Letsoalo SM (College employee)	Academic Board	Apr-24
Magolego PM (Attorney - Donor)	Conditions of Employment (Chairperson, Planning and Resource	Apr-24
Ramdass (KR) (Prof.) (Professor at UNISA - Ministerial Appointee)	Academic Board	Apr-24
Mangoma APC (Ms) (Free Lancing)	Planning and Resource	Apr-24
Mathye MG (Ms) (Freelancing additional Member)	Audit and Risk Committee (Chairperson)	Apr-24
Mokale AT (College employee)	Council	Apr-24
Moloantoa K (Dr) (Director - Ministerial Appointee) Chairperson	Council, EXCO (Chairperson on both)	Apr-24
Ramaru MS (College employee)	Council	Apr-24
Singh R (Financial Accountant)	Finance	Apr-24

#### Appointments

Councillor	Committee	Date of Appointment
P Mohajane (Ms) (SRC President)	Council	Mar-24
M Khoza (Ms) (SRC Secretary)	Council	Mar-24
Hoogkamer JA (Council Member)	Conditions of Employment (Acting Chairperson, Interim Audit and Risk)	Jun-24
Molapise JJ (Council Member)	Planning and Resource (Acting Chairperson)	Jun-24
Qoma LE (Council Member)	ARC (Acting Chair)	Jun-24
Sepeng S (Council Member)	Council (Acting Chairperson)	Jun-24
Ntshole GEE (College Employee)	Council- Support Staff Representation	Jun-24
Mlambo TV (College Employee)	Council- Lecturing Staff Representation	Jun-24

### 4. Going concern

We draw attention to the fact that at 31 December 2024, the College had an accumulated surplus of R 724 056 347 (R 648 122 730) and that the college's total assets exceed its liabilities by R 724 056 347.

The College incurred a net surplus of R 46 818 158 (2023: 39 841 472). Management still believes that the College will be able to successfully continue its operations as funding is received from DHET. Management is of the opinion that the TVET sector is a priority focus area for the DHET to attain its strategic objectives to provide quality technical and vocational education & training services and increase academic achievement and success of students we believe that the DHET will continue to fund the College.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Report from College Council

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### 4. Going concern (continued)

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### 5. Subsequent events

The accounting officers are not aware of any matter or circumstance arising since the end of the financial year.

### 6. Accounting policies

The annual financial statements are prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury and in the manner prescribed by the Minister of Higher Education and Training in terms of the CET Act No 16 of 2006, as amended.

### 7. Tax matters

The College is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

According to Section 12(h)(1) of the VAT Act No 89 of 1991, "Educational services" are exempt from the levying of the value-added tax as imposed by Section 7(i)(9) of the Act, therefore the College is not a VAT registered institution

### 8. Values and transformation

Policies, procedures, activities and programmes are responsive to community needs and redress imbalances of the past, thereby ensuring increased inclusivity and accessibility.

#### Accountability:

Decision-making processes are transparent with proper financial management systems and procedures with the focus on efficiency and effectiveness, including being fair, ethical and trustworthy in all that we do.

#### Respect:

We respect the values of human dignity, equality, human rights and freedom, non-racism and nonsexism.

#### Teamwork:

Co-operating with one another and with the community, business stakeholders and partners in education in an open and supportive way to achieve shared goals.

### 9. Vision

A global institution of excellence, surpassing community needs.

### 10. Mission

To provide high quality Education and Training that is affordable, relevant, learner-centred and contributes to the total development of individuals through:

1. Optimal utilisation of resources,
2. Creative and innovative modes of delivery,
3. Appropriately skilled staff and
4. Community upliftment



31/05/2025

Acting Chairperson of Council: Orbit TVET College

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Statement of Financial Position as at 31 December 2024

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Assets</b>			
Non-Current Assets			
Property, plant and equipment	2	166 791 472	167 088 995
Intangible assets	3	874 835	1 051 081
		<b>167 666 307</b>	<b>168 140 076</b>
Current Assets			
Inventories	4	11 118 229	10 181 281
Receivables from exchange transactions	5&6	65 573 288	52 473 628
Statutory receivables	7	14 545 539	14 818 268
Other financial assets	8	61 870 217	103 316 928
Cash and cash equivalents	9	500 290 128	423 845 456
		<b>653 397 401</b>	<b>604 635 561</b>
<b>Total Assets</b>		<b>821 063 708</b>	<b>772 775 637</b>
<b>Liabilities</b>			
Non-Current Liabilities			
Payables from non-exchange transactions	14	9 134 362	16 358 691
Current Liabilities			
Finance lease obligation	10	-	22 800
Trade and other payables from exchange transactions	11	78 926 163	82 234 845
Payables from non-exchange transactions	12	5 429 190	13 827 276
Unspent conditional grants and receipts	13	3 517 644	-
		<b>87 872 997</b>	<b>96 084 921</b>
<b>Total Liabilities</b>		<b>97 007 359</b>	<b>112 443 612</b>
<b>Net Assets</b>		<b>724 056 349</b>	<b>660 332 025</b>
Accumulated surplus		724 056 347	660 332 025
<b>Total Net Assets</b>		<b>724 056 347</b>	<b>660 332 025</b>

The accounting policies on pages 16 to 43 and the notes on page 43 form an integral part of the annual financial statements.

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Tuition and related fees	16	79 244 351	69 480 690
Rental of facilities and equipment	17	855 450	623 577
Business unit income	18	202 145	49 995
Recoveries	19	40 796	152 503
Gain on disposal of assets and liabilities	19	554 185	332 424
Interest received	20	36 852 764	32 355 316
<b>Total revenue from exchange transactions</b>		<b>117 749 691</b>	<b>102 994 505</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants & subsidies	21	79 033 725	76 204 521
Service in-kind	22	180 117 782	175 003 682
Football participation income	23	9 415 000	7 383 775
Project income	24	15 675 650	12 724 269
<b>Total revenue from non-exchange transactions</b>		<b>284 242 157</b>	<b>271 316 247</b>
<b>Total revenue</b>	15	<b>401 991 848</b>	<b>374 310 752</b>
<b>Expenditure</b>			
Employee related costs	25	(205 249 584)	(190 459 100)
Remuneration of councillors	26	(360 325)	(571 308)
Depreciation and amortisation	27	(21 809 934)	(16 314 734)
Impairments	28	(3 488 394)	225 516
Finance costs	29	(849 148)	(975 662)
Lease rentals on operating lease	32	(732 976)	(145 095)
Debt Impairment	31	(10 744 259)	(26 745 342)
Repairs and maintenance	2	(6 174 274)	(7 891 215)
Inventories losses/write-downs	4	(309 970)	(142 719)
General Expenses	33	(111 631 129)	(91 449 622)
<b>Total expenditure</b>		<b>(361 349 993)</b>	<b>(334 469 281)</b>
<b>Surplus for the year</b>		<b>40 641 855</b>	<b>39 841 471</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
<b>Balance at 01 January 2023</b>	<b>628 671 531</b>	<b>628 671 531</b>
Changes in net assets		
Net Gain/(Loss) movement on projects	(8 180 977)	(8 180 977)
Net income (losses) recognised directly in net assets	(8 180 977)	(8 180 977)
Surplus for the year	39 841 471	39 841 471
Total recognised income and expenses for the year	31 660 494	31 660 494
Total changes	31 660 494	31 660 494
Opening balance as previously reported	660 332 024	660 332 024
Adjustments		
Prior year adjustments 39	23 082 468	23 082 468
<b>Restated* Balance at 01 January 2024 as restated*</b>	<b>683 414 492</b>	<b>683 414 492</b>
Changes in net assets		
Surplus for the year	40 641 855	40 641 855
Total changes	40 641 855	40 641 855
<b>Balance at 31 December 2024</b>	<b>724 056 347</b>	<b>724 056 347</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Revenue		55 673 161	79 345 650
Other operating income		1 098 391	826 075
Grants		262 669 151	251 143 265
Interest income		36 852 764	32 355 316
Project income		15 675 650	12 724 269
Football Participation income		9 415 000	7 383 775
		<b>381 384 117</b>	<b>383 778 350</b>
<b>Payments</b>			
Employee costs		(205 609 909)	(191 030 408)
Suppliers		(92 993 570)	(121 790 302)
Finance costs		(849 148)	(975 662)
Repairs and maintenance		(6 174 274)	(7 891 215)
		<b>(305 626 901)</b>	<b>(321 687 587)</b>
<b>Net cash flows from operating activities</b>	<b>34</b>	<b>75 757 216</b>	<b>62 090 763</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(25 060 805)	-
Proceeds from sale of property, plant and equipment	2	41 446 711	(998 861)
<b>Net cash flows from investing activities</b>		<b>710 256</b>	<b>(13 723 130)</b>
<b>Cash flows from financing activities</b>			
Finance lease payments		(22 800)	(325 573)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>76 444 672</b>	<b>48 042 060</b>
Cash and cash equivalents at the beginning of the year		423 845 456	375 803 396
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>500 290 128</b>	<b>423 845 456</b>

The accounting policies on pages 16 to 43 and the notes on page 43 form an integral part of the annual financial statements.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

Figures in Rand	Note(s)	2024	2023
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### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Continuing Education and Training Act No. 16 of 2006.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property Plant and Equipment
GRAP 18	Segment Reporting
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 20	Related Party Disclosures
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating assets
GRAP 31	Intangible Assets
GRAP 32	Service Concession Arrangements: Grantor

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Accounting Policies

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GRAP 34	Separate Financial Statements
GRAP 36	Investments in Associates and Joint Ventures
GRAP 37	Joint Arrangements
GRAP 38	Disclosure of Interests in Other Entities
GRAP 100	Discontinued Operations
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 108	Statutory Receivables
GRAP 109	Accounting by Principals and Agents
GRAP 110	Living and Non-living Resources

List of effective Interpretations of the Standards of GRAP

IGRAP 1	Applying the Probability Test on Initial Recognition of Revenue
IGRAP 2	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IGRAP 3	Determining whether an Arrangement Contains a Lease
IGRAP 4	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IGRAP 5 Economies	Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
IGRAP 6	Loyalty Programmes
IGRAP 7 version)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (replaces 2010 version)
IGRAP 8	Agreements for the Construction of Assets from Exchange Transactions
IGRAP 9	Distributions of Non-cash Assets to Owners
IGRAP 10	Assets Received from Customers
IGRAP 13	Operating Leases - Incentives
IGRAP 14	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IGRAP 15	Revenue - Barter Transactions Involving Advertising Services
IGRAP 16	Intangible Assets - Website Costs
IGRAP 17	Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset
IGRAP 18	Recognition and Derecognition of Land
IGRAP 19	Liabilities to Pay Levies
IGRAP 20	Accounting for Adjustments to Revenue
IGRAP 21	The Effect of Past Decisions on Materiality

These accounting policies are consistent with the previous period.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the College.

### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the college will continue to operate as a going concern for at least the next 12 months.

### 1.3 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

### 1.4 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Judgements:

In the process of applying its accounting policies, management has made the following judgements that may have a significant effect on the amount recognised in the annual financial statements.

#### Programme Funding

In terms of the CET Act and the Funding Norms for TVET Colleges, the Colleges are funded (Programme Funding) based on their Full - Time Equivalent Student numbers. Therefore, in terms of the CET Act and the Funding Norms, a College receives Programme Funding to enrol and train a certain number of students for the year and that Programme Funding accrues to the College in terms of the CET Act and the Funding Norms and the accrual is separate and independent from how the funds are distributed to the College. The full amount of allocated Programme Funding, therefore, has to be paid to the College by DHET, irrespective of how it is paid. DHET settles its liability for Programme Funding towards the College in part by paying the employment cost of the College employees employed by DHET, via Persal. The remaining liability towards the College is settled in cash.

The Funding Norms currently applicable to TVET Colleges was Gazetted on 15 May 2015 and paragraph 117 contains provisions which may cause conditions as defined in GRAP 23 Revenue from Non-exchange Transactions (Taxes and Transfers) to exist under certain circumstances. These conditions would be applicable to the portion of the Programme Funding which is withheld to pay for employee cost of Persal employees deployed at the College. However, DHET has indicated that the intention of the Funding Norms is not to impose conditions which may be introduced by paragraph 117 and that the intention is that a College's Programme Funding accrues to it in total. Therefore, any difference between the amount withheld for paying Persal salaries and the amount that is eventually used to pay for Persal salaries, is automatically payable to Colleges. DHET has aligned its systems to facilitate the payment of these amounts to Colleges.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.4 Significant judgements and sources of estimation uncertainty (continued)

Paragraph 103 of the Funding Norms provides for a claw back to be implemented if a College's enrolment figures were less than what was planned for and funded in the previous year. The effect of this paragraph is that it introduces a condition as defined in GRAP 23 Revenue from Non-exchange Transactions (Taxes and Transfers), which is that a portion of the Programme Funding will have to be repaid if a College enrolls less than 97% of the planned and funded enrolment target for the year. However, DHET has indicated that they do not currently have sufficient confidence in the correctness of the enrolment figures to be able to implement this claw back and that the Programme Funding grant is, therefore, an unconditional grant at the moment.

The substance over form nature of the Programme Funding for a College is, therefore, that it accrues to the College, in full and without any conditions, in the financial year of the College during which the enrolment and training of students occur. The date on which it accrues is 1 January of the relevant year, or the date on which the final grant amount is communicated to the College, whichever is later. The full Programme Funding allocation to the College is, therefore, recognised as revenue in the College's financial year.

The transactions and amounts are disclosed in Note 17.

#### Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale 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 College is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The College uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the College for similar financial instruments.

#### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The College reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

#### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 14 - Provisions.

#### DHET management fee

The College's staff consists of two groups:

- i. Employees and management staff appointed on PERSAL, and
- ii. Employees appointed on the College payroll.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.4 Significant judgements and sources of estimation uncertainty (continued)

The management and other staff who are stationed at a College (College's staff) and are paid through PERSAL are employed by DHET on DHET's PERSAL payroll. Therefore, in terms of labour legislation they are DHET employees and not College employees. However, these employees are stationed permanently and exclusively at the College and are also subject to the governance and management oversight of the Council of the College and the intention is for the College to operate with relative autonomy. The employees are, therefore, substantively under the operational control of the College, with DHET performing and supporting certain HR-related functions, e.g. administering the payroll and appointment, performance management, termination and disciplinary processes.

In terms of the CET Act and the Funding Norms for TVET Colleges, the Colleges are funded (Programme Funding) based on their Full Time Equivalent Student numbers. Therefore, in terms of the CET Act and the Funding Norms, a College receives Programme Funding to enrol and train a certain number of students for the year and that Programme Funding accrues to the College in terms of the CET Act and the Funding Norms and the accrual is separate and independent from how the funds are distributed to the College. The full amount of allocated Programme Funding therefore has to be paid to the College by DHET, irrespective of how it is paid. DHET settles its liability for Programme Funding towards the College in part by paying the employment cost of the College employees employed by DHET, via PERSAL. The remaining liability towards the College is settled in cash.

What happens, in lay terms, is that DHET employs the College's management and other staff for it, performs certain HR related functions for the College and uses the College's funds to pay the salaries of the College staff in DHET's employment.

There is, therefore, a College expense (outflow of College economic resources), which has to be accounted for by a College and the questions that remain are how that expense should be classified and measured.

With respect to the classification, the nature of the expense is clearly related to employee cost but is not classified as employee cost, because the College is not the employer in terms of labour and related legislation. The expense is, therefore, classified as a DHET management fee expense in the hands of a College. On the face of the Statement of Financial Performance, it is aggregated with the College's Employee related Cost expense and it is disclosed separately in the notes. With respect to the measurement of the expense, DHET settles the liability for programme funding towards the College, by assuming an employee cost liability towards the College's employees employed by DHET and paid via PERSAL. The cost or value of the expense for the College is, therefore, the same as the amount by which the liability that DHET owes to the College decreases as a result of DHET assuming the employee cost liability towards the College employees. This is inclusive of all short and long term employee benefits, e.g. leave and bonus accruals, capped leave and long service awards.

Transactions and amounts are disclosed in note 17.

#### Campuses or other property used and controlled, but not owned by the College

Certain campuses and other property are used by the College and are not registered in the name of the College. The lack of legal ownership could affect whether or not the College has control over the campus. Where, inter alia, control exists, the campus in question is recognised, measured and included in the financial statements as either property, plant and equipment (campuses or other property) or investment property (other property) in terms of the definition and recognition criteria of an asset as per the Conceptual Framework for General Purpose Financial Reporting and the definition of property, plant and equipment in GRAP 17 Property, Plant and Equipment or Investment Property in GRAP 16 Investment Property. The College is entitled to the full use of the assets. It is probable that future economic benefits associated with the campus will flow to the College.

#### Estimates

The Council's management determines the estimated useful lives and related depreciation charges for the property, plant and equipment, and other assets. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Estimates are informed by historical experience, information currently available to management, assumptions, and other factors that are believed to be reasonable under the circumstances. These estimates are reviewed on a regular basis. Changes in estimates that are not due to errors are processed in the period of the review and applied prospectively.

In the process of applying the College's accounting policies the following estimates were made;

#### Receivables

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### 1.4 Significant judgements and sources of estimation uncertainty (continued)

The College assesses its receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the College makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a receivables.

The impairment for receivables is calculated on a portfolio basis. For amounts due to the College, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment. On receivables, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the loan's or receivable's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition (if practically determinable). Where the effective interest rate at initial recognition is not practically determinable, the government bond rate is used as the risk-free rate and adjusted for any risks specific to the loans and receivables

Allowance for slow moving, damaged and obsolete inventory

An assessment is made of the net realisable value, or current replacement cost where applicable, of inventory at the end of each reporting period. A write down of inventory to the lower of cost or net realisable value, or current replacement cost where applicable, is subsequently provided if needed.

The write down is included in surplus or deficit.

Useful lives of assets, depreciation and amortisation

The College's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment and other assets. This estimate is based on industry norms and on the pattern in which an asset's future economic benefits or service potential is expected to be consumed by the College.

Effective interest rate

The College uses a government bond rate, taking into account guidance provided by GRAP, and applying professional judgement to the specific circumstances, to discount future cash flows.

Allowance of doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

### 1.5 Property, plant and equipment

#### Recognition:

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the College;
- and
- the cost of the item can be measured reliably.

#### Measurement:

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

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### 1.5 Property, plant and equipment (continued)

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment .

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment , the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment , where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment .

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment . Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Land classified as property, plant and equipment will not be depreciated, due to land having an indefinite useful life.

The useful lives of items of property, plant and equipment have been assessed as follows:

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Item	Depreciation method	Average useful life
Land	Straight-line	Indefinite
Buildings	Straight-line	50 years
Furniture and fixtures	Straight-line	3 - 12 Years
Motor vehicles	Straight-line	3 - 5 Years
IT equipment	Straight-line	2 - 5 Years
Other property, plant and equipment	Straight-line	5 - 10 Years
Training	Straight-line	5 - 10 Years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the College. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The College assesses at each reporting date whether there is any indication that the College expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the College revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Derecognition:

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### 1.5 Property, plant and equipment (continued)

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The College separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note ).

The College discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note ).

### 1.6 Intangible assets

Recognition:

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the college or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

Measurement

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the college; and
- the cost or fair value of the asset can be measured reliably.

The college assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

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### 1.6 Intangible assets (continued)

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Copy rights	Straight-line	4-5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

### 1.7 Financial instruments

#### Recognition:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

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### 1.7 Financial instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unissued capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

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### 1.7 Financial instruments (continued)

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

#### Subsequent measurement:

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

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## Accounting Policies

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### 1.7 Financial instruments (continued)

#### Classification

The College has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Projects	Financial asset measured at amortised cost
Other financial assets	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at fair value

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Projects	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Finance lease obligations	Financial liability measured at amortised cost

#### Initial recognition

The college recognises a financial asset or a financial liability in its statement of financial position when the college becomes a party to the contractual provisions of the instrument.

The college recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The college measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The college measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

Subsequent measurement of financial assets and financial liabilities

The college measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

#### Reclassification

The college does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification

Where the college cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

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### 1.7 Financial instruments (continued)

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the college reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and collectability of financial assets

The college assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The college derecognises financial assets using trade date accounting.

The college derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the college transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the college, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the college
  - derecognise the asset; and

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### 1.7 Financial instruments (continued)

- recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the college transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognises either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the college has retained substantially all the risks and rewards of ownership of the transferred asset, the college continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the college recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

#### Financial liabilities

The college removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished - i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another college by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

#### Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

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### 1.7 Financial instruments (continued)

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the college currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the college does not offset the transferred asset and the associated liability.

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

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### 1.8 Statutory receivables identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

#### Recognition

The College recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

#### Initial measurement

The College initially measures statutory receivables at their transaction amount.

#### Subsequent measurement

The College measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

#### Accrued interest

Where the College levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

#### Other charges

Where the College is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

#### Derecognition

The College derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the College transfers to another party substantially all of the risks and rewards of ownership of the receivable; or

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### 1.8 Statutory receivables identification (continued)

- the College, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer accounting policies

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

### 1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

#### Finance leases - lessor

The College recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the College's net investment in the finance lease.

#### Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

#### Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.9 Leases (continued)

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

### 1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the College incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the College.

#### Derecognition

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 1.11 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.11 Impairment of cash-generating assets (continued)

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the college; or
- the number of production or similar units expected to be obtained from the asset by the college.

### 1.12 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

Bank overdrafts which are repayable on demand forms an integral part of the entity's cash management activities, and as such are included as a component of cash and cash equivalents.

### 1.13 Employee benefits

#### Identification

#### Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.13 Employee benefits (continued)

#### Short-term employee benefits

##### Recognition and measurement

##### All short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

(a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

##### Short-term paid absences

The entity recognises the expected cost of short-term employee benefits in the form of paid absences as follows:

(a) in the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences; and

(b) in the case of non-accumulating paid absences, when the absences occur.

The entity measures the expected cost of accumulating paid absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

##### Bonus, incentive and performance related payments

The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

(a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and

(b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.13 Employee benefits (continued)

#### Post-employment benefits: Distinction between defined contribution plans and defined benefit plans

##### Multi-employer plans

The entity classifies a multi-employer plan as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms). If the entity participates in a multi-employer defined benefit plan, the entity:

(a) accounts for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan; and

(b) disclose the information required. When sufficient information is not available to use defined benefit accounting for a multi-employer defined benefit plan, the entity: (a) accounts for the plan as if it were a defined contribution plan; and (b) disclose the information required.

In determining when to recognise, and how to measure, a liability relating to the wind-up of a multi-employer defined benefit plan, or the entity's withdrawal from a multi-employer defined benefit plan, the entity applies the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets (GRAP 19).

##### Defined benefit plans that share risks between entities under common control

Participation in such a plan is a related party transaction for each individual entity. The entity therefore, in its separate or individual financial statements, discloses the information required.

##### State plans

The entity accounts for a state plan in the same way as for a multi-employer plan.

##### Insured benefits

The entity may pay insurance premiums to fund a post-employment benefit plan. The entity treats such a plan as a defined contribution plan unless the entity will have (either directly or indirectly through the plan) a legal or constructive obligation either to:

(a) pay the employee benefits directly when they fall due; or

(b) pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior reporting periods. If the entity retains such a legal or constructive obligation, the entity treats the plan as a defined benefit plan.

#### Post-employment benefits: Defined contribution plans

##### Recognition and measurement

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

(a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

(b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset. When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, they are discounted using the discount rate as specified.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.13 Employee benefits (continued)

#### Post-employment benefits: Defined benefit plans

##### Recognition and measurement

The entity determines the net defined benefit liability (asset) with sufficient regularity that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

##### Accounting for the constructive obligation

The entity accounts not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits.

##### Statement of financial position

The entity recognises the net defined benefit liability (asset) in the statement of financial position. When the entity has a surplus in a defined benefit plan, it measures the net defined benefit asset at the lower of:

- (a) the surplus in the defined benefit plan; and
- (b) the asset ceiling, determined using the discount rate specified. Any adjustments arising from the limit is recognised in surplus or deficit.

##### Asset recognition ceiling: When a minimum funding requirement may give rise to a liability

If the entity has an obligation under a minimum funding requirement to pay contributions to cover an existing shortfall on the minimum funding basis in respect of services already received, the entity determines whether the contributions payable will be available as a refund or reduction in future contributions after they are paid into the plan. To the extent that the contributions payable will not be available after they are paid into the plan, the entity recognises a liability when the obligation arises. The liability reduces the defined benefit asset or increases the defined benefit liability so that no gain or loss is expected to result when the contributions are paid.

##### Recognition and measurement: Present value of defined benefit obligations and current service cost

### 1.14 Provisions and contingencies

Provisions are recognised when:

- the College has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the College settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

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### 1.14 Provisions and contingencies (continued)

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the College

No obligation arises as a consequence of the sale or transfer of an operation until the College is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 37.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The College recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the College for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the College considers that an outflow of economic resources is probable, an College recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.14 Provisions and contingencies (continued)

- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

### Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- those outflows of resources that are within the scope of other Standards, and
- fines or other penalties that are imposed for breaches of the legislation.

Government refers to government, government agencies and similar bodies whether local, national or international.

The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

The College does not have a constructive obligation to pay a levy that will be triggered by operating in a future period as a result of the College being economically compelled to continue to operate in that future period. The preparation of financial statements under the going concern assumption does not imply that the College has a present obligation to pay a levy that will be triggered by operating in a future period.

The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time (i.e. if the activity that triggers the payment of the levy, as identified by the legislation, occurs over a period of time).

If an obligation to pay a levy is triggered when a minimum threshold is reached, the corresponding liability is recognised when that minimum threshold is reached.

The College recognises an asset if it has prepaid a levy but does not yet have a present obligation to pay that levy.

### 1.15 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

### 1.16 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the College receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

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### 1.16 Revenue from exchange transactions (continued)

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the College has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the College retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the College; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the College;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

#### Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the College, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Tuition fees are recognised as revenue over the period during which the service is performed.

# ORBIT TVET COLLEGE

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### 1.17 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the College, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the College can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the College either receives value from another College without directly giving approximately equal value in exchange, or gives value to another College without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting College.

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the College satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

#### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the College.

When, as a result of a non-exchange transaction, the College recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

#### Transfers

Apart from Services in kind, which are not recognised, the College recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The College recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

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Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.17 Revenue from non-exchange transactions (continued)

#### Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the College and the fair value of the assets can be measured reliably.

Management personnel are remunerated from DHET and not from College funds, and this constitutes services in kind which are recognised at the cash value of the services to the State. The income is recognised as "Services-in-kind" as part of revenue from non-exchange transactions, and the expense is recognised as "DHET management fee"

#### Services in-kind

Except for financial guarantee contracts, the College recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the College and the fair value of the assets can be measured reliably.

### 1.18 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.19 Comparative figures

When the presentation or classification of items in the annual financial statements is amended due to better presentation and/or better understandability and/or comparability and/or due to the implementation of a new or amended standard, prior period comparative amounts are reclassified. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

### 1.20 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

### 1.21 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Accounting Policies

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### 1.21 Related parties (continued)

Management are those persons responsible for planning, directing and controlling the activities of the college, including those charged with the governance of the college in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the college.

### 1.22 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The college will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The college will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

### 1.23 Cash and cash equivalents

By nature, thereof, projects are funding obtained from external parties to perform certain services and incur related expenditure to meet deliverables as set out in the Memorandum of Understanding between the College and such external parties.

Revenue received and expenses incurred in respect of specific projects are allocated to project-related income and expenditure accounts. The profit or loss on such projects are closed-off to the project balance in the statement of financial position at the end of each period as an asset or liability. Depending on the nature thereof, to be accumulated in the future periods until such date that all deliverables relating to such project is met.

Upon completion of the project with relation to all deliverables met in accordance with the Memorandum of Understanding, the cumulative profit or loss on such project is circulated through the statement of financial performance as profit or loss on projects for the year under review.

Project balances as at year-end are further categorised as current or non-current assets or liabilities based on the expected completion date of the project as set out in the Memorandum of Understanding. If however the expected completion date of the project has already passed, but not all deliverables have been met as of yet, it will be classified as a current asset or liability.

Cash comprises cash on hand and demand deposits.

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### 2. Property, plant and equipment

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	22 674 153	(612 028)	22 062 125	22 674 153	(612 028)	22 062 125
Buildings	126 501 023	(39 184 748)	87 316 275	126 501 023	(37 059 362)	89 441 661
Furniture and fixtures	27 913 700	(20 536 046)	7 377 654	32 628 116	(21 334 420)	11 293 696
Motor vehicles	10 914 195	(8 182 490)	2 731 705	10 226 643	(5 986 928)	4 239 715
IT equipment	41 728 452	(33 518 172)	8 210 280	46 846 415	(31 119 545)	15 726 870
Work in progress - IT Equipment	9 969 676	-	9 969 676	1 995 269	-	1 995 269
Other Equipment	29 112 458	(21 654 460)	7 457 998	32 579 813	(23 235 593)	9 344 220
Training Equipment	34 404 917	(25 502 456)	8 902 461	39 227 947	(26 260 027)	12 967 920
Work in progress - Buildings	12 763 298	-	12 763 298	-	-	-
Finance lease assets	4 297 558	(4 297 558)	-	4 297 558	(4 280 039)	17 519
<b>Total</b>	<b>320 279 430</b>	<b>(153 487 958)</b>	<b>166 791 472</b>	<b>316 976 937</b>	<b>(149 887 942)</b>	<b>167 088 995</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand

#### 2. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Assets found - Gains	Depreciation	Impairment loss	Impairment reversal	Total
Land	22 062 125	-	-	-	-	-	-	22 062 125
Buildings	89 441 661	-	-	-	(2 125 386)	-	-	87 316 275
Furniture and fixtures	11 293 696	451 716	(21 759)	-	(3 223 790)	(1 122 210)	1	7 377 654
Motor vehicles	4 239 715	807 629	-	-	(2 151 971)	(412 749)	249 081	2 731 705
IT equipment	15 726 870	857 899	(71 507)	91 232	(7 571 417)	(897 292)	74 495	8 210 280
Work in progress - IT Equipment	1 995 269	7 974 407	-	-	-	-	-	9 969 676
Other equipment	9 344 220	2 230 106	(68 229)	44 615	(3 060 332)	(1 096 731)	64 349	7 457 998
Training equipment	12 967 920	119 319	(30 754)	-	(3 337 222)	(816 802)	-	8 902 461
Work in progress - Buildings	-	12 763 298	-	-	-	-	-	12 763 298
Finance lease assets	17 520	-	-	-	(17 520)	-	-	-
	<b>167 088 996</b>	<b>25 204 374</b>	<b>(192 249)</b>	<b>135 847</b>	<b>(21 487 638)</b>	<b>(4 345 784)</b>	<b>387 926</b>	<b>166 791 472</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand

#### 2. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers out	Assets found - Gains	Depreciation	Impairment loss	Impairment reversal	Total
Land	22 062 125	-	-	-	-	-	-	-	22 062 125
Buildings	91 971 682	-	-	-	-	(2 530 021)	-	-	89 441 661
Furniture and fixtures	12 254 803	930 798	(712)	-	49 401	(2 052 231)	(112 066)	223 703	11 293 696
Motor vehicles	5 387 975	389 859	-	-	-	(1 409 775)	(189 928)	61 584	4 239 715
IT equipment	19 349 629	1 629 309	(11 524)	-	163 832	(5 034 043)	(1 180 203)	809 870	15 726 870
Work in progress - IT equipment	2 202 581	472 825	-	(742 703)	-	-	-	62 566	1 995 269
Other equipment	10 838 395	891 047	(19)	-	42 123	(2 788 449)	(521 168)	882 291	9 344 220
Training equipment	14 130 397	624 321	(9)	-	142 277	(1 977 437)	(531 846)	580 217	12 967 920
Finance lease assets	307 906	-	-	-	-	(290 387)	-	-	17 519
	<b>178 505 493</b>	<b>4 938 159</b>	<b>(12 264)</b>	<b>(742 703)</b>	<b>397 633</b>	<b>(16 082 343)</b>	<b>(2 535 211)</b>	<b>2 620 231</b>	<b>167 088 995</b>

##### Assets subject to finance lease (Net carrying amount)

Finance lease assets	-	17 519
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##### Expenditure incurred to repair and maintain property, plant and equipment

##### Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Buildings	3 445 683	4 320 039
Furniture & fixtures	136 412	561 716
General repairs	1 842 541	2 048 449
IT Equipment	8 501	278 064
Motor vehicles	741 137	682 947
	<b>6 174 274</b>	<b>7 891 215</b>

**ORBIT TVET COLLEGE**

Annual Financial Statements for the year ended 31 December 2024

**Notes to the Annual Financial Statements**

Figures in Rand

**3. Intangible assets**

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Copy rights	2 313 526	(1 438 691)	874 835	2 167 476	(1 116 395)	1 051 081

**Reconciliation of intangible assets - 2024**

	Opening balance	Additions	Amortisation	Total
Copy rights	1 051 081	146 050	(322 296)	874 835

**Reconciliation of intangible assets - 2023**

	Opening balance	Amortisation	Total
Copy rights	1 283 472	(232 391)	1 051 081

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>4. Inventories</b>		
Consumable stores	11 118 229	10 181 281
<b>Movement in consumable stores</b>		
Opening balance	10 181 281	10 698 134
Purchases	19 078 818	16 469 453
Issues	(17 831 900)	(16 843 587)
Losses / Inventory adjustments	(309 970)	(142 719)
<b>Closing balance</b>	<b>11 118 229</b>	<b>10 181 281</b>
<b>Inventory pledged as security</b>		
There is no inventory pledged as security for both reporting years.		
<b>5. Receivables from exchange transactions</b>		
Student debtors	53 108 261	46 352 012
Other receivables	6 045 847	1 788 832
Employee debtors	2 135 159	1 174 000
Prepaid expenses	219 915	-
NSFAS Receivable	2 041 032	2 549 386
Accrued income	2 137 204	609 398
	<b>65 687 418</b>	<b>52 473 628</b>
<b>6. Trade and other receivables from exchange transactions</b>		
<b>Gross balances</b>		
Student debtors	199 863 470	178 856 014
Other debtors	12 712 105	6 453 715
Employee debtors	2 499 924	1 350 425
Prepaid expenses	219 915	-
NSFAS receivable	2 041 032	2 549 386
Accrued income	2 137 204	609 398
	<b>219 473 650</b>	<b>189 818 938</b>
<b>Less: Allowance for impairment</b>		
Student debtors	(146 755 209)	(132 504 002)
Other debtors	(6 666 257)	(4 665 688)
Employee debtors	(364 765)	(175 619)
Prepaid receivable	-	-
NSFAS receivable	-	-
Accrued income	-	-
	<b>(153 786 231)</b>	<b>(137 345 309)</b>
<b>Net balance</b>		
Student debtors	53 108 261	46 352 012
Other debtors	6 045 847	1 788 027
Employee debtors	2 135 159	1 174 806
Prepaid expenses	219 915	-
NSFAS receivable	2 041 032	2 549 386
Accrued income	2 137 204	609 398
	<b>65 687 418</b>	<b>52 473 629</b>

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>6. Trade and other receivables from exchange transactions (continued)</b>		
<b>Student debtors</b>		
31 - 60 days	2 793 756	2 718 300
61 - 90 days	3 719 824	3 701 756
Exceeding 91 days	193 349 889	172 435 958
	<b>199 863 470</b>	<b>178 856 014</b>
<b>Other debtors</b>		
Current (0 -30 days)	1 998 955	103 705
31 - 60 days	700 479	552 670
61 - 90 days	966 610	647 356
Exceeding 91 days	9 046 061	12 021 452
	<b>12 712 105</b>	<b>13 325 183</b>
<b>Employee debtors</b>		
Current (0 -30 days)	(6 716)	-
31 - 60 days	169 866	-
Exceeding 91 days	38 148	-
91 - 120 days	2 298 626	1 350 425
	<b>2 499 924</b>	<b>1 350 425</b>
<b>Prepaid expenses</b>		
Current (0 -30 days)	219 915	-
> 365 days	-	-
	<b>219 915</b>	<b>-</b>
<b>NSFAS receivable</b>		
Current (0 -30 days)	2 041 032	2 549 386
> 365 days	-	-
	<b>2 041 032</b>	<b>2 549 386</b>
<b>Accrued income</b>		
Current (0 -30 days)	2 137 204	609 398
> 365 days	-	-
	<b>2 137 204</b>	<b>609 398</b>
<b>7. Statutory receivables</b>		
Government grants and subsidies	13 771 195	13 681 195
Project receivables	774 344	1 137 073
	<b>14 545 539</b>	<b>14 818 268</b>
<b>8. Other financial assets</b>		
<b>Designated at fair value</b>		
ABSA Bank - Fixed Deposit (2081139771)	-	21 079 584
Interest rate	10.480%	
Term of deposit	365 days	
Effective date	26 June 2023	
Maturity date	26 June 2024	

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>8. Other financial assets (continued)</b>		
Standard Bank Fixed Deposit - (628806850-009)	9 234 505	9 220 521
Interest rate	9.675%	
Term of deposit	365 days	
Effective date	9 February 2024	
Maturity date	7 February 2025	
Nedbank Fixed Deposit - (03-7881084347-000069)	21 106 438	21 194 236
Interest rate	9.475%	
Term of deposit	365 days	
Effective date	26 June 2024	
Maturity date	26 June 2025	
Standard Bank - Fixed Deposit (628826850-010)	20 976 055	-
Interest rate	7.76%	
Term of deposit	365 days	
Effective date	08 June 2023	
Maturity date	08 June 2024	
Nedbank Fixed Deposit - (03-7881084347-000068)	10 553 219	10 597 118
Interest rate	9.85%	
Term of deposit	365 days	
Effective date	10 June 2024	
Maturity date	10 June 2025	
Nedbank Fixed Deposit - (03-7881084347-000067)	-	41 225 469
Interest rate	9.64%	
Term of deposit	365 days	
Effective date	07 September 2023	
Maturity date	06 September 2024	
	<b>61 870 217</b>	<b>103 316 928</b>
<b>Current assets</b>		
Designated at amortised cost	61 870 217	103 316 928
<b>9. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	20 000	20 000
Bank balances	295 124 363	233 348 162
Short-term deposits	205 145 765	190 477 294
	<b>500 290 128</b>	<b>423 845 456</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>10. Finance lease obligation</b>		
<b>Minimum lease payments due</b>		
- within one year	-	(22 598)
	-	(22 598)
less: future finance charges	-	(112)
<b>Present value of minimum lease payments</b>	-	<b>(22 710)</b>
<b>Present value of minimum lease payments due</b>		
- within one year	-	(22 598)
future finance charges	-	(112)
	-	<b>(22 710)</b>

GRAP 13 states that the lessee should utilise the rate implicit in the lease to calculate the present value of the minimum lease payments. However, if it is impractical to calculate or determine the implicit rate in the lease, the lessee may utilise the incremental borrowing rate.

The College utilises finance leases for photocopy machines from third parties and are therefore the lessee in the finance lease. It is impracticable to determine the rate implicit in the lease for the College and therefore the incremental borrowing rate will be utilised. The incremental borrowing rate is the prime borrowing rate of South Africa.

Due to the prime borrowing rate continuously changing on a monthly basis, the present value of minimum lease payments will be recalculated when the interest rate changes and the difference will be a lease reassessment adjustment. The lease reassessment adjustment will be accounted for, by adjusting the finance lease asset and finance lease liability with the lease reassessment adjustment.

The average lease term was 3 years and the average effective borrowing rate was 7.25% (2023: 7.25%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The fair value of finance lease liabilities approximates their carrying amounts.

### 11. Trade and other payables from exchange transactions

Busary liability	40 683 092	37 062 700
Other payables	13 944 042	14 835 777
Payroll Accruals	908 425	863 892
Accrued leave pay	275 638	124 769
Retention liability	1 202 296	-
Accrued expenditure	19 197 504	17 645 887
Payroll payable 37%	2 715 166	2 736 275
Projects	-	8 965 545
	<b>78 926 163</b>	<b>82 234 845</b>

### 12. Payables from non-exchange transactions

Projects	5 429 190	13 827 276
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### 13. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

<b>Unspent conditional grants and receipts</b>		
NSF Centre of Specialisation	3 517 644	-

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Notes to the Annual Financial Statements

Figures in Rand

	2024	2023
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### 13. Unspent conditional grants and receipts (continued)

#### Movement during the year

Balance at the beginning of the year	-	64 938
Additions during the year	4 479 386	-
Income recognition during the year	(961 742)	(64 938)
	<b>3 517 644</b>	<b>-</b>

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the college has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

### 14. Payables from non-exchange transactions

#### Payables from non-exchange transactions

Projects (Non-current)	(9 134 362)	(16 358 691)
Projects (Current)	(5 429 190)	(13 827 270)
	<b>(14 563 552)</b>	<b>(30 185 961)</b>

### 15. Revenue

Tuition and related fees	79 244 351	69 480 690
Rental of facilities and equipment	855 450	623 577
Student bad debt recovered	40 796	152 503
Business unit income	202 145	49 995
Interest received - investment	36 852 764	32 355 316
Government grants & subsidies	79 033 725	76 204 521
Service in-kind	180 117 782	175 003 682
Football Participation Income	9 415 000	7 383 775
Gain/(loss) on disposal of assets of liabilities	-	332 424
Project income	15 675 650	12 724 269
	<b>401 437 663</b>	<b>374 310 752</b>

#### The amount included in revenue arising from exchanges of goods or services are as follows:

Tuition and related fees	79 244 351	69 480 690
Rental of facilities and equipment	855 450	623 577
Student bad debt recovered	40 796	152 503
Business unit income	202 145	49 995
Interest received - investment	36 852 764	32 355 316
Gain/(loss) on disposal of assets	-	332 424
	<b>117 195 506</b>	<b>102 994 505</b>

#### The amount included in revenue arising from non-exchange transactions is as follows:

##### Transfer revenue

Government grants & subsidies	79 033 725	76 204 521
Service in-kind	180 117 782	175 003 682
Public contributions and donations	9 415 000	7 383 775
Project income	15 675 650	12 724 269
	<b>284 242 157</b>	<b>271 316 247</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>16. Tuition and related fees</b>		
Tuition fees (Report 191)	21 652 024	19 698 834
Residential fees	7 985 778	7 786 750
Tuition fees (NCV)	47 415 946	39 556 962
Tuition fees - Skill occupational	1 057 465	1 260 000
Examination fees	593 738	576 800
Tuition fees - Pre-Vocational Learning	539 400	601 344
	<b>79 244 351</b>	<b>69 480 690</b>
<b>17. Rental of facilities and equipment</b>		
<b>Premises</b>		
Venue hire	330 262	102 724
Housing rental income	525 188	520 853
	<b>855 450</b>	<b>623 577</b>
Included in the above rentals are operating lease rentals at straight-lined amounts as well as contingent rentals.		
<b>18. Business Unit Income</b>		
Business unit income	202 145	49 995
<b>19. Other revenue</b>		
Student debt recovered	-	36 839
Insurance claims	40 796	115 664
Gain/(loss) on disposal of assets	554 185	332 424
	<b>594 981</b>	<b>484 927</b>
<b>20. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	27 308 806	23 403 654
Investments	9 543 958	8 951 662
	<b>36 852 764</b>	<b>32 355 316</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>21. Government grants &amp; subsidies</b>		
<b>Operating grants</b>		
DHET Progamme funding	78 178 000	71 833 968
DHET CIEG revenue	-	3 417 734
COS revenue	-	64 938
Skills levy	855 725	887 881
	<b>79 033 725</b>	<b>76 204 521</b>
<b>Conditional and Unconditional</b>		
Included in above are the following grants and subsidies received:		
Conditional grants received	-	64 938
Unconditional grants received	78 292 195	76 139 583
	<b>78 292 195</b>	<b>76 204 521</b>
<b>NSF: COS - Unspent conditional grant</b>		
Balance unspent at beginning of year	-	64 938
Conditions met - transferred to revenue	-	(64 938)
	-	-
<b>22. Service In-kind</b>		
Service in-kind - DHET	180 117 782	175 003 682
Included in note 25 is an amount received as service in-kind from the Department of Higher Education and Training. The amount disclosed is an unconditional grant received.		
<b>23. Football participation income</b>		
Football participation income	9 415 000	7 383 775
<b>24. Project Income</b>		
Project income	15 675 650	12 724 269
<b>25. Employee related costs</b>		
Employee related cost and DHET Management Fee	205 249 584	190 459 100
<b>Summary of remuneration</b>		
DHET Management fee	180 117 782	175 003 682
Remuneration paid to employees by the College Council	25 131 802	15 455 418
	<b>205 249 584</b>	<b>190 459 100</b>

In terms of the CET Act, non-funded employees are employees of the College and are accountable to the governance structures of the college. All employees appointed in funded posts have migrated to DHET on 1 April 2015 and are DHET employees as part of a transfer of function shift. Management are defined by the CET Act as the principal and deputy principals and they are employed by DHET and have dual accountancy towards the council and DHET respectively.

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>26. Remuneration of councillors</b>		
Meetings	346 910	557 001
Travel and accomodation allowances	13 415	14 308
	<b>360 325</b>	<b>571 309</b>
<b>27. Depreciation and amortisation</b>		
Property, plant and equipment	21 487 638	16 082 343
Intangible assets	322 296	232 391
	<b>21 809 934</b>	<b>16 314 734</b>
<b>28. Impairment loss (reversal)</b>		
<b>Impairments</b>		
Property, plant and equipment	3 488 394	2 535 211
Impairment is as a result of assets not verified as well as condition changes.		
Property, plant and equipment - (reversal)	-	(2 760 727)
Impairment is as a result of assets not verified as well as condition changes		
	<b>3 488 394</b>	<b>(225 516)</b>
<b>29. Finance costs</b>		
Trade and other payables	849 148	937 794
Finance leases	-	37 868
	<b>849 148</b>	<b>975 662</b>
<b>30. Auditors' remuneration</b>		
Fees	2 659 848	2 703 152
<b>31. Debt impairment</b>		
Movement of debt impairment provision	10 744 259	26 745 342
<b>32. Lease rentals on operating lease</b>		
<b>Equipment</b>		
Contractual amounts	732 976	145 095

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>33. General expenses</b>		
Advertising	778 694	807 842
Assessment rates & municipal charges	2 577 184	432 044
Auditors remuneration	2 659 848	2 703 152
Bank charges	422 001	401 149
Cleaning	2 894 856	3 133 782
Affiliation fees	250 000	-
Computer expenses	803 857	826 464
Consulting and professional fees	3 271 841	3 009 069
Consumables	1 997 126	747 507
Entertainment	2 507 087	2 051 849
Gifts	146 974	175 022
Insurance	4 202 585	3 871 639
Student support services	16 254 010	8 445 972
Conferences and seminars	631 710	747 843
Licensing of vehicles	39 212	42 244
Diploma ceremony	643 853	469 930
Fuel and oil	1 677 936	1 284 593
Placement fees	223 800	235 900
Postage and courier	-	1 995
Printing and stationery	3 974 726	4 305 294
Promotions	1 250 873	1 124 605
Protective clothing	1 921 084	1 250 810
Security	8 447 887	7 422 793
Software licenses	4 535 465	4 346 984
Staff welfare	1 036 188	1 110 709
Subscriptions fees	43 320	298 613
Telephone and internet fees	3 004 650	3 167 619
Training and bursaries	1 917 377	2 031 625
Membership fees	305 693	171 150
Municipal expenses	14 145 263	13 403 893
Uniforms	78 021	90 886
Travel and accommodation	3 610 659	2 952 242
Textbooks and learning materials	19 665 234	18 506 281
Business integrator fees	124 541	72 486
Examination expenses	58 723	118 655
COVID 19 expenditure	254 290	593 989
Council functions	59 950	20 085
Stipends	5 214 611	1 072 907
	<b>111 631 129</b>	<b>91 449 622</b>

## ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

### Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>34. Cash generated from operations</b>		
Surplus	40 641 855	39 841 471
<b>Adjustments for:</b>		
Depreciation and amortisation	21 809 934	16 314 734
Net Gain/(Loss) movement on projects	-	(8 180 981)
Gain/(Loss) on disposal of assets	(554 185)	(332 424)
Impairment	3 488 394	(225 516)
Debt impairment	10 744 259	26 745 342
Inventory losses or write-downs	(309 970)	142 719
Finance income	(22 800)	-
<b>Changes in working capital:</b>		
Inventories	(12 046 918)	374 134
Receivables from exchange transactions	(23 843 919)	(4 531 955)
Trade and other receivables from non-exchange transactions	(18 931 097)	(1 004 912)
Non cash items	50 991 290	(11 486 576)
Trade and other payables from exchange transactions	272 729	4 499 665
Unspent conditional grants and receipts	3 517 644	(64 938)
	<b>75 757 216</b>	<b>62 090 763</b>

### 35. Financial instruments disclosure

#### Categories of financial instruments

#### 2024

##### Financial assets

	At fair value	At amortised cost	Total
Other financial assets (At Fair Value)	61 870 217	-	61 870 217
Receivables from exchange transactions (At Amortised Cost)	-	65 573 288	65 573 288
Cash and cash equivalents (At Fair Value)	500 290 128	-	500 290 128
	<b>562 160 345</b>	<b>65 573 288</b>	<b>627 733 633</b>

##### Financial liabilities

	At cost	Total
Trade and other payables from exchange transactions (At Cost)	78 926 163	78 926 163

#### 2023

##### Financial assets

	At fair value	At amortised cost	Total
Other financial assets (At Fair Value)	103 316 928	-	103 316 928
Receivables from exchange transactions (At Amortised Cost)	-	52 473 628	52 473 628
Cash and cash equivalents (At Fair Value)	423 845 456	-	423 845 456
	<b>527 162 384</b>	<b>52 473 628</b>	<b>579 636 012</b>

##### Financial liabilities

	At amortised cost	At cost	Total
Finance lease obligation current liability (At Amortised Cost)	22 800	-	22 800
Trade and other payables from exchange transactions (At Cost)	-	82 234 845	82 234 845

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>35. Financial instruments disclosure (continued)</b>		
	<b>22 800</b>	<b>82 234 845</b>
		<b>82 257 645</b>

### 36. Commitments

#### Authorised capital expenditure

##### Already contracted for

• Property, plant and equipment	2 021 290	11 198 384
---------------------------------	-----------	------------

##### Total capital commitments

Already contracted for	2 021 290	11 198 384
------------------------	-----------	------------

##### Total commitments

##### Total commitments

Authorised capital expenditure	2 021 290	11 198 384
--------------------------------	-----------	------------

### 37. Contingencies

#### 2024

##### Case 1:

This issue relate to action instituted by Obungani Trading and Projects, relating to the repudiation of a computer tender contract. A claim to the sum of R2 316 889 was instituted against the college.

##### Case 2:

Moses Kotane Local Municipality: There are rates and interest charges that have been levied against the College's account that management believes to be incorrectly applied with respect to tariffs. The amount in dispute is R 22 688 296,87.

##### Case 3:

GPS Architects initiated a law suit against the College on outstanding balance of R1 303 016 for two projects the College disputes to have granted mandate for.

#### 2023

##### Case 1:

This issue relate to action instituted by Obungani Trading and Projects, relating to the repudiation of a computer tender contract. A claim to the sum of R2 316 889 was instituted against the college.

##### Case 2:

Rustenburg Local Municipality. The college is disputing a the municipal water charges with respect to billings charged for a community recreational facility not benefitting the college. The amount under dispute is R5 917 884.

##### Case 3:

Moses Kotane Local Municipality: There are rates and interest charges that have been levied against the College's account that management believes to be incorrectly applied with respect to tariffs. The amount in dispute is R31 611 827.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

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### 38. Related parties

#### Relationships

Controlling entity

Minister of Higher Education and Training and Department of Higher Education and Training. The Minister of Higher Education and Training: The Minister of Higher Education and Training (the minister") is the executive authority of all public entities reporting to him/her. In terms of the Continuing Education and Training Act No 16 of 2006 (the Act), the Minister has control over ORBIT TVET College.

Department of Higher Education and Training: The Minister is also a related party of the Department of Higher Education and Training (DHET). Therefore DHET is also a related party of ORBIT TVET College. DHET transfers the Grant and Subsidy allocation to ORBIT TVET College and controls the employees placed at ORBIT TVET College due to their employment contracts with DHET. DHET therefore pays for the management fees.

Other TVET Colleges and Universities

SETA's

NSFAS

Members of Key Management

Councillors

Subject to common of DHET

Subject to common of DHET

Subject to common of DHET

Responsible for planning, directing and controlling the reporting college

P Mohajane (Ms) (SRC President) M Khoza (Ms) (SRC Secretary) Dubazana TC (Corporate Services – Additional Member) .

Moloantoa K (Dr) (Director - Ministerial Appointment) Chairperson.

Bogopa MB (Relationship Executive Public Sector - Ministerial Appointee) Deputy Chairperson.

Lefophane MH (Dr) Lecturer - Ministerial Appointment).

Ramdass KR(Prof) (Professor – Ministerial Appointee)

Dr Moloape MB (General Manager: Pilanesburg Mines - Ministerial Appointee)

Magolego PM (Attorney -Donor). Mangoma APC (Ms) (Freelancing).

Singh R (Financial Accountant – Additional member).

Mokoena DF (Principal - College Employee).

Van Heerden A (Secretary and College Employee).

Letsoalo SM (College Employee).

Mokale AT (College Employee) .

Ramaru MS (College Employee) Sethubogeng K (Ms) (SRC Secretary).

Mathye MG (Ms) Freelancing - Additional Member)

Tawana A (SRC President)

Audit Committee

I Carrim - Group Financial Controller at Glencore.

W Fourie - Chartered Accountant at DVS

Chartered Accountants.

R Kgalaki - Consultant.

APC Mangoma - Audit, Risk and and IT Audit Consultant.

MG Mathye - Freelancing.

DF Mokoena - Principal at ORBIT TVET College.

# ORBIT TVET COLLEGE

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## Notes to the Annual Financial Statements

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<b>38. Related parties (continued)</b>		
Members of key management		
	DF Mokoena - Accounting Officer/Principal.	
	SM Matjiane - Deputy Principal: Corporate Services.	
	TJ Mosito - Deputy Principal: Academic.	
	TM Sebaetse - Deputy Principle Finance	
	Dr JCH Viljoen - Acting Deputy Principle Innovation	
	Ms T Tlhopile - Acting Deputy Principal Academic	
<b>Related party balances</b>		
<b>Related party balances included in payables</b>		
NSFAS	40 683 092	37 062 700
INSETA	241 463	1 131 128
ETDP SETA	72 515	151 664
FOODBEV SETA	63 300	63 300
W&RSETA	-	4 822 060
MERSETA	-	1 268 590
AGRI SETA	238 289	410 725
<b>Related party balances included in receivables</b>		
EWSETA	84 514	84 515
EPWP	130 850	-
W&RSETA	591 795	237 925
MERSETA	335 662	210 000
<b>Government Grants and Subsidies Received</b>		
Department of Higher Education and Training - Servcies In-Kind	180 117 781	175 003 682
Department of Higher Education and Training - Programme Funding	78 178 000	71 833 968
Department of Higher Education and Training - Centre of Specialisation	3 517 644	64 938
National Skills Levy	855 725	887 881
Department of Higher Education and Training - CIEG	-	3 417 734
	<b>262 669 150</b>	<b>251 208 203</b>

### Remuneration of management

#### Management class: Councillors

2024

Name	Meeting Fees	Travel & Subsistence	Total
Dubazana TC	9 126	-	9 126
Moloantoa K	67 077	1 758	68 835
Bogopa MB	21 758	-	21 758
Magologo PM	38 058	3 197	41 255
Singh R	14 283	369	14 652
Molope M	14 283	378	14 661
Matnye MG	22 488	5 670	28 158
Fourie WS	5 317	-	5 317
Ngoma APC	7 776	-	7 776
Qoma LE	25 946	-	25 946
Hoogkamer JA	41 492	2 043	43 535
Carrim I	2 618	-	2 618
Molapisi JJ	41 609	-	41 609
Sepeng S	35 079	-	35 079
	<b>346 910</b>	<b>13 415</b>	<b>360 325</b>

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 38. Related parties (continued)

#### 2023

Name	Meeting Fees	Travel & Subsistence	Total
Dubazana TC	53 405	-	53 405
Moloantsoa K	176 923	1 594	178 517
Bogopa MB	87 780	1 362	89 142
Magolego PM	108 530	7 493	116 023
Singh R	22 140	-	22 140
Molope M	36 423	-	36 423
Mathye MG	71 799	3 859	75 658
	<b>557 000</b>	<b>14 308</b>	<b>571 308</b>

#### Management class: Executive management

#### 2024

Name	Basic salary	Other benefits received	Total
Principal	876 689	382 760	1 259 449
Deputy Principal Corporate Services	806 521	318 567	1 125 088
Deputy Principal Academic	698 988	278 775	977 763
Deputy Principal Finance	754 394	239 067	993 461
Deputy Principal Innovation	749 121	252 992	1 002 113
	<b>3 885 713</b>	<b>1 472 161</b>	<b>5 357 874</b>

#### 2023

Name	Basic salary	Other benefits received	Total
Principal	824 215	393 443	1 217 658
Deputy Principal: Corporate Services	762 389	309 563	1 071 952
Deputy Principal: Academic	508 153	288 068	796 221
Deputy Principal: Finance	485 804	140 189	625 993
Deputy Principal: Innovation	63 595	24 849	88 444
	<b>2 644 156</b>	<b>1 156 112</b>	<b>3 800 268</b>

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

## Notes to the Annual Financial Statements

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### 39. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

#### Statement of financial position

##### 2023

	Note	As previously reported	Correction of error	Restated
Receivables from exchange transactions		53 648 434	(1 174 806)	52 473 628
Property, plant and equipment		161 860 516	5 228 479	167 088 995
Intangible assets		1 027 425	23 656	1 051 081
Trade and other payables		(95 032 106)	12 797 258	(82 234 848)
Payables from non exchange transactions		(9 161 981)	(4 665 295)	(13 827 276)
Accumulated Surplus		(648 122 730)	(12 209 292)	(660 332 022)
		<b>(535 780 442)</b>	<b>-</b>	<b>(535 780 442)</b>

#### Statement of financial performance

##### 2023

	Note	As previously reported	Correction of error	Restated
Depreciation and amortisation		16 338 390	(23 656)	16 314 734

#### Errors

##### Property, Plant and equipment

During the year under review the college found assets that were not previously captured on the movable asset register. This resulted in a restatement on the comparative figures relating to property, plant and equipment. In addition, certain assets were not correctly depreciated and this was corrected retrospectively.

##### Intangible assets

During the year under review the college over amortised Copy Rights assets in the prior year. The error was corrected retrospectively in the current year. The correction resulted in the restatement of intangible assets and amortization.

##### Trade and other payables from exchange transactions

The adjustments were a result of charges made on municipal accounts and recognized that have been subsequently reversed by the municipality or the municipality has agreed to the liability and has taken steps to repay the amounts in question. The balances have been incurred in two local authorities' jurisdiction in which the College operates and relate to water and rates accruals and interest that was there on. The amounts span several years and have been applied as appropriate in each case.

##### Projects

The adjustment resulting from the W & R SETA Solar project income that was realized as profit for the year and should have been classified as a project liability, and the expenses for E900 project that were not accounted correctly against the project liability. No prior period errors occurred during the year under review.

##### Statutory receivables.

The College previously presented statutory receivables as receivables from non exchange transactions. This has been revised in the current financial year. This change has no financial impact on the prior year reported amounts.

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

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### 39. Prior-year adjustments (continued)

Commitments

The College previously reported commitments of R12 016 434. The amount included operational commitments of R818 051. This was updated and the restated amount is R11 198 384.

### 40. Risk management

#### Financial risk management

As a result of its operational activities, Orbit TVET college is exposed to a variety of financial risks, namely, market risk (fair value interest rate risk & cash flow interest rate risk), credit risk and liquidity risk.

#### Liquidity risk

The college's risk to liquidity is a result of the funds available to cover future commitments. The college manages liquidity risk through an ongoing review of future commitments and credit facilities and to balance between actual and budgeted operating expenses. Budgets are prepared annually, taking into account the yearly government funding allocations to the college. Management also monitors borrowing facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

<b>At 31 December 2024</b>	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>
Trade and other payables - exchange (At amortised cost)	78 926 163	-	-	-

<b>At 31 December 2023</b>	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>
Trade and other payables - exchange (At amortised cost)	82 234 845	-	-	-
Finance lease obligations	22 800	-	-	-

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

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### 40. Risk management (continued)

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The college only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Provision for impairment is recognised for all receivables, in accordance with GRAP 104 Financial Instruments, and is monitored at the end of each reporting period. In addition, receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

For cash balances the exposure at default is considered to be the outstanding balance at year end as this is the amount that is exposed. The current ratings for banks is Baa3 (Moody's) and zaAA (Standard & Poor) and indicates that banks is stable and taking into account the historic date on ratings and probabilities of default.

Financial assets exposed to credit risk at year end were as follows for each financial asset classes:

Financial instrument	2024	2023
Cash and Cash Equivalents (At fair value)	500 290 128	423 845 456
Other financial assets (At fair value)	61 870 217	103 316 928
Receivables from exchange transactions (At amortised cost)	65 573 288	52 473 628

No collateral is held in regards to any financial asset of ORBIT TVET College.

The College has no significant concentrations of credit risk. For banks and financial institutions, only independently rated parties are accepted and the College have policies in place to ensure that credit exposure to any one institution is limited. It also has policies in place to ensure that rendering of education service are made to students with an appropriate credit history.

Receivables comprise of outstanding student loans and a number of customers dispersed across different industries and geographical areas. The College is exposed to credit risk arising from student receivables related to outstanding fees and loans. This risk is mitigated by requiring students to pay an initial instalment in respect of tuition and accommodation fees at registration, the regular monitoring of outstanding fees, the institution of debt collection action in cases of long outstanding amounts.

In addition, students with outstanding balances from previous years of study are only permitted to renew their registration after either the settling of the outstanding amount or the conclusion of a formal arrangement. The College assists a limited number of financially needy students with loans.

Although this represents a credit risk, the risk is mitigated in view thereof that the loans are secured by means of requesting two sureties per agreement. Credit valuations are performed on the financial condition of customers other than students.

### 41. Going concern

We draw attention to the fact that at 31 December 2024, the college had an accumulated surplus of R 727 380 985 and that the college's total assets exceed its liabilities by R 727 380 985.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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

# ORBIT TVET COLLEGE

Annual Financial Statements for the year ended 31 December 2024

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### 42. Events after the reporting date

No material non-adjusting events occurred after the reporting date

### 43. Segment information

#### General information

#### Identification of segments

The entity's reporting systems don't currently support segment reporting as the operations are not set up based on the geographical locations of the 3 campuses, hence, the information to report on segments is not available and not reported as such to management for performance purposes.

Thus, in terms of GRAP 18 requirements relating to segments the following does not apply:

1. Results are not separately reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance;
2. Separate financial information / reporting is not available.