



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT 2025

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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

ORBIT 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 2025 aims to present and showcase the performance and achievements of ORBIT TVET College during the 2025 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
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

The South African Constitution provides a vision of a united, prosperous, non-racial and non-sexist society; a country that belongs to all who live in it, united in its diversity. The obligation is enshrined in the preamble of the Constitution of the Republic of South Africa. The Constitution commits the government and the nation to establishing a society based on democratic value, social justice and fundamental rights, recognising that South Africa emerged from a system where a majority of its citizens were denied opportunities. This vision has been more difficult in periods of slower economic growth. Achieving South African development goals, it requires the confluence of several factors contained in the National Development Plan (NDP).

According to the NDP, South Africa's blue print to eliminate poverty and drastically reduce inequality by 2030. In fulfilling the vision we will be greatly aided by a developing economy, increasing employment and incomes, improving the educational system and favourable conditions for entrepreneurship and career mobility. While the achievement of the vision requires progress on a broad front, two priorities stand out:

- Raising employment through faster economic growth and;
- Improving the quality of education, skills development and innovation.

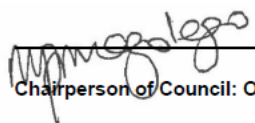
The Bureau for Economic Research (BER) has published a report reflecting on South Africa's challenges as the government battles to meet the two priority areas. Real GDP growth is forecast to remain below rate, a rate that is not sufficient to address the challenges of unemployment and skills development. The employment data for the third quarter were released by Statistics South Africa. It is common knowledge that South Africa has among the highest rate of unemployment in the world. Even more concerning, is the youth unemployment rate. With the rise of digital transformations and artificial intelligence disrupting industries, many jobs may no longer exist in future, especially for the youth. This is more so for those who come from underprivileged backgrounds.

The Technical and Vocational Education and Training (TVET) colleges environment is marked by increasingly stark juxtapositions between what must be accomplished in the post-school education sector and the escalating difficulty of socio-economic challenges mentioned above. Expectations are high that the TVET colleges can make a pivotal contribution to counter these challenges. Higher Education, Science and Innovation Minister, stated that South Africa needs school leavers to pursue artisanal type training to meet the country's demand for scarce skills.

The TVET colleges' enrolments have been increasing rapidly over the past few years, and this growth is envisaged to continue to address the country's acute skills shortages. The primary objective of TVET institutions is to prepare students for employment and/or self-employment; as a result, they establish and preserve strong working partnerships with employers in a range of learning areas and as such they are tasked with producing skilled graduates to drive re-industrialisation. The collaborations offer chances for work-integrated learning, place students when they graduate from college, and give staff members regular workplace experience to keep them up to date on industry advancements.

Proper governance, management, leadership and systems at both college and campus levels are preconditions for optimal institutional functionality. The Republic of South Africa has some of the most globally renowned corporate governance frameworks in the world.

The Co-operative college governance depends on a coalition of interdependent factors. When institutional leadership, governing boards, academic staff, students and external partners work together, they ensure academic excellence, compliance and strategic growth.


Chairperson of Council: Orbit TVET College

4. THE ACCOUNTING OFFICERS FOREWORD

2025 has been a defining year in the history of ORBIT TVET College—a year characterised by resilience, transformation, excellence, and remarkable achievements. As the College continues to position itself as a leading institution within the TVET sector, we celebrate the collective efforts of our staff, students, industry partners, and stakeholders who have contributed to another year of meaningful progress and impact.

One of the most significant milestones during this period was ORBIT TVET College's ability to successfully navigate the changing landscape of technical and vocational education and training. The transition from legacy programmes to occupational programmes presented the sector with a period of uncertainty and adjustment. However, through strategic planning, institutional agility, and the unwavering commitment of our staff, the College managed this transition effectively. Our focus remained on ensuring continuity in student success, strengthening programme relevance, and preparing our lecturers and systems for the future of skills development aligned to industry needs.

Academic excellence continued to be at the heart of our institutional journey. The College remains committed to creating an environment where teaching and learning thrive, supported by dedicated lecturers, effective academic systems, and a culture that encourages students to pursue excellence. These achievements reflect the strength of our collective commitment to quality education and the development of skilled graduates who can contribute meaningfully to the economy.

2025 was also a historic year beyond the classroom, as the ORBIT TVET College Football Club achieved an extraordinary milestone by securing promotion to the Premier Soccer League (PSL). This achievement represents more than sporting success—it reflects discipline, teamwork, perseverance, and the power of developing talent through opportunity and support. The promotion stands as a source of immense pride for the College community and highlights the role that TVET institutions can play in nurturing excellence across multiple fields.

Our commitment to innovation, partnerships, and industry collaboration remained a key driver of our success. Through strong relationships with SETAs, government departments, industry partners, and international collaborators, ORBIT continues to expand opportunities for students and staff while ensuring that our programmes remain responsive to the demands of a changing economy. These partnerships strengthen our ability to deliver relevant skills development and support the national agenda for economic growth.

The College's continued focus on technology, innovation, and future-focused learning further demonstrates our readiness for the challenges and opportunities presented by the Fourth Industrial Revolution (4IR). Through initiatives that promote digital skills, artificial intelligence, and industry-aligned training, ORBIT continues to position itself at the forefront of innovation within the public TVET sector.

None of these achievements would have been possible without the dedication and professionalism of our staff, the determination of our students, and the unwavering support of our partners and stakeholders. The resilience demonstrated by the College community throughout a period of significant transformation is a testament to the strength of our institution and our shared commitment to excellence.

As we reflect on 2025, we do so with gratitude and pride. We celebrate the milestones achieved, acknowledge the challenges overcome, and look ahead with confidence and renewed determination. ORBIT TVET College remains committed to empowering communities, developing skilled graduates, and shaping a future driven by innovation, opportunity, and purpose.



MOKOENA DF

ACCOUNTING OFFICER/PRINCIPAL

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 2025.



MOKOENA DF

ACCOUNTING OFFICER/PRINCIPAL

6. LEGISLATION AND OTHER DIRECTIVES

6.1 Legislative Framework

ORBIT TVET College is enjoined by Section 44(3) of the CET 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) college council 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) college council 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:

- National Qualifications Framework (NQF) Act (No 67 of 2008);
- Higher Education (HE) Act (No 101 of 1997);
- Skills Development Act (No 97 of 1998);
- Skills Development Levies Act (no 9 of 1999); and
- 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

7.1.1 College Council 2025 and its designated functions

Executive Committee (EXCO)

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	DATE APPOINTED	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Phillemon Magolego	Council Chairperson and Section 10(6) Member	Appointed 01 April 2019.	3	2
Lerato Qoma	Deputy Chairperson and Section 10(4) (b) Member	Appointed 22 May 2024..	3	2
Hantie Hoogkamer	Section 10(4) (b) Member	Appointed 22 May 2024.	3	1
Joeseeph Mlopaisi	Section 10(4) (b) Member	Appointed 22 May 2024.	3	1
Dika Mokoena	Principal of College and Section 10(4) (a) Member	Appointed 01 Jun 2013.	3	2
Victor Mofokeng	Donor Representative	Appointed 22 May 2024.	3	0

Council members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	DATE APPOINTED	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Mishack Molohe	Section 10(6) Member	Appointed 1 April 2019	5	5
Kemlall Ramdass	Section 10(6) Member	Appointed 1 April 2019	5	3
Rishi Singh	Section 10(6) Member	Appointed 1 April 2019	5	4
Victor Mofokeng	Donor Representative	Appointed 22 May 2024	5	2
Mbuso Tshabalala	SRC Representative (President)	Appointed Feb 2025	8	7
N Msiza	SRC Representative (Secretary)	Appointed Feb 2025	8	3
Victoria Mlambo	Lecturer Representative	Appointed 22 May 2024	8	8
Phinias Nkai	Academic Board Representative	Appointed 22 May 2024	8	5
Erick Nthole	Support Staff Representative	Appointed 22 May 2024	8	8

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	DATE APPOINTED	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Lerato Qoma	Deputy Chairperson and Section 10(4) (b) Member	Appointed 22 May 2024.	8	8
Hantie Hoogkamer	Section 10(4) (b) Member	Appointed 22 May 2024	8	8
Mathildah Mokgatle	Section 10(4) (b) Member	Appointed 22 May 2024	8	4
Joeseeph Mlopaisi	Section 10(4) (b) Member	Appointed 22 May 2024	8	8
Sharong Sepeng	Section 10(4) (b) Member	Appointed 22 May 2024	8	2
Dika Mokoena	Principal of College and Section 10(4) (a) Member	Appointed 1 Jun 2013	8	8

7.1.2 Council sub-committees

Audit and Risk sub-committee members

SURNAME & INITIALS	DESIGNATED FUNCTION AND MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Lerato Qoma	Deputy Chairperson and Section 10(4) (b) Member	8	8
Hantie Hoogkamer	Section 10(4) (b) Member	4	4
Dika Mokoena	Principal of College and Section	8	6

SURNAME & INITIALS	DESIGNATED FUNCTION AND MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
	10(4) (a) Member		
Imtiaz Carrim	Independent member on ARCOM	8	3
Wilmie Fourie	Independent member on ARCOM	8	7
Rapule Kgalaki	Independent member on ARCOM	8	8
Moses Sebaetse	Invitee	8	8
Moses Tsabangwe	Invitee	8	8
Gilbert Mafojane	Invitee	8	5

1) Ms JA Hoogkamer was nominated and elected as the Deputy Chairperson of the Committee and only attends meetings when the Chairperson (Ms L Qoma) is not available to attend the specific meeting

Finance subcommittee members

SURNAME & INITIALS	DESIGNATED FUNCTION AND MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Hantie Hoogkamer	Section 10(4) (b) Member	4	4
Dika Mokoena	Principal of College and Section 10(4) (a) Member	5	5
Mishack Molope	Section 10(6) Member	4	4
Rishi Singh	Section 10(6) Member	4	1
Lerato Qoma	Deputy Chairperson and Section 10(4) (b) Member	1	1
Moses Sebaetse	Deputy Principal		

1) Ms L Qoma only served in the Finance Committee for one Meeting

Conditions of employment sub-committee members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Hantie Hoogkamer	Section 10(4) (b) Member	4	4
Dika Mokoena	Principal of College and Section 10(4) (a) Member	4	4
Kemlall Ramdass	Section 10(6) Member	3	0
Victor Mofokeng	Donor Representative	3	2
Gilbert Mafojane	Acting Deputy Principal: Corporate Service	4	4

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

Planning and resource sub-committee members

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Joeseeph Mlopaisi	Section 10(4) (b) Member	3	3
Dika Mokoena	Principal of College and Section 10(4) (a) Member	3	2
Kemlall Ramdass	Section 10(6) Member	3	2
Albert Merementsi	Infrastructure Manager	3	1
Moses Sebaetse	Member	3	3
Joe Viljoen	Deputy Principal: Innovation and Development	3	3

2025 Constitution of Academic Board

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Hoogkamer JA	Council Representative	3	3
Kgaboesele B	ASD: Campus Manager- Rustenburg Campus	3	2
Kekana S	ASD: Student Support Services	3	2
Letsoalo SM	NC(V) Engineering Studies	3	3
Lupuwana LG	NC(V) & Occupational Programmes	3	1
Matjie PA	NC(V) and Report 191 Engineering Studies	3	1
Matlou P	Centre for Entrepreneurship and Rapid Incubator Manager	3	0
Tshabalala M	SRC President	3	2
Mokoena DF	Principal	3	2
Molapi W (Ms)	ASD: Campus Manager -Manwke Campus	3	2
Molele BS	NC(V) Programmes Business & General studies	3	0
Moloto KC	Report 191 Business and Utility Studies	3	3
Ngobeni AK	Lecturer	3	1
Ngwato E	Acting ASD: Campus Manager- Brits Campus	3	3
Nkau P	ASD: Curriculum Implementation	3	3
Nkolosa L	Academic Development and Alumni Representative of the SRC	3	0
Phiri KA	Report 191 Engineering Studies	3	3
Ramdass K	Professor and Council	3	0

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
	Representative		
Raphunga N	Occupational Programmes	3	3
Tlhopile T	Deputy Principal Academic and Student Support Service	3	3
Viljoen J	Deputy Principal Innovations and Development	3	2

7.1.3 Performance of council terms of its statutory functions, explained in section 10(1) – (3) of the CET ACT

7.1.3.1 Duties of the College Council

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

Makes rules for the College;

- a) Establishes the Council Committees and determines the composition and functions of each committee;
- b) 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;
- c) 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;
- d) Determines and provides student support services after consultation with the SRC;
- e) Subject to the approval of the Director-General, determines the language policy of the College, after consultation with the Academic Board;
- f) Determines tuition fees, accommodation fees and any other fees payable by students as well as accommodation fees payable by employees;
- g) Approves the annual budget of the College; and
- h) May conclude a loan or overdraft agreement, with the approval of the Minister.

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

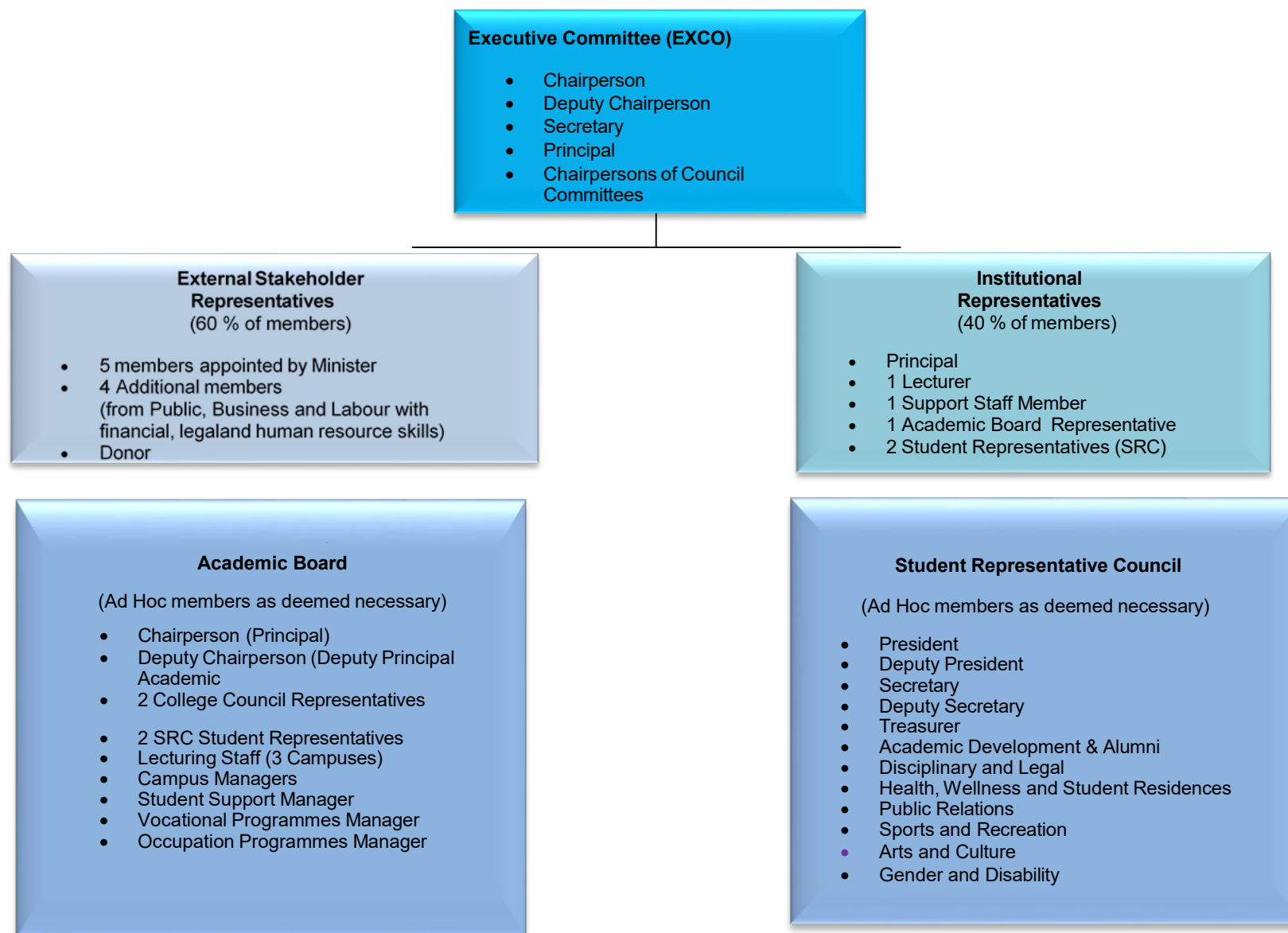
- a) Determines conditions of service, code of conduct and privileges and functions of its employees and may, in the manner set out in the code of conduct, suspend or dismiss employees of the College; and
- b) May order an employee of the College who has been suspended to refrain from being on any premises 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.

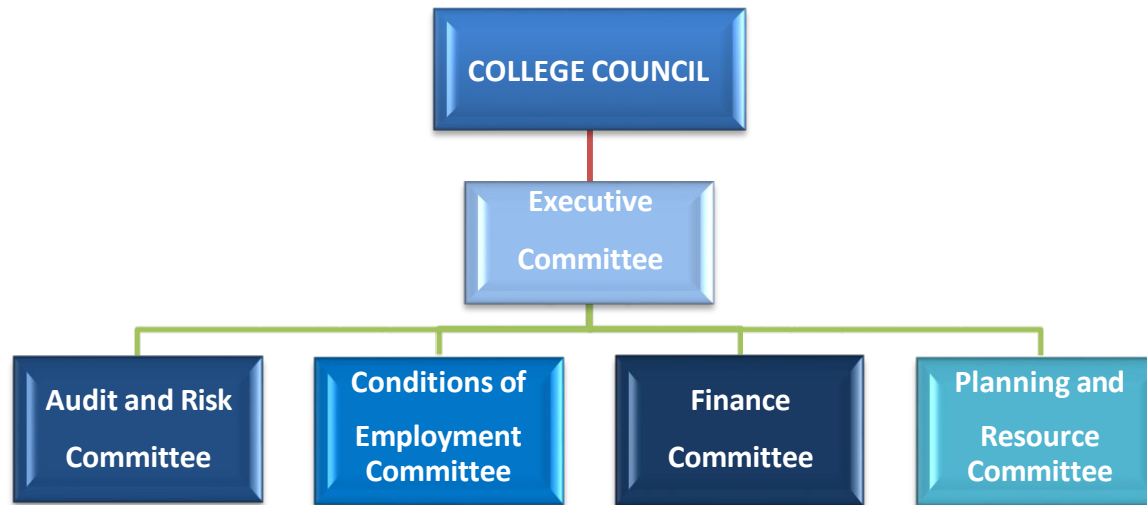
7.1.3.2 Composition of Council

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.

7.1.3.3 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, Deputy Principal 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)

7.1.3.4 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

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 2025

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 2025.

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
Ms Hoogkamer JA	Section 10 (4) (b) Council Member	4	4
Mr DF Mokoena	Section 10 (4) (a) Council Member	5	4
Mr M Sebaetse	Deputy Principal Finances	5	5
Dr M Molohe	Section 10 (4) (b) Council Member	4	4
Ms L Qoma	Section 10 (4) (b) Council Member	1	1
Mr R Singh	Section 10 (6) Council Member	4	1

1) Ms L Qoma only served in the Finance Committee for one Meeting

3. Finance committee responsibility

As at the 31 December 2025 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:

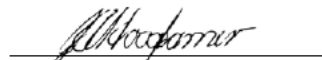
- 4.1 Approved finance policies and monitor compliance.
- 4.2 Overseen the preparation of the annual budget and financial statements.
- 4.3 Considered and approved financial strategies and objectives as recommended by the Deputy Principal Finances in support of adopted development and growth plans for 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 Learners 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.


J.A. HOOGKAMER (Ms)
CHAIRPERSON

7.2.2 Report of the conditions of employment committee to the council of ORBIT College for the year ended 31 December 2025

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 2025.

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
Ms JA Hoogkamer	Section 10 (4) (b) Council Member	4	4
Mr G Mafojane	Acting Deputy Principal Corporate Services	4	4
Mr V Mofokeng	Section 10 (4) (d) Council Member	3	2
Mr DF Mokoena	Section 10 (4) (a) Council Member	4	4
Prof K Ramdass	Section 10 (6) Council Member	3	0

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.

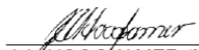
- 4.9 Reviewed and reported to the full Council, with recommendations, the following:
 - 4.9.1 the ethical standards of the College to ensure that Management has identified the values that determine acceptable behaviour in the College and has put in place a process that ensures these values are reflected 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.

6. Appreciation

The CoECOM expresses its sincere appreciation to the Council, Accounting Officer, Management, Officials, Auditor-General South Africa and the Human


J.A. HOOGKAMER (Ms)
CHAIRPERSON

7.2.3 Report of the audit and risk committee to the council of ORBIT College for the year end 31 December 2025

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 2025.

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	8	3
Ms W Fourie	External Member	8	7
Ms JA Hoogkamer	Section 10 (4) b) member of Council	4	4
Mr R Kgalaki	External Member	8	8
Mr P Mafojane	Invitee	8	5
Mr D Mokoena	Section 10 (4) (a) member of Council	8	6
Ms L Qoma	Section 10 (4) (b) member of Council	8	8
Mr M Sebaetse	Invitee	8	8
Mr M Tsabangwe	Invitee	8	8

1) Ms JA Hoogkamer was nominated and elected as the Deputy Chairperson of the Committee and only attends meetings when the Chairperson (Ms L Qoma) is not available to attend the specific meeting

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 2025. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. Internal audit

The ARC is satisfied with the limitations as identified by the AGSA of the internal audit activities. And the risks identified to be addressed. The ARC approved internal Audit's strategic documents for 2025. The 2025 operational plan was implemented by internal Audit and monitored by the ARC on a quarterly basis.

10. 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.

11. 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.

12. Conclusion

The ARC concurs and accepts the conclusions of 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 Learners of the College.

13. 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.



L. OMA (Ms)
CHAIRPERSON

7.2.4 Report of the planning and resource committee to the council of ORBIT College for the year end 31 December 2025

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 2025.

2. Planning and resource 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. During the year under review, four meetings were held.

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Dr J Mlopaisi	Section 10(4) (b) Member	3	3
Mr D Mokoena	Principal of College and Section 10(4) (a) Member	3	2
Prof K Ramdass	Section 10(6) Member	3	2
Mr A Meremetsi	Infrastructure Manager	3	1
Mr M Sebaetse	Member	3	3
Dr J Viljoen	Deputy Principal: Innovation and Development	3	3

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. 4.3 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.

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

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 Learners 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.



J. MOLAPISI (Dr)
CHAIRPERSON

7.3 Report of the academic board to the council of ORBIT College for the year end 31 December 2025

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 2025.

2. Academic board members and attendance

The Board's Terms of Reference requires that the Board consist of the following 23 members:

- Principal
- Deputy Principal Academic Programmes and Student Support Services
- Deputy Principal Innovation and Development

- Deputy Principal Centre for Entrepreneurship and Rapid Incubator
- ASD Vocational Programmes Manager
- ASD Occupational Programmes Manager
- ASD Student Support Manager
- Council Members (2 external Council members)
- SRC Members (2 members)
- ASD Campus Managers (Brits, Mankwe and Rustenburg Campuses)
- Head of Department Artisan Development and Partnership (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])

2.2 The criteria to elect the 3 lecturer representatives is:

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.

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Hoogkamer JA	Council Representative	3	3
Kgaboesele B	ASD: Campus Manager- Rustenburg Campus	3	2
Kekana S	ASD: Student Support Services	3	2
Letsoalo SM	NC(V) Engineering Studies	3	3
Lupuwana LG	NC(V) & Occupational Programmes	3	1
Matjie PA	NC(V) and Report 191 Engineering Studies	3	1
Matlou P	Centre for Entrepreneurship and Rapid Incubator Manager	3	0
Tshabalala M	SRC President	3	2
Mokoena DF	Principal	3	2
Molapi W (Ms)	ASD: Campus Manager -Manwke Campus	3	2
Molele BS	NC(V) Programmes Business & General studies	3	0
Moloto KC	Report 191 Business and Utility Studies	3	3
Ngobeni AK	Lecturer	3	1
Ngwato E	Acting ASD: Campus Manager- Brits Campus	3	3
Nkau P	ASD: Curriculum Implementation	3	3
Nkolosa L	Academic Development and Alumni Representative of the SRC	3	0
Phiri KA	Report 191 Engineering Studies	3	3
Ramdass K	Professor and Council Representative	3	0
Raphunga N	Occupational Programmes	3	3

SURNAME & INITIALS	DESIGNATED FUNCTION & MEMBERSHIP	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Tlhophile T	Deputy Principal Academic and Student Support Service	3	3
Viljoen J	Deputy Principal Innovations and Development	3	2

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

Subject to the Act, the Academic Board of the College is:

4.1 The academic board 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 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 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.

7.3 Student Representative Council report for 2025

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 election

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 committees are as follows:

- (i) President
- (ii) Deputy President
- (iii) Secretary - General
- (iv) Deputy Secretary
- (v) Treasurer - General
- (vi) Academic Development & Alumni
- (vii) Disciplinary & Legal
- (viii) Health & Wellness
- (ix) Public Relations
- (x) Sport & Recreation

(xi) Arts & Culture

(xii) Gender & Disability

3. SRC members

2025 SRC executive committee members

MEMBER	PORTFOLIO	CAMPUS
Tshabalala M (Mr)	President	MNK
Mathabetse T (Ms)	Deputy President	RTB
Msiza N (Ms)	Secretary	BRT
Muthabuli D (Ms)	Deputy Secretary	MNK
Sesane T (Ms)	Treasurer	BRT
Mojaki H (Mr)	DC & Legal	BRT
Poo T (Ms)	PRO	RTB
Nkolosa L (Ms)	Academics	MNK
Raborolo E (Ms)	Sport & Recreation	BRT
Godi E (Ms)	Art & Culture	RTB
Mohlabane C (Ms)	Health & Wellness	MNK
Motang O (Mr)	Gender & Disability	RTB

2025 Brits Campus SRC members

NAME	DESIGNATION
Tshabalala M	Chairperson
Muthabuli D	Secretary
Makume L	Treasurer
Nkolosa N	Academic
Mahlalela T	Public Relations
Monisi M	Sports & Recreation
Rigege K	Arts & Culture
Mohlabine C	Health & Wellness

2025 Mankwe Campus SRC members

NAME	DESIGNATION
Mojaki H	Chairperson
Msiza N	Secretary
Sesane T	Treasurer
Thipe O	Academic
Jere C	Public Relations
Raborolo E	Sports & Recreation
Tshidi K	Arts & Culture
Khacha O	Health & Wellness

2025 Rustenburg Campus SRC members

SURNAME	DESIGNATION
Mathabathe T	Chairperson
Motang O	Secretary
Mokgothu E	Treasurer
Sechele T	Academic
Poo T	Public Relations
Olyn R	Sports & Recreation
Godi E	Arts & Culture
Mpiti O	Health & Wellness

4. Representation on other bodies

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

Name	Portfolio	Committee
Tshabalala M Msiza L	President Secretary	College Council
Tshabalala M Sesane T Makume L Mokgothu E	President Brits Campus Treasurer Mankwe Campus Treasurer Rustenburg Campus Treasurer	Financial Aid Committee of the College
Tshabalala M Nkolosa L	President Academic Development Officer	Academic Board

The SRC is elected to:

- Function as a channel of communication between the Student Body and the Staff Leadership Team;
- Provide a channel of communication between the students of this College and Students of other Institutions;
- Crystallize the needs and aspirations of students and to make known their problems and point-of-views;
- Seek clarification on general academic issues and Student community issues, conducting the dialogue and consultation within the parameters of regulations embedded within the College;
- Promote the spirit of harmony and unity among Students and Staff of each Campus and the College;
- 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. SRC activity plan

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

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 2025.

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 fuelled 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 2025. 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 for student support services

Our College mandate remains clear. On the demand side, the College must continue to provide the skills required to support the country's economic growth and social development. Access to quality skills development contributes to increased investment, improved service delivery, and enhanced opportunities for communities. On the supply side, the College must continue to respond to the growing needs of both young people and adult learners by providing diverse entry points and flexible pathways through the learning system. This includes ensuring quality learning opportunities across all environments, whether at campuses or within the workplace, while enabling seamless movement between different learning pathways.

Fully functional Student Support Centres at each campus continue to play a critical role in achieving this mandate. These centres provide comprehensive academic and social support through dedicated support officials, academic support laboratories, study facilities, internet cafés, job portals, and other student-focused resources. In addition, strong partnerships with Business and Industry, including the mining, automotive, construction, and broader business sectors, have contributed significantly to improving student success, pass rates, and certification outcomes.

The Student Support Services provided to students in 2025 continued to focus on addressing the diverse socio-economic backgrounds and unique needs of students across the College. The implementation of a holistic Student Support Plan enabled management to respond effectively to the geographical challenges of each delivery site and the varied economic and social circumstances of students. Mankwe Campus remains the only

campus with student residences, with ongoing investment allocated towards maintenance, refurbishment, and improvements to ensure that students are accommodated in safe and conducive living environments.

During 2025, the College strengthened its engagement with prospective students and communities through renewed participation in physical school visits, career exhibitions, and recruitment activities. These engagements provided valuable opportunities to connect directly with learners, educators, parents, and stakeholders while promoting the programmes and opportunities offered by the College. The College continued to enhance its marketing and recruitment strategy through a combination of physical and digital platforms, including campus open days, career expos, online communication channels, stakeholder engagements, and targeted outreach initiatives.

The College has also placed increased emphasis on promoting a culture of reading and lifelong learning. Through the leadership and encouragement of the Principal, book clubs have been introduced across campuses to encourage reading, critical thinking, knowledge sharing, and personal development among students and staff. These initiatives support the broader objective of developing well-rounded graduates equipped with the skills and confidence required for further learning and the workplace.

All marketing, student support, and stakeholder engagement strategies were implemented with the aim of:

- Increasing access to education and training opportunities.
- Creating greater awareness within communities about the programmes and services offered by the College.
- Strengthening partnerships with local, provincial, national, and industry stakeholders for the benefit of students.
- Promoting a culture of learning, reading, and continuous personal development across all campuses.

9.4 Partnerships and linkages

During the 2025 financial year, ORBIT College maintained 52 active Memoranda of Understanding (MoUs) with various stakeholders across multiple industries to strengthen workplace placement opportunities for students. These strategic partnerships remain a critical component within the TVET sector, as they bridge the gap between education and industry by ensuring that graduates gain relevant workplace exposure, practical skills, and industry-aligned experience. ORBIT College recognises the importance of strong industry collaboration in enhancing employability, supporting skills development, and responding to labour market needs. The College remains committed to establishing and sustaining meaningful partnerships with industry stakeholders to create opportunities that contribute to student success and economic development.

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 431 posts to be filled from 2025 onwards. By December 2025, 382 posts were filled and 49 were still vacant across the four sites:

VACANT POSTS AS AT DECEMBER 2025					
CATEGORY	BRITS	MANKWE	RUSTENBURG	CENTRAL	ORBIT VACANT POSTS
Lecturing staff	11	9	14	0	34
Office based staff	1	0	0	0	1
Support staff	0	2	3	9	14
Total	12	11	17	9	49

Critical posts that were still vacant on December 2025 included a number of management positions

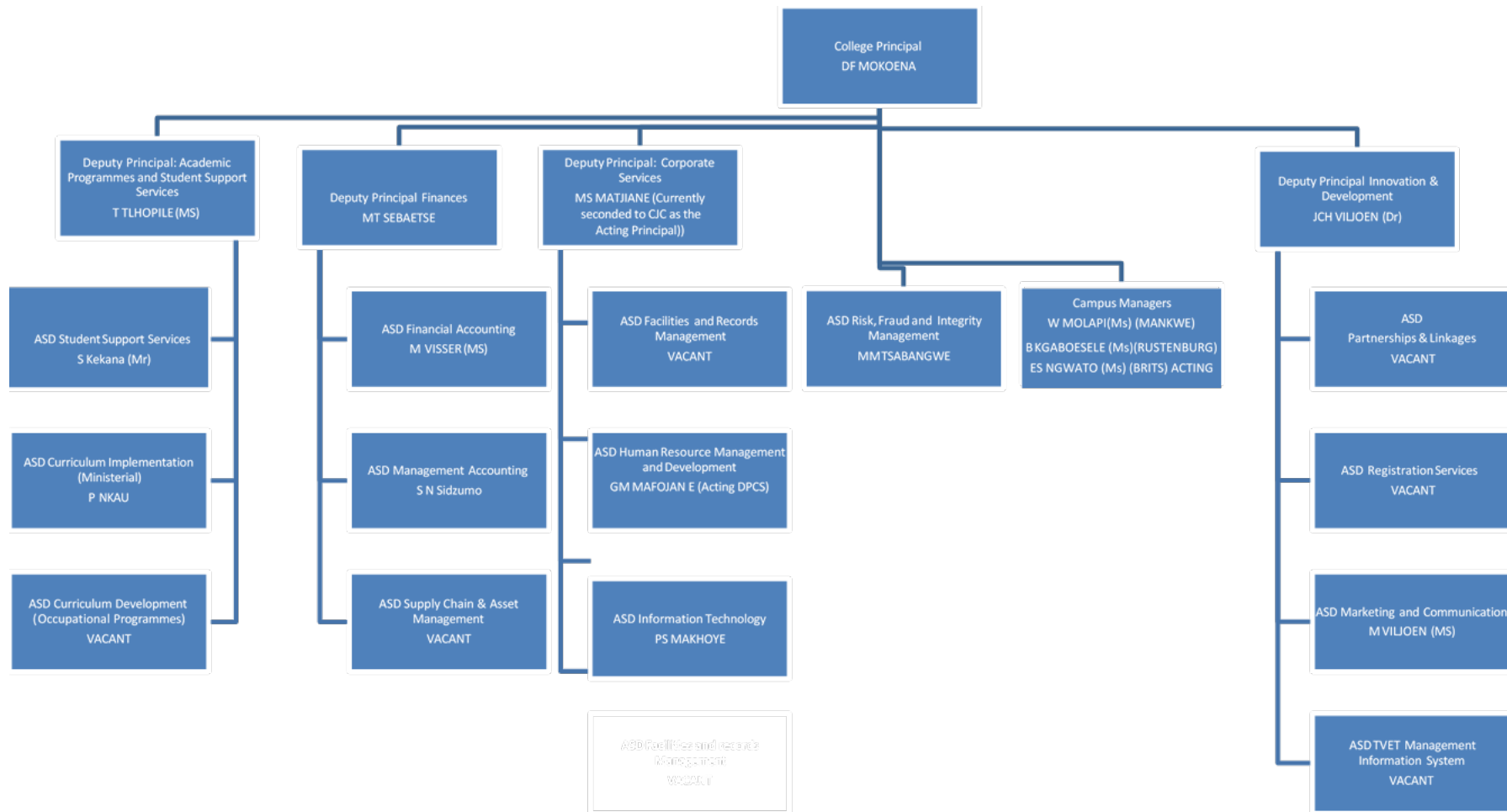
CRITICAL POST	SITE
Campus Administrator x 2	X1 Rustenburg campus X1 Mankwe campus
Deputy Principal Innovation and Development	Central Office
Assistant Director Occupational Programmes	
Assistant Director Partnerships and Linkages	
Assistant Director TVETMIS and Student Registration	
Assistant Director Supply Chain and Asset Management	
Assistant Director Facilities and Records Management	Brits campus
Campus Manager	
Head of Administration	

Critical posts in which people were acting at December 2025:

CRITICAL POST	ACTING PERSON	SITE
Deputy Principal: Corporate Service	Mr GM Mafojane was appointed as the acting Student Support Manager upon the secondment of Mr MS Matjiane as the Acting Principal for Central Johannesburg TVET College in 2024 to date.	Central Office
Brits Campus Manager	Ms ES Ngwato was appointed as the acting Campus Manager Brits Campus on 01 January 2024 to date due to the fact that Ms TM Tlhopile was appointed as Acting to the Deputy Principal Academic and Student Support and later got promoted into the same position on 01 July 2024.	Brits Campus

NUMBER OF LECTURING ANDDD SUPPORT STAFF 2025					
CATEGORY	BRITS	MANKWE	RUSTENBURG	CENTAL	ORBIT STAFF 2025
Management staff	0	0	0	5	5
Lecturing staff	65	77	82	0	224
Office based staff	0	1	1	1	3
Support staff	30	43	25	52	150
Total	95	121	108	58	382

HIGH LEVEL ORGANISATIONAL ORGANOGRAM



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 2025. 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 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, 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 2025 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:

- a) Ineffective good governance -Absence of Information Technology Steering Committee, IT Charter, Policy, Disaster Recovery Plan. Internal Audit not duly resourced and functioning to its full capacity in accordance to Global Internal Audit Standards. On-compliance to Premier Soccer League requirement. Non-functionality of Management Board. Subcommittees of Council and College Council meetings not held.
- b) Non-compliance to health and safety act requirements
- c) Low number of Lecturers not placed in industry.
- d) Ineffective management of Occupational programs
- e) Low number of students placed for Work Based Placement (NCV L4 and N6).
- f) Insufficient government funding, challenges in filling vacant posts (Moratorium of filling of vacant posts).
- g) High enrolment of Report 191 programs, low enrolment of NCV program and occupational programs difficulty in attracting sufficient students.
- h) Low pass rates, or poor academic performance in specific programs N6 (Business Studies and Engineering), and NCV L4, low retention rate, progression rate and or throughput.
- i) College's reputation-Poor student outcomes, delays in completing occupational programs which may lead to funders withdrawing funding, close up reports not submitted to funders.
- j) College unable to achieve unqualified audit opinion.

- k) The internal audit and assurance unit monitored the implementation of existing controls and future actions, updated the college risk register on quarterly basis and reported to management board meeting, Audit and Risk Committee and College council.

9.10 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 is also displayed across all college sites as an awareness to both the staff members and customers/contractors.

The fifth cycle re-certification audit was conducted in September 2025. 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.

9.11 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 2025 not all internal audit activities were conducted due to capacity constraints. Internal audit has reviewed annual financial statements for the year 2025 and follow up on external audit action plans of 2024 financial year.

9.12 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 2025 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 not conducted for all campuses and central office. Health and safety committees at campus are not functioning.

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 2025 in terms of:

Enrolment targets

A trend analysis has been conducted, based on comparative headcounts covering 2021–2025. This graph provides an overview of the changes in enrolment trends per campus over a five-year period, highlighting areas of opportunity, shifts in demand, and key insights to support future growth strategies.

Headcount is based on an average calculation of 1 HC = 7 subject 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 2024-2025 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.

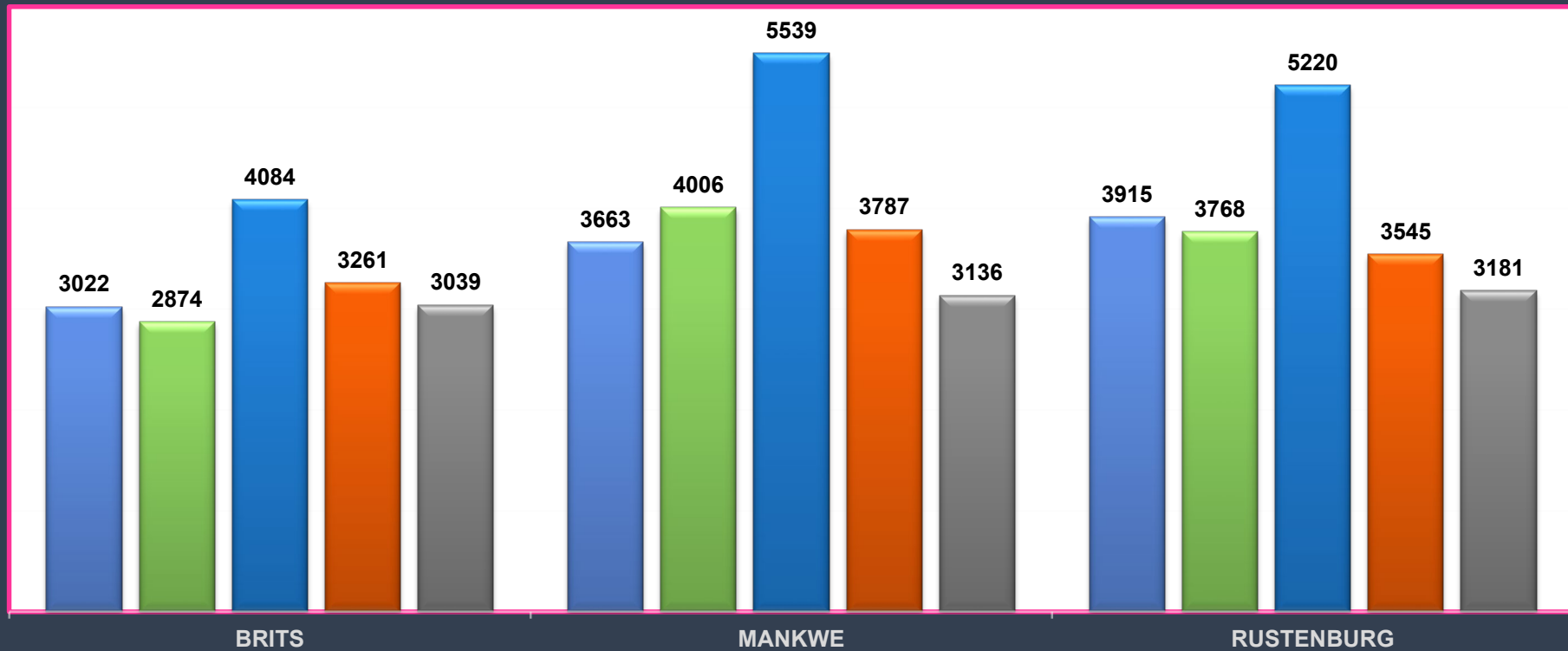
10.1 Student enrolments

10.1.1 Growth analysis (comparative headcounts: 2021-2025)

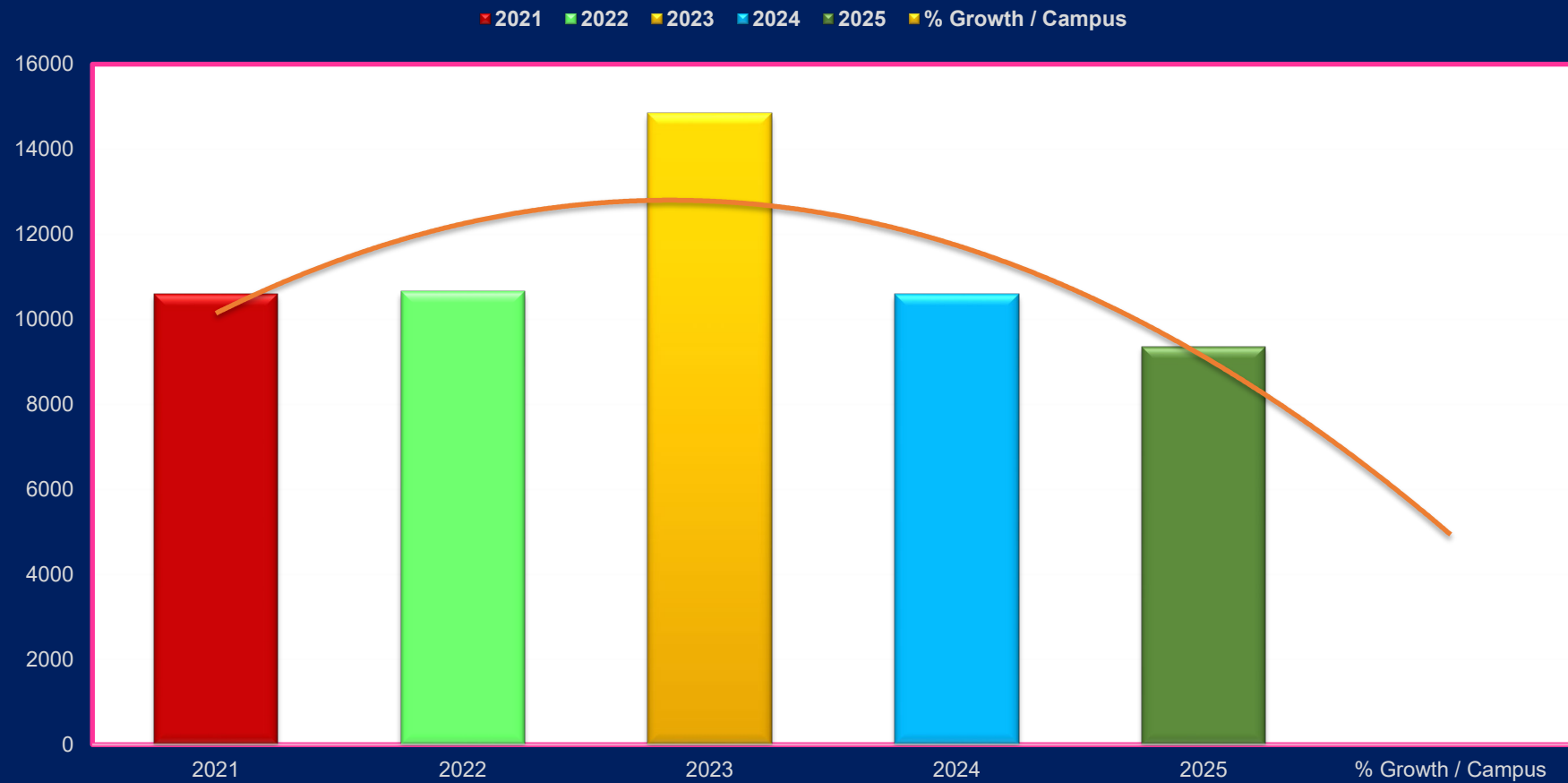
5 YEAR HEADCOUNT GROWTH ANALYSIS						
Campus	2021	2022	2023	2024	2025	% Growth / Campus
BRITS	3022	2874	4084	3261	3039	-7%
MANKWE	3663	4006	5539	3787	3136	-17%
RUSTENBURG	3915	3768	5220	3545	3181	-10%
ORBIT College Totals	10600	10648	14843	10593	9356	
% College Growth / Year	20%	0,45%	28%	-40%	-13%	

5 Year Headcount Growth per Campus

2021 2022 2023 2024 2025



5 Year Headcount Totals for ORBIT TVET College



10.2 Student academic performance

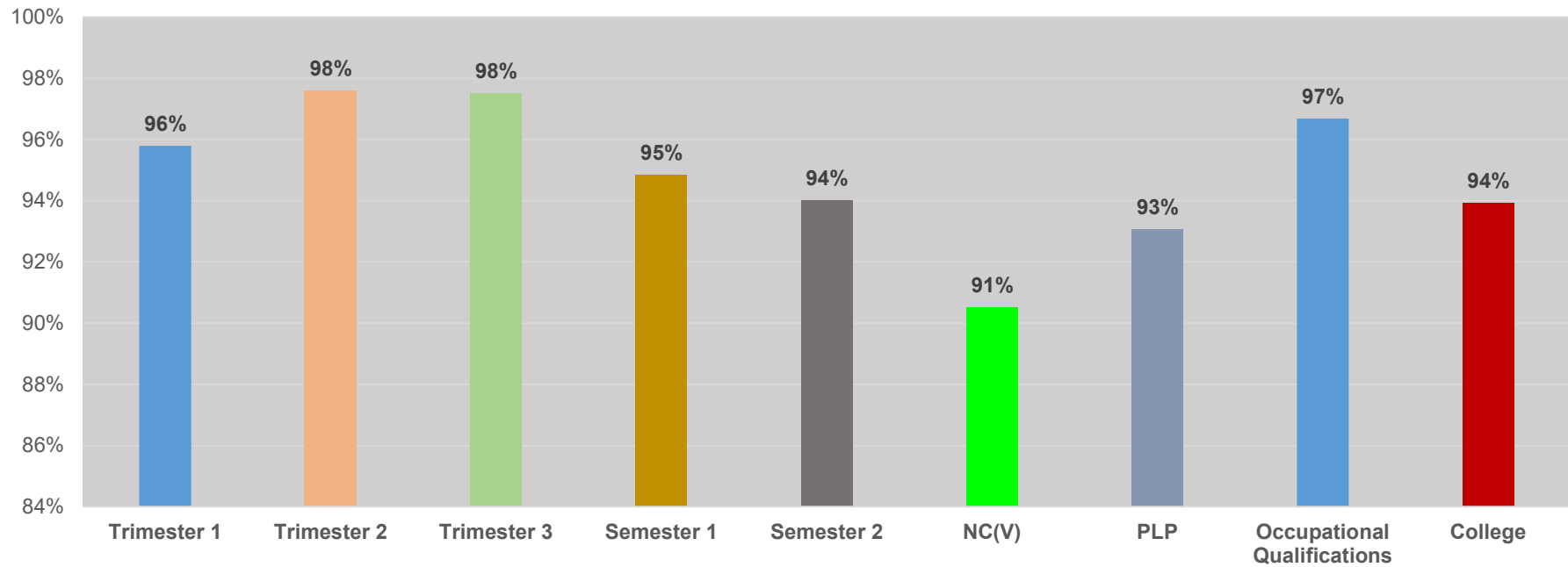
10.2.1 programme retention rates 2025

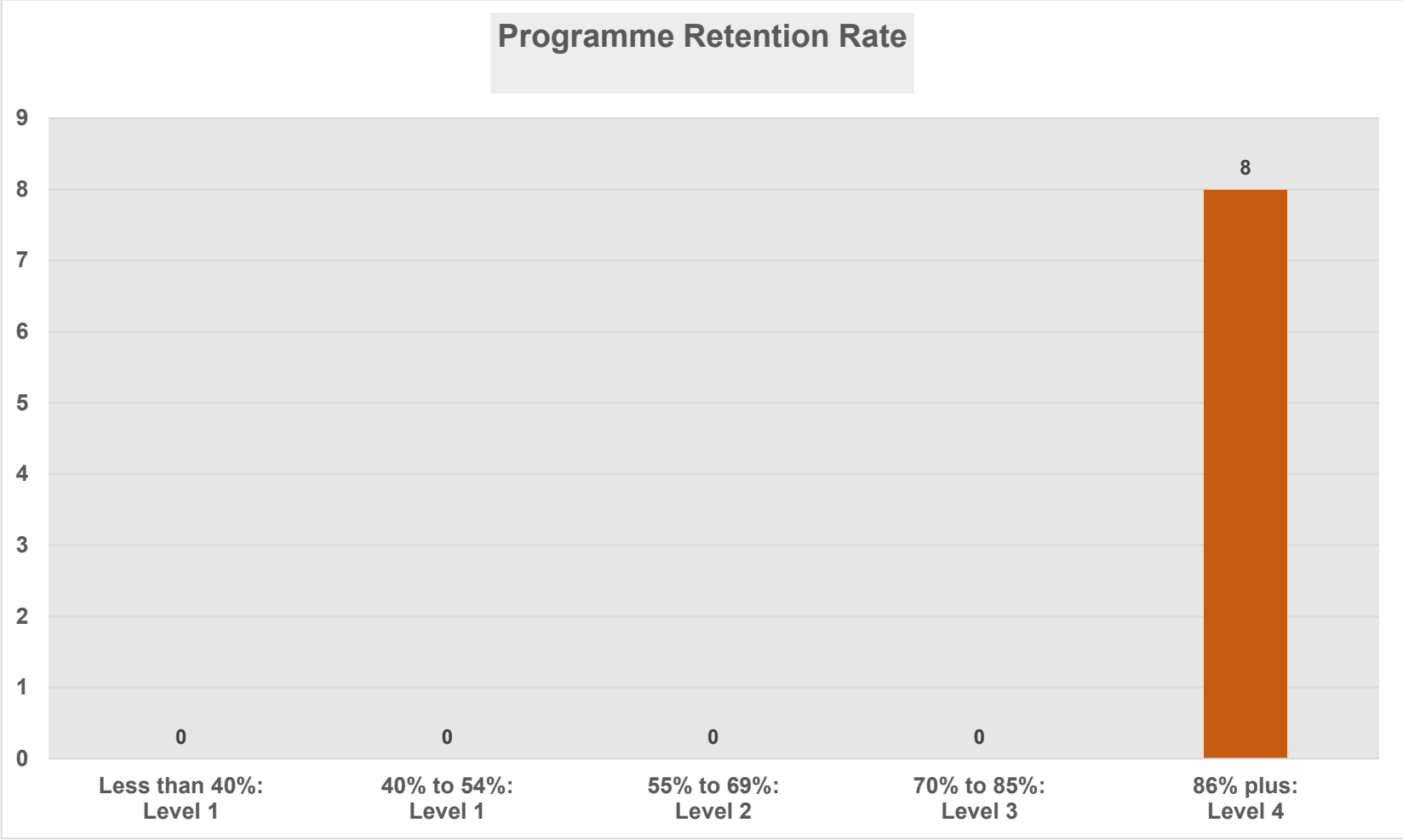
Enrolment cycle and programme type	A	B	A-B	Retention Rate
Report 191 Trimester 1	1140	48	1092	96%
Report 191 Trimester 2	832	20	812	98%
Report 191 Trimester 3	602	15	587	98%
Report 191 Semester 1	1763	91	1672	95%
Report 191 Semester 2	1622	97	1525	94%
NC(V)	2934	278	2656	91%
PLP	101	7	94	96%
Occupational Qualifications	362	12	350	97%
College rate:	9356	568	8788	94%

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

Programme Retention Rates





10.2.2 Examination retention rate 2025

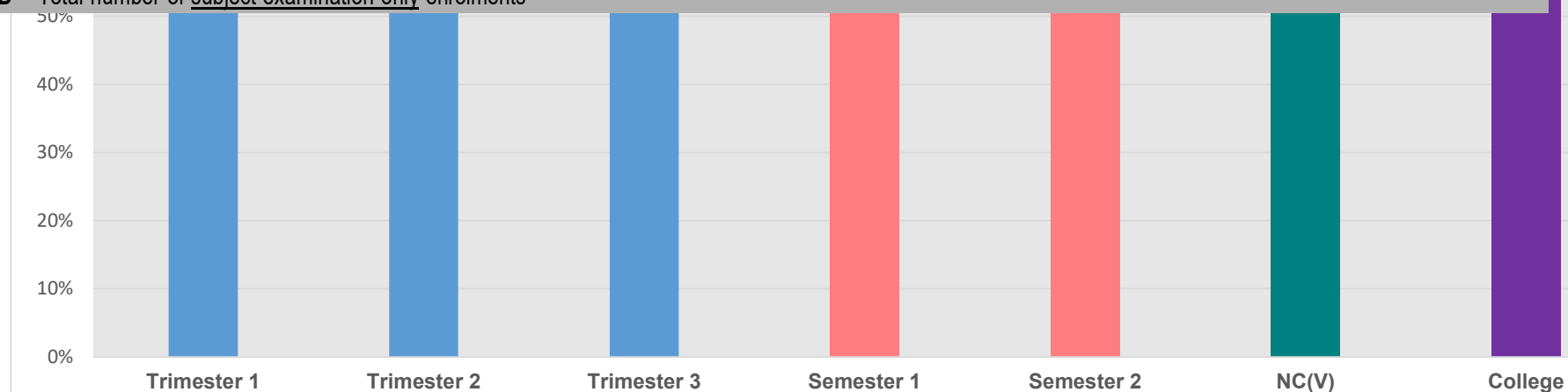
Examination cycle	(A)	(B)	(C)	(D)	Retention Rate (%)
Report 191 Trimester 1	3426	164	4718	174	72%
Report 191 Trimester 2	2611	265	3597	284	71%
Report 191 Trimester 3	2098	276	2700	304	76%
Report 191 Semester 1	6200	12	7128	12	87%
Report 191 Semester 2	5876	27	6641	30	88%
NC(V)	16043	0	20699	0	78%
College rate:	36254	744	45483	804	79%

A = Total number of subjects written at the college

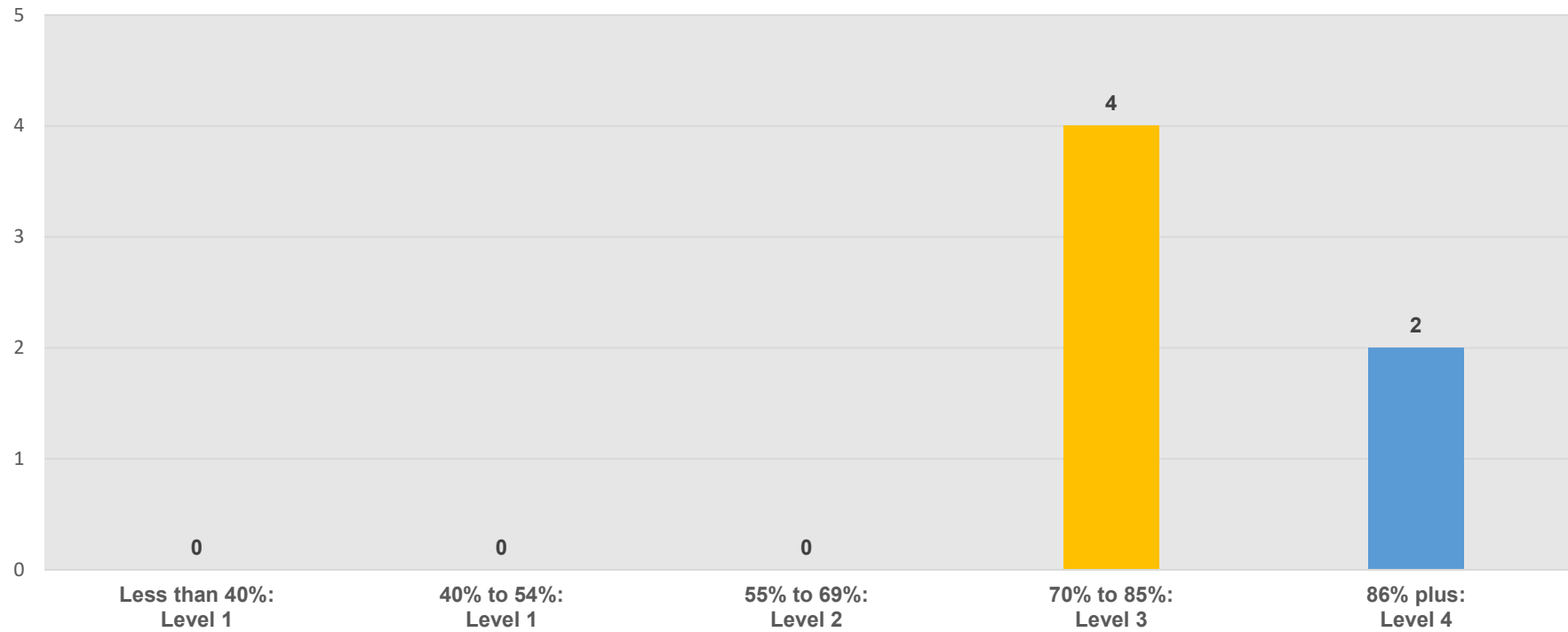
B = Total number of examination-only subjects written at the college

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

D = Total number of subject examination-only enrolments



Examination Retention Rate Maturity Distribution



10.2.3 Pass rate for subjects 2025

Examination cycle	(A)	(B)	(C)	(D)	(A-B)	(C-D)	(E)	(F)	(E-F)	Pass rate (%)	Pass rate with distinction (%)
Report 191 Trimester 1	2038	93	3426	164	1945	3262	101	2	99	60%	5.09%
Report 191 Trimester 2	1570	115	2611	264	1455	2346	70	1	69	62%	4.74%
Report 191 Trimester 3	1441	150	2098	276	1291	1822	80	3	77	71%	5.96%
Report 191 Semester 1	5495	8	6200	12	5487	6188	315	0	315	89%	5.74%
Report 191 Semester 2	5174	16	5876	27	5158	5749	326	0	326	88%	6.32%
NC(V)	13737	0	16043	0	13737	16043	952	0	952	86%	6.93%
College rates:	29455	382	36254	744	29073	35510	1844	6	1838	82%	6.32%

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

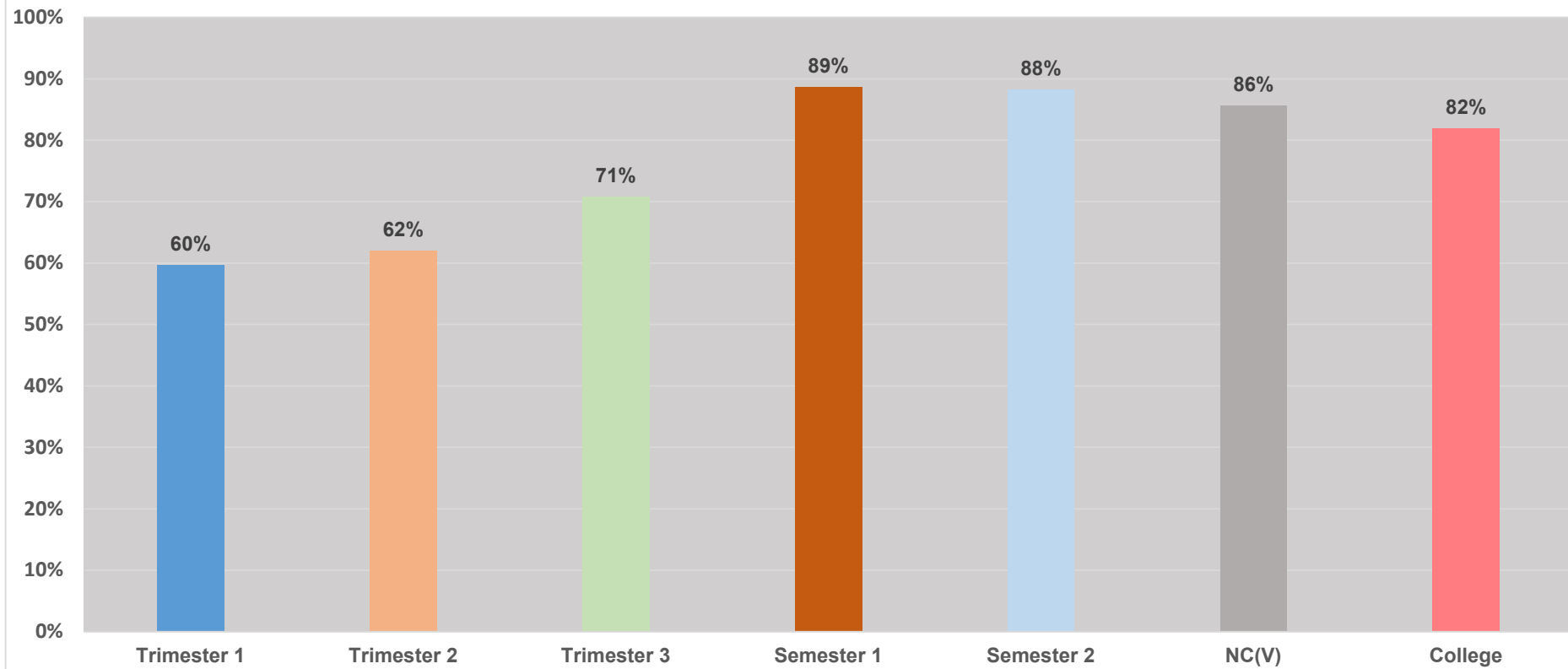
C = Total number of **subjects written** during the examination cycle

D = Total number of examination-only subjects written during the examination cycle

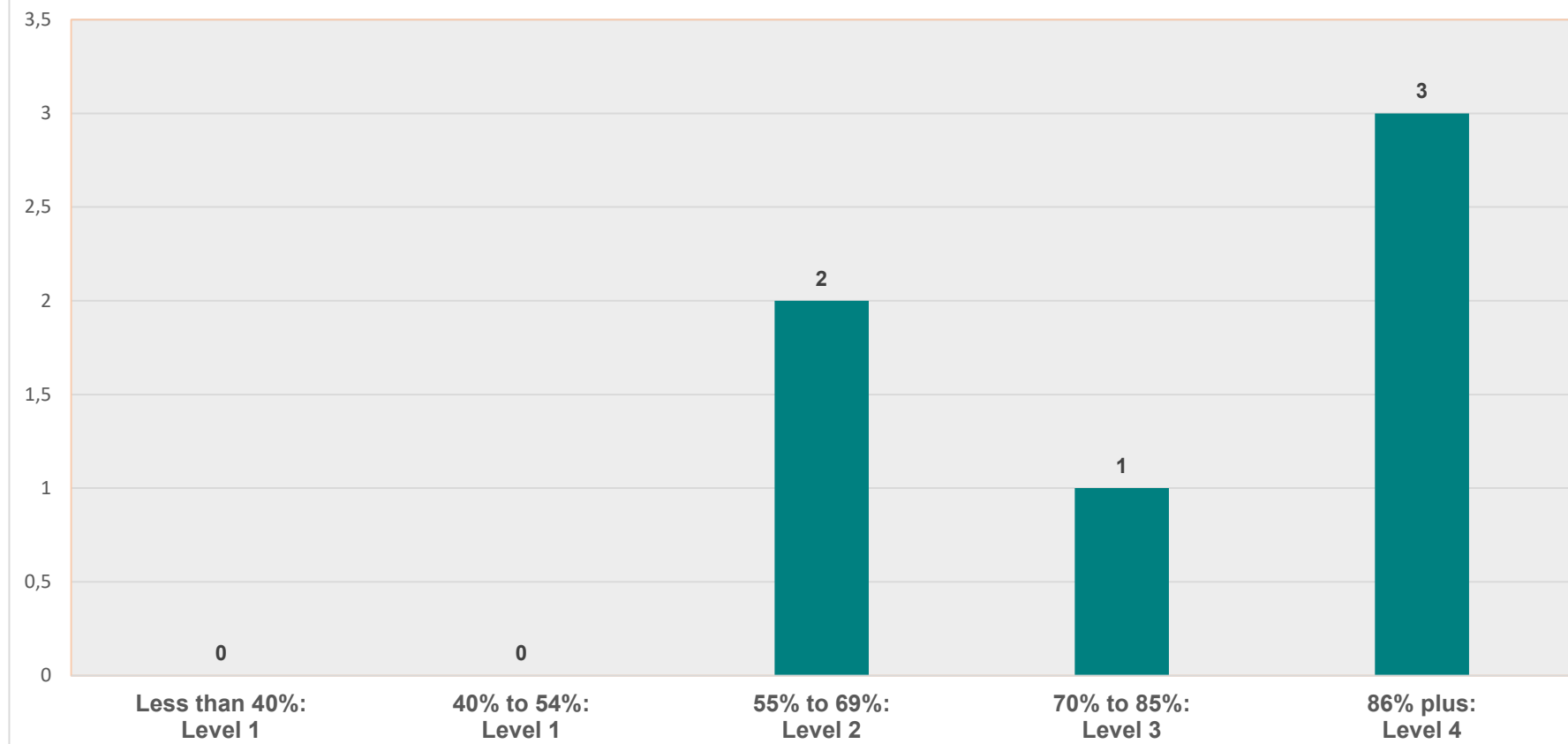
E = Total number of **distinctions obtained** in the subjects written during the examination cycle

F = Total number of distinctions obtained of examination-only subjects written during the examination cycle

Subject Pass Rates



Subject Pass Rate Maturity Distribution



10.2.4 Progression rate 2025

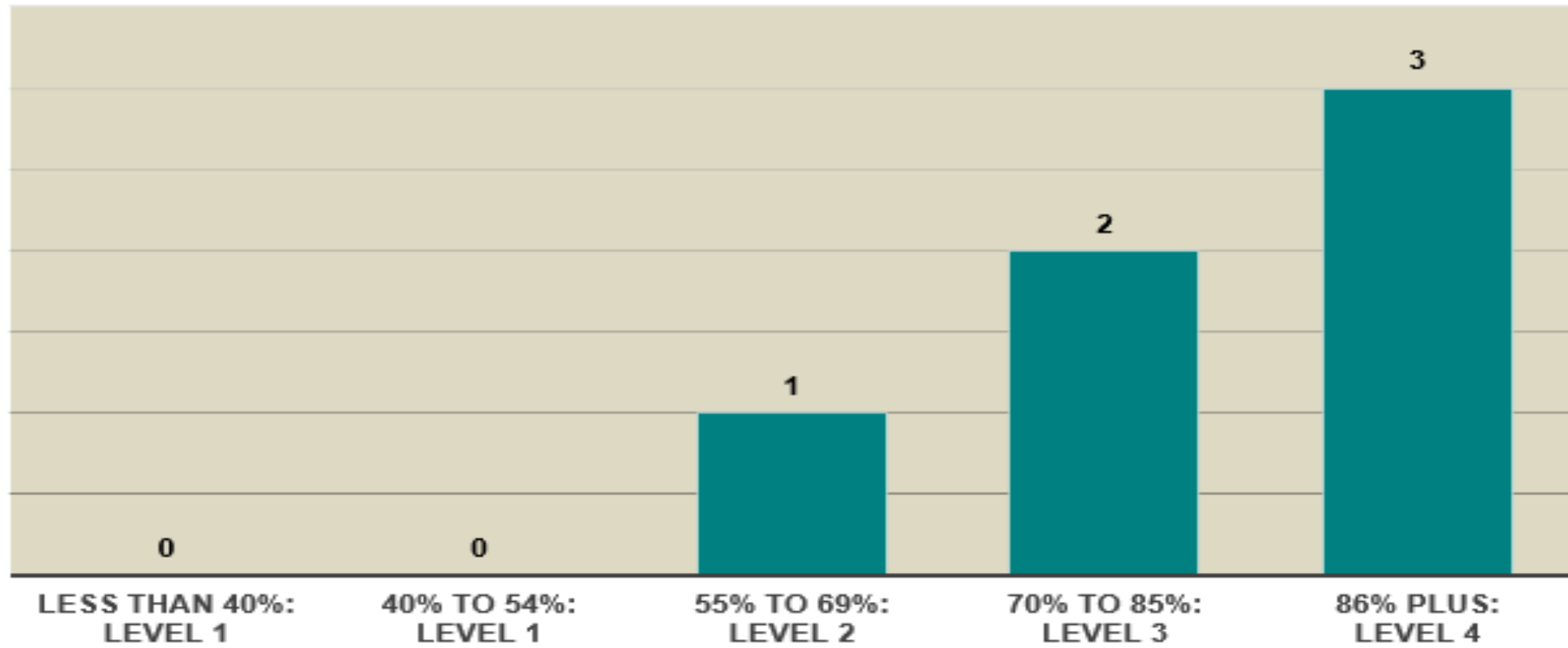
Examination cycle	Number of students meeting all progression criteria	Number of students eligible to progress in the examination cycle	Progression rate (%)
Report 191 Trimester 1	239	291	82%
Report 191 Trimester 2	163	217	75%
Report 191 Trimester 3	136	201	68%
Report 191 Semester 1	1088	1187	92%
Report 191 Semester 2	1024	1120	91%
NC(V)	1655	1775	93%
College rate:	4305	4791	90%

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

Progression
Rates

Progression Rate Maturity Distribution



10.2.5 Throughput rate (%) NCV Level 4 2025

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	24%	1182	146	1036	225	22%

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

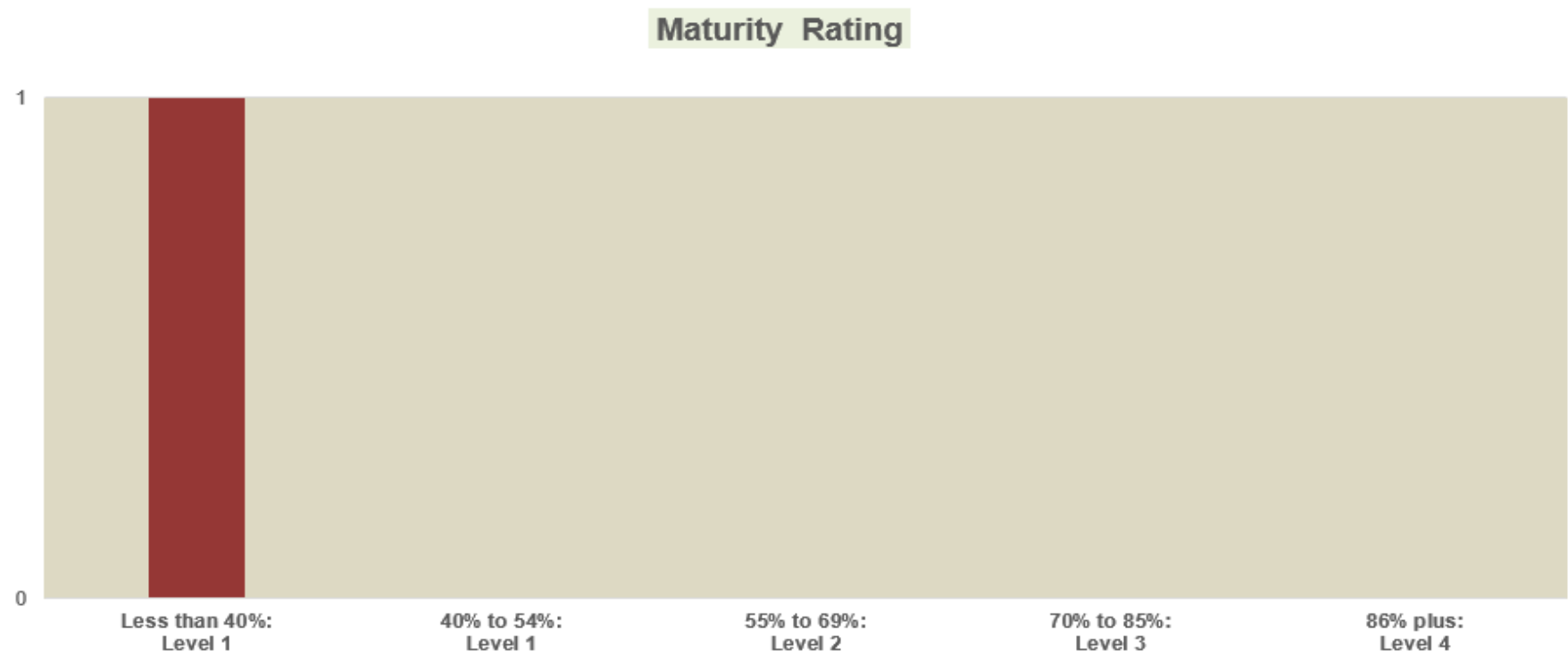
Only first-time entrants into NC(V) must be considered for the denominator

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

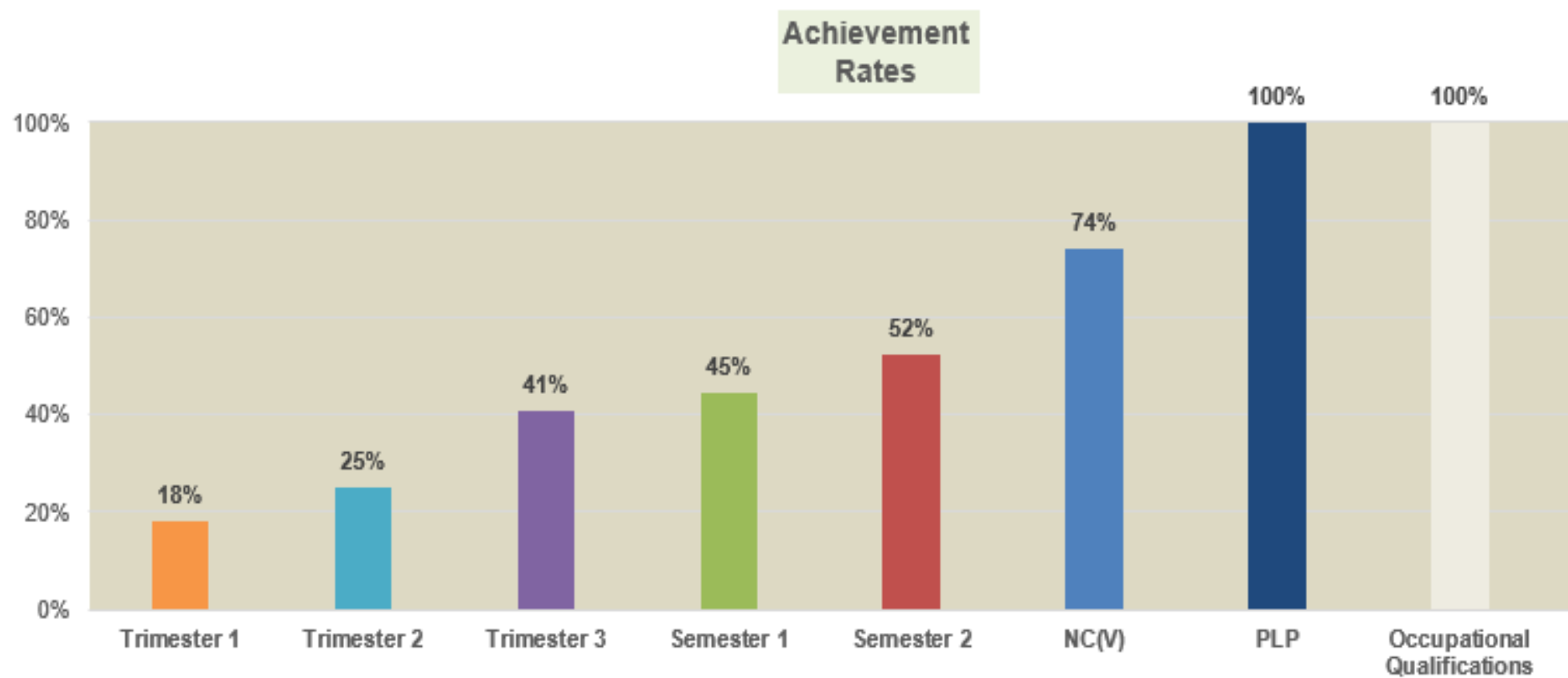


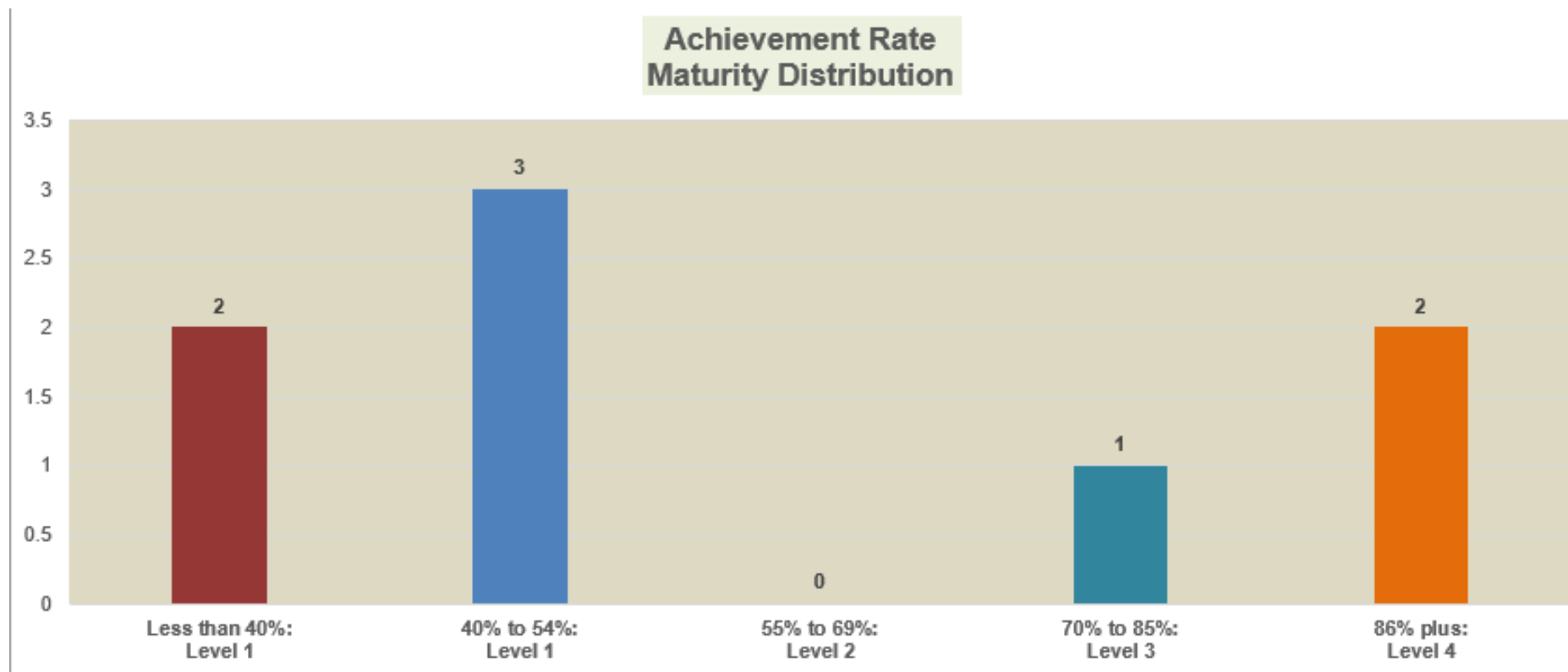
10.2.6 Achievement rates at all exit levels 2025

Programme type and examination cycle	A	B	Achievement rates
Report 191 Trimester 1	10	55	18%
Report 191 Trimester 2	7	28	25%
Report 191 Trimester 3	34	83	41%
Report 191 Semester 1	201	450	45%
Report 191 Semester 2	174	333	52%
NC(V)	225	303	74%
PLP	53	53	100%
Occupational Qualifications	233	233	100%
College rates:	937	1538	

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



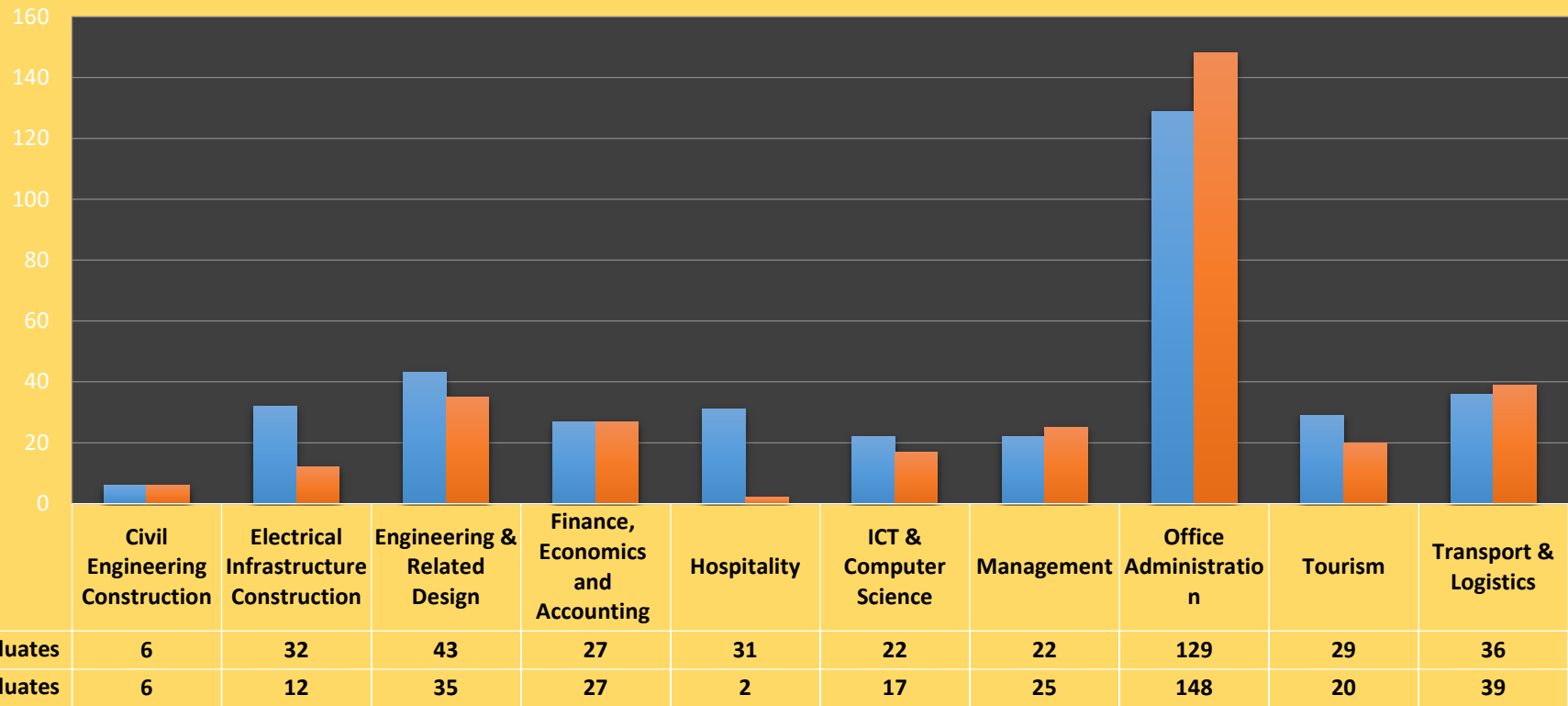


10.3 Complaint graduates

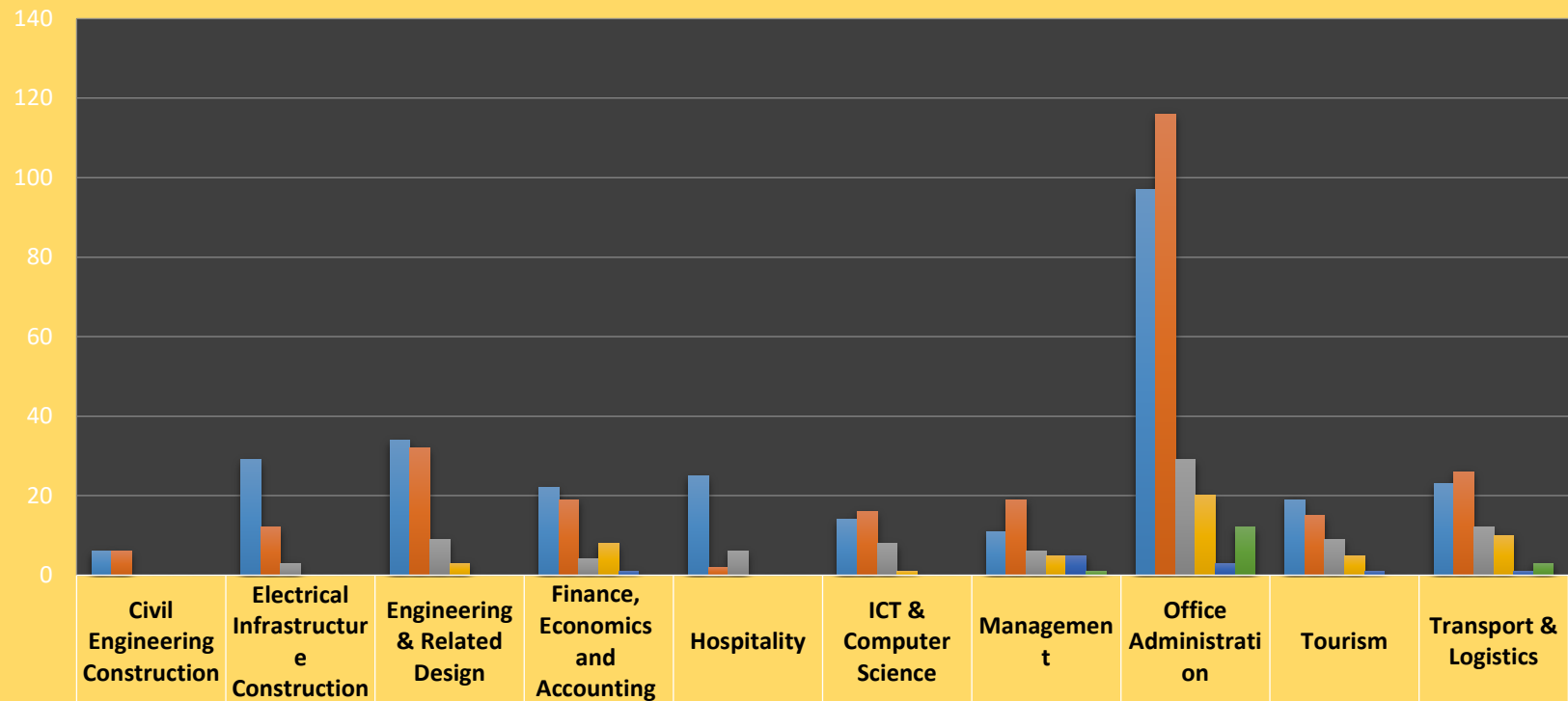
10.3.1 NCV complaint graduates 2024 vs 2025

NC(V) LEVEL 4 GRADUATES (passing all 21 subjects) 2024 - 2025			2024 – 2025 Student compliance to HE institutional admission requirements						
Programme	2024 Graduates	2025 Graduates	2024 Higher Certificate pass	2025 Higher Certificate pass	2024 Diploma pass	2025 Diploma pass	2024 Bachelor's Degree pass	2025 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	6	6	6	6	0	0	0	0	
Electrical Infrastructure Construction	32	12	29	12	3	0	0	0	
Engineering & Related Design	43	35	34	32	9	3	0	0	
Finance, Economics and Accounting	27	27	22	19	4	8	1	0	
Hospitality	31	2	25	2	6	0	0	0	
ICT & Computer Science	22	17	14	16	8	1	0	0	
Management	22	25	11	19	6	5	5	1	
Office Administration	129	148	97	116	29	20	3	12	
Tourism	29	20	19	15	9	5	1	0	
Transport & Logistics	36	39	23	26	12	10	1	3	
TOTAL COMPLIANT GRADUATES	377	331	280	263	86	52	11	16	
			Total:						331

NC(V) LEVEL 4 COMPLIANT GRADUATES 2024 - 2025



ARTICULATION OF NC(V) GRADUATES 2024 - 2025

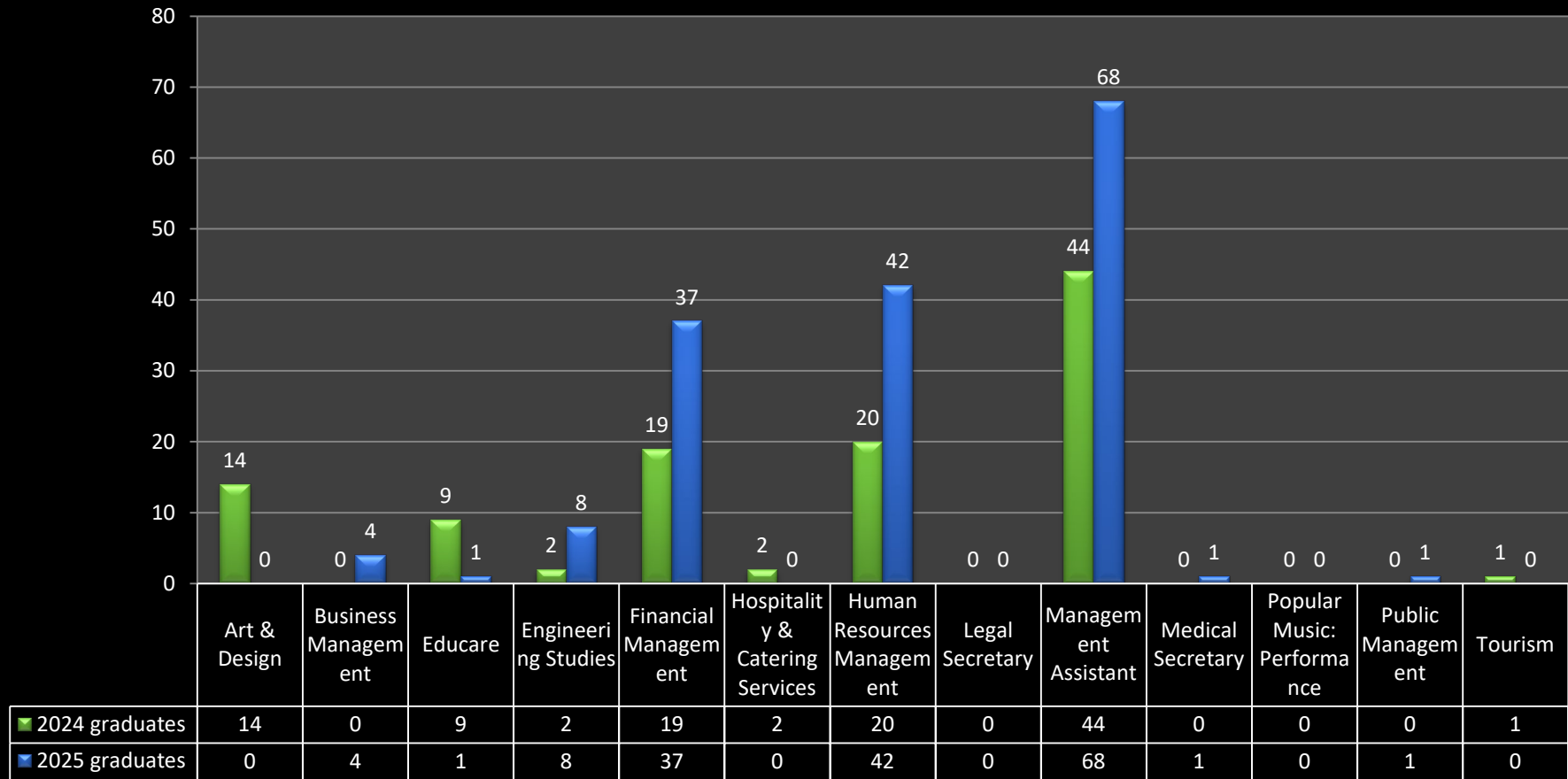


2024: Higher Certificate	6	29	34	22	25	14	11	97	19	23
2025: Higher Certificate	6	12	32	19	2	16	19	116	15	26
2024: Diploma	0	3	9	4	6	8	6	29	9	12
2025: Diploma	0	0	3	8	0	1	5	20	5	10
2024: Bachelor	0	0	0	1	0	0	5	3	1	1
2025: Bachelor	0	0	0	0	0	0	1	12	0	3

10.3.2 Report 191 National N Diploma complaint graduates 2024 vs 2025

Programme	2024 graduates	2025 graduates
Art & Design	14	0
Business Management	0	4
Educare	9	1
Engineering Studies	2	8
Financial Management	19	37
Hospitality & Catering Services	2	0
Human Resources Management	20	42
Legal Secretary	0	0
Management Assistant	44	68
Medical Secretary	0	1
Popular Music: Performance	0	0
Public Management	0	1
Tourism	1	0
TOTAL COMPLIANT GRADUATES	111	162

REPORT 191 DIPLOMA GRADUATES 2024 - 2025



10.4 College annual performance achievements in terms of the 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.	2025 Target	2025 Actual Achievement	Achievement Rate	Analysis
Objective 1 Expanded access to TVET College opportunities	Students enrolled and managed as per enrolment plan	NCV	1	3190	2934	92%	Not Achieved
		PLP	2	135	101	75%	Not Achieved
		Report 191	3	5429	5867	108%	Exceeded
		Occupational Qualifications (incl. COS)	4	435	233	54%	Not Achieved
		Skills programmes & shortcourses	5	50	24	48%	Not Achieved
		NQF Level 5 & 6 qualifications	6	55	15	27%%	Not Achieved
		Total no. of enrolments	7	9294	9174	99%	Achieved
	College student accommodation optimally utilised	Occupation rate (%) of student accommodation per enrolment cycle	8	100%	88%	88%	Not Achieved

Strategic Objective	Output	Output Indicator	Indicator No.	2025 Target	2025 Actual Achievement	Achievement Rate	Analysis
Objective 2 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	239	20	8%	Not achieved
	Students complete qualifications and programmes and exit the College	Number (n) of students completing college programmes at exit levels					
		NCV L4	10	244	331	136%	Exceeded
		N6 Semester	11	156	333	213%	Exceeded
		N6 Trimester	12	47	83	177%	Exceeded
	NCV students complete qualification within 3 years	Throughput rate (%) of NCV L4 students	13	24%	22%	22%	Not Achieved
	PLP students retained	Retention rate (%) of students placed in PLP	14	85%	98%	115%	Exceeded
	PLP students' progress into initial programmes as choice	Progression rate (%) of PLP students	15	59%	56%	95%	Achieved
Objective 3 Improved quality of TVET College provision							
	College council constituted and compliant with standards	Percentage (%) compliance with governance standards	16	100%	100%	100%	Achieved
	Examinations conducted with minimum irregularities reported	Percentage (%) compliance with examination policy and standards at all examination centres	17	100%	100%	100%	Achieved

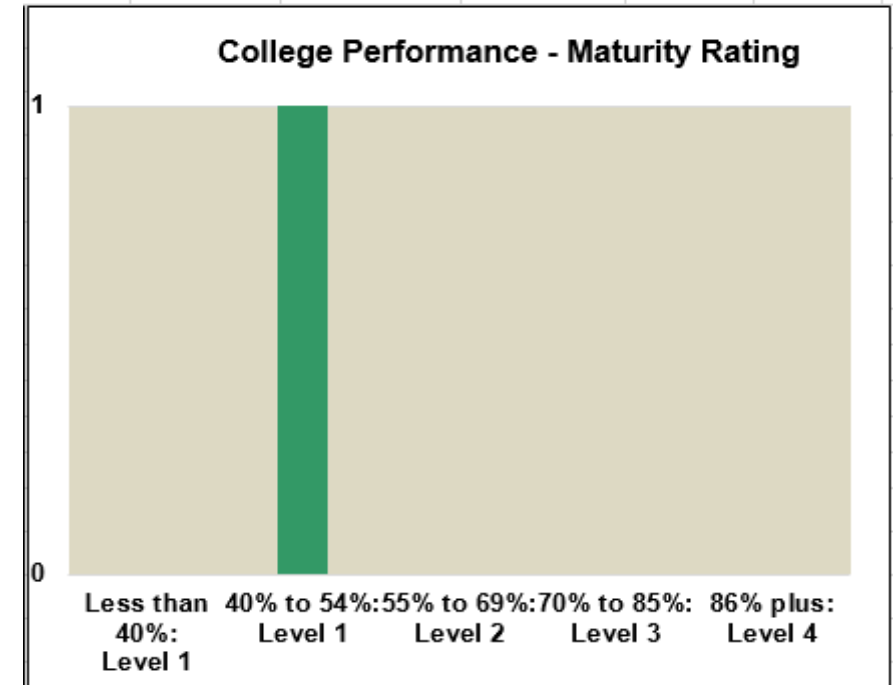
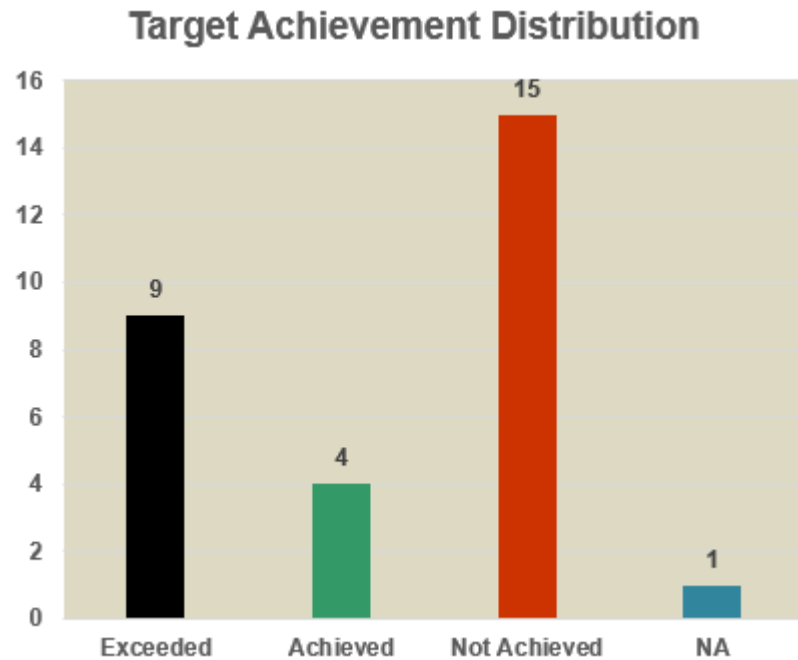
Strategic Objective	Output	Output Indicator	Indicator No.	2025 Target	2025 Actual Achievement	Achievement Rate	Analysis
	More students meet the requirements for writing examinations	Percentage (%) of registered students qualifying to write examinations	18	81%	95%	117%	Exceeded
	TVET College lecturers placed in industry for specified periods to gain relevant experience	Percentage (%) of TVET college lecturers placed in industry	19	3%	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	45	119	264%	Exceeded
	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	1120	1507	135%	Exceeded

Objective 4 Improved Responsiveness of TVET Colleges to the world of work							
	Entrepreneurship hubs established and supported	Number (n) of students engaged in entrepreneurship programmes and projects	22	600	551	123%	Not Achieved
	Number (n) of students placed for WBL at exit levels (Currently studying Level 4 or N6 at a college)	NCV L4	23	610	255	42%	Not Achieved
		Report 191 N6	24	0	0	0%	N/A

Strategic Objective	Output	Output Indicator	Indicator No.	2025 Target	2025 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	4	13%	>94.5% & <104.6%
Target Exceeded	9	30%	>104.6%
Not Achieved	15	50%	<94.5%
NA	1	3%	
TOTAL	25	100%	



The four levels of assessment for college services are:

- **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.
- **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.
- **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.
- **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 2025 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
- 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 instil 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.



P Nkai

ASD Curriculum implementation



FINANCIAL

INFORMATION



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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Orbit Technical and Vocational Education and Training (TVET) College set out on pages 112 to 177, which comprise the statement of financial position as at 31 December 2025, 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, the financial statements present fairly, in all material respects, the financial position of Orbit TVET College as at 31 December 2025 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) as issued by the Accounting Standards Board of South Africa and the requirements of the Continuing Education and Training Act 16 of 2006 (CETA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the college, in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Material impairments - Receivables from exchange transactions

7. As disclosed in the note 5 to the financial statement, the college provided material impairment on receivables from exchange transactions amounting to R153 634 827 (2024: R156 363 608).

Responsibilities of the Council for the financial statements

8. The council is responsible for the preparation and fair presentation of the financial statements in accordance with Standards of GRAP as issued by the Accounting Standards Board of South Africa and the requirements of 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.
9. 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

10. 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 my 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.
11. 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 5, forms part of our auditor's report.

Report on the audit of the annual performance report

12. 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

13. 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.
14. 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.
15. 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.

16. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

17. The financial statements submitted for auditing were not fully prepared in accordance with generally recognised accounting practice, as required by section 25(3) of the CET Act. Material misstatements of non-current assets, revenue and disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Other information in the annual report

18. 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.
19. 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.
20. 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.
21. 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

22. 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.
23. 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.
24. 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.

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

Auditor General

Rustenburg

31 May 2026



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 scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on the 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me 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 20(7)(b) Section 20(8)(a)-(c) Section 10(9) (c) Section 10(9)(e) (iii) Section 10(9B)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)



Orbit TVET College
Annual Financial Statements
for the year ended 31 December 2025

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

General Information

Legal form of entity	Technical and Vocational Education and Training College
Nature of business and principal activities	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
Councillors	Tshabalala M - (SRC President) Msiza N - (SRC Secretary) Qoma L - (Ministerial Appointee Deputy Chairperson) Mokgatle M - (Ministerial Appointee Professor at SMU) Van Heerden A - (Secretary and College Employee) Molope MB (Dr) - (General Manager: Pilanesberg - Mines Ministerial Appointee) Mofokeng V - (Donor Representative) Nkau P - (College Employee) Magolego PM - (Attorney - Donor) Ramdass KR - (Prof.) - (Professor at UNISA - Ministerial Appointee) Kgalaki R - (Independent Member) Mokoena DF - (Principal - College Employee) Singh R - (Financial Accountant) Carrim I - (Council Member) Fourie W - (Audit and Risk Committee) Hoogkamer JA - Ministerial Appointment (Council Member) Molapise JJ - Ministerial Appointment (Council Member) Sepeng S - (Council Member) Ntshole GEE - (College Employee) Mlambo TV - (College Employee)
Registered office	C/O Bosch & Fatima Bhayat Street Rustenburg 0299
Postal address	Private Bag X82086 Rustenburg 0300
Secretary	Ms. A Van Heerden
Bankers	ABSA
Auditors	Auditor General of South Africa
Principal	Dika Mokoena

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

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Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

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AFS	Annual Financial Statements
AGRI SETA	Agricultural Sector Education and Training Authority
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
EPWP	Expanded Public Works Program
ETDP SETA	Education, Training and Development Practices Sector Education and Training Authority
EWSETA	Energy and Water Sector Education and Training Authority
FOODBEV SETA	Food and Beverages Manufacturing Sector Education and Training Authority
FTE's	Full Time Equivalent Students
GEPF	Government Employees Pension Fund
GRAP	Generally Recognised Accounting Practice
HRM	Human Resource Management
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
INSETA	Insurance Sector Education and Training Authority
MERSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority in South Africa
NATED	National Accredited Technical Education Diploma
NCV	National Certificate Vocational
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
SARS	South African Revenue Service
SETA	Sector Education and Training Authority
SRC	Student Representative Council
TVET	Technical Vocational Education and Training
W & R SETA	Wholesale and Retail Sector Education and Training Authority

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Responsibilities and Approval of Council

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 of 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 2026 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 11.

The annual financial statements set out on page 11, which have been prepared on the going concern basis, were approved by the board of members on 31 March 2026 and were signed on its behalf by:



Chairperson of Council: Orbit TVET College

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Audit & Risk Committee Report

We are pleased to present our report for the financial year ended 31 December 2025.

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, eight (8) meetings were held.

Name of member	Number of meetings attended
Qoma LE (Acting Chairperson)	8
Mokoena DF	6
Carrim I	2
Fourie W	7
Van Heerden A	8
Hoogkamer JA	5
Kgalaki R	8

Audit committee responsibility

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.

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.

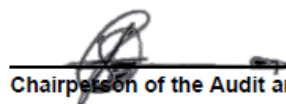
The audit and risk committee concur with and accept the Auditor-General of South Africa's report the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

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.

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.



Chairperson of the Audit and Risk Committee

Date: 2026-05-31

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Report from College Council

The College Council submit their report for the year ended 31 December 2025.

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 2025.

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 College, 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 2025.

Net surplus of the College was 41 825 290 (2024: surplus 40 616 059).

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Report from College Council

3. Council

Active councillors during the year

Councillor	Committee
Tshabala M - (SRC President)	Council
Msiza N - (SRC Secretary)	Council
Qoma L - Ministerial Appointee	ARC
(Deputy Chairperson)	
Mokgatlhe M - Ministerial Council	
Appointee (Professor at SMU)	Academic Board
Van Heerden A - (Secretary and All	
College Employee)	
Molope MB (Dr) - (General Finance	
Manager: Pilanesberg - Mines	
Ministerial Appointee)	
Mofokeng V - Donor All	
Representative	
Nkau P - (College employee)	Academic Board
Magolego PM - (Attorney - Donor)	
Ramdass KR (Prof.) - (Professor	Academic Board.
at UNISA - Ministerial Appointee)	
Kgalaki R - Independent Member	ARC
Mokoena DF - (Principal - College All	
Employee)	
Singh R - (Financial Accountant)	Finance
Carrim I - (Audit and Risk ARC	
Committee)	
Fourie W - (Audit and Risk ARC	
Committee)	
Hoogkamer JA - (Council Academic Board, ARC, Finance Committee, Conditions of	
Member)	Employment committee
Molapise JJ - (Council Member)	Planning and Resource
Sepeng S - (Council Member)	Council
Ntsoleng GEE - College Council	
Employee	
Mlambo TV - (College Employee)	Council

Terminations Councillor	Committee	Date of Termination
Mohajane P - (SRC President)	Council	Feb-25
Khoza M - (SRC Secretary)	Council	Feb-25

Appointments

Councillor	Committee	Date of Appointment
Tshabalala M - (SRC President)	Council	Feb-25
N Msiza N -(SRC Secretary)	Council	Feb-25

4. Going concern

We draw attention to the fact that at 31 December 2025, the College had an accumulated surplus of R767 521 945 (2024: R725 139 031) and that the college's total assets exceed its liabilities by R 767 521 945.

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Report from College Council

4. Going concern (continued)

The College incurred a net surplus of R 41 825 290 (2024: R 40 616 059). 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.

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 members 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)(cA) 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.

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Report from College Council

10. Mission

To provide high quality Education and Training that is affordable, relevant, learner-centered 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



Chairperson of Council: Orbit TVET College

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Statement of Financial Position as at 31 December 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Non-Current Assets			
Property, plant and equipment	2	159 532 892	170 568 771
Intangible assets	3	1 413 516	874 835
		160 946 408	171 443 606
Current Assets			
Inventories	4	11 936 341	11 118 229
Receivables from exchange transactions	5	76 659 176	61 856 371
Receivables from non-exchange transactions	6	22 140 636	14 545 539
Other financial assets	7	106 884 553	61 870 217
Cash and cash equivalents	8	480 203 569	500 290 128
		697 824 275	649 680 484
Total Assets		858 770 683	821 124 090
Liabilities			
Non-Current Liabilities			
Payables from non-exchange transactions	10	1 975 344	9 134 362
Current Liabilities			
Trade and other payables from exchange transactions	9	73 014 062	79 030 344
Payables from non-exchange transactions	10	11 354 681	4 302 709
Unspent conditional grants and receipts	11	4 904 651	3 517 644
		89 273 394	86 850 697
Total Liabilities		91 248 738	95 985 059
Net Assets		767 521 945	725 139 031
Accumulated surplus		767 521 945	725 139 031
Total Net Assets		767 521 945	725 139 031

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Tuition and related fees	13	78 674 434	79 237 811
Rental of facilities and equipment	14	1 357 525	862 950
Football participation income	15	26 050 000	9 415 000
Business unit income	16	-	202 145
Other income	17	330 763	594 981
Interest received	18	33 704 387	36 852 765
Total revenue from exchange transactions		140 117 109	127 165 652
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	19	91 219 529	79 033 725
Service-in-kind	20	190 063 626	180 117 782
Project income	21	16 366 324	14 550 650
Total revenue from non-exchange transactions		297 649 479	273 702 157
Total revenue	12	437 766 588	400 867 809
Expenditure			
Employee related costs	22	(229 730 685)	(205 249 584)
Remuneration of councillors	23	(758 871)	(360 325)
Depreciation and amortisation	24	(16 970 452)	(18 032 632)
Impairments	25	(3 337 232)	(3 488 394)
Finance costs	26	(732 208)	(950 832)
Lease rentals on operating lease	27	(895 514)	(732 976)
Debt impairment	28	2 532 967	(13 321 635)
Repairs and maintenance	2	(19 024 803)	(5 362 436)
Inventories losses/write-downs	4	(188 573)	(309 970)
General expenses	30	(126 835 927)	(112 442 966)
Total expenditure		(395 941 298)	(360 251 750)
Surplus for the year		41 825 290	40 616 059

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	683 414 492	683 414 492
Adjustments		
Correction of errors	1 108 481	1 108 481
Balance at 01 January 2024 as restated*	684 522 972	684 522 972
Changes in net assets		
Surplus for the year as previously stated	40 641 855	40 641 855
Impact on prior period errors on surplus/deficit	(25 796)	(25 796)
Restated surplus	40 616 059	40 616 059
Balance at 01 January 2025	725 696 655	725 696 655
Changes in net assets		
Surplus for the year	41 825 290	41 825 290
Total changes	41 825 290	41 825 290
Balance at 31 December 2025	767 521 945	767 521 945

Note(s)

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Cash received from customers		101 849 955	83 166 274
Grants Received		281 645 747	262 579 151
Interest received		34 365 725	35 324 958
Other income		330 763	594 981
		418 192 190	381 665 364
Payments			
Employee costs		(230 329 315)	(205 435 625)
Suppliers		(153 682 242)	(116 407 222)
		(384 011 557)	(321 842 847)
Net cash flows from operating activities	31	34 180 633	59 822 517
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(8 984 541)	(24 678 506)
Purchase of other intangible assets	3	(825 950)	(146 050)
Purchase of financial assets		(45 014 336)	-
Proceeds from sale of financial assets		-	41 446 711
Net cash flows from investing activities		(54 824 827)	16 622 155
Cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		(20 644 194)	76 444 672
Cash and cash equivalents at the beginning of the year		500 290 128	423 845 456
Cash and cash equivalents at the end of the year	8	479 645 934	500 290 128

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

Figures in Rand	Note(s)	2025	2024
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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 2025

Accounting Policies

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
IGRAP 6	Loyalty Programmes
IGRAP 7 version)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (replaces 2010
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 2025

Accounting Policies

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 from the date of signing annual financial statements.

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 college 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 the 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 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.

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.

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

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 19.

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.

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.

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.

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

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 19 & 22.

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

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

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

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, its deemed cost is the carrying amount of the asset(s) given up.

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.

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

1.5 Property, plant and equipment (continued)

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

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 equipment	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:

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.

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

1.6 Intangible assets (continued)

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.

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 - 8 years
Intangible assets	Straight-line	4 - 8 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.

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1.7 Financial instruments (continued)

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.

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.

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1.7 Financial instruments (continued)

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.

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

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 amortised cost

The college 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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Accounting Policies

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

Accounting Policies

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 recognises 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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Accounting Policies

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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Accounting Policies

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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Accounting Policies

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.

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Accounting Policies

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.

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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.

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Accounting Policies

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.

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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.

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Accounting Policies

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.

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Accounting Policies

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 34.

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

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Accounting Policies

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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Accounting Policies

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.

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Accounting Policies

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 arises 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 2025

Accounting Policies

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.

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Accounting Policies

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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Notes to the Annual Financial Statements

Figures in Rand

2025

2024

2. Property, plant and equipment

	2025			2024		
	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	140 650 317	(41 646 837)	99 003 480	137 211 429	(39 262 432)	97 948 997
Furniture and fixtures	29 985 430	(23 745 342)	6 240 088	27 913 700	(20 436 500)	7 477 200
Motor vehicles	13 352 489	(8 612 274)	4 740 215	10 914 195	(7 594 779)	3 319 416
IT equipment	50 744 232	(38 751 042)	11 993 190	41 728 452	(31 934 557)	9 793 895
Work in progress - IT Equipment	67 952	-	67 952	9 969 676	-	9 969 676
Other Equipment	32 623 022	(24 274 589)	8 348 433	29 112 458	(21 119 321)	7 993 137
Training Equipment	35 075 675	(27 998 266)	7 077 409	34 404 917	(24 453 484)	9 951 433
Work in progress - Buildings	-	-	-	2 052 892	-	2 052 892
Finance lease assets	4 297 558	(4 297 558)	-	4 297 558	(4 297 558)	-
Total	329 470 828	(169 937 936)	159 532 892	320 279 430	(149 710 659)	170 568 771

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Figures in Rand

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Assets found Gains	Transfers (Out)	Transfers In	Depreciation	Impairment loss	Total
Land	22 062 125	-	-	-	-	-	-	-	22 062 125
Buildings	97 948 997	3 438 790	-	-	-	-	(2 384 307)	-	99 003 480
Furniture and fixtures	7 477 200	1 953 527	(14 550)	144 523	-	-	(2 922 037)	(398 575)	6 240 088
Motor vehicles	3 319 416	2 438 294	-	-	-	-	(787 262)	(230 233)	4 740 215
IT equipment	9 793 895	8 539 042	-	327 240	-	-	(6 101 888)	(565 099)	11 993 190
Work in progress - IT Equipment	9 969 676	-	-	-	(7 479 147)	67 952	-	(2 490 529)	67 952
Other equipment	7 993 137	3 433 522	(29 067)	143 876	-	-	(2 406 575)	(786 460)	8 348 433
Training equipment	9 951 433	420 702	-	143 259	-	-	(2 081 114)	(1 356 871)	7 077 409
Work in progress - Buildings	2 052 892	-	-	-	(2 052 892)	-	-	-	-
	170 568 771	20 223 877	(43 617)	758 898	(9 532 039)	67 952	(16 683 183)	(5 827 767)	159 532 892

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Figures in Rand

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Assets found Gains	Transfers' In/(Out)'	Depreciation	Impairment loss	Impairment reversal	Total
Land	22 062 125	-	-	-	-	-	-	-	22 062 125
Buildings	89 441 661	10 710 406	-	-	-	(2 203 070)	-	-	97 948 997
Furniture and fixtures	11 293 696	451 716	(21 828)	8 914	-	(2 983 984)	(1 273 250)	1 936	7 477 200
Motor vehicles	4 239 715	687 552	-	-	-	(1 479 251)	(275 521)	146 921	3 319 416
IT equipment	15 650 276	857 899	(70 094)	40 625	-	(5 368 367)	(1 345 916)	29 472	9 793 895
Work in progress - IT equipment	1 995 269	7 974 407	-	-	-	-	-	-	9 969 676
Other equipment	9 344 220	2 230 106	(68 245)	17 474	-	(2 431 397)	(1 100 230)	1 209	7 993 137
Training equipment	12 552 552	119 316	(30 789)	380 534	-	(2 237 573)	(832 607)	-	9 951 433
Work in progress - Buildings	-	12 763 298	-	-	(10 710 406)	-	-	-	2 052 892
Finance lease assets	17 520	-	-	-	-	(17 520)	-	-	-
	166 597 034	35 794 700	(190 956)	447 547	(10 710 406)	(16 721 162)	(4 827 524)	179 538	170 568 771

Assets subject to finance lease (Net carrying amount)

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	14 519 444	2 545 696
Furniture & fixtures	101 088	136 412
General repairs	1 173 257	967 670
IT Equipment	12 747	8 501
Motor vehicles	1 240 066	741 137
Grounds maintenance	1 978 200	963 020
	19 024 802	5 362 436

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3. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Copyrights	3 139 476	(1 725 960)	1 413 516	2 313 526	(1 438 691)	874 835

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Amortisation	Total
Copyrights	874 835	825 950	(287 269)	1 413 516

Reconciliation of intangible assets - 2024

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

4. Inventories

Consumable stores	11 936 341	11 118 229
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Movement in consumable stores

Opening balance	11 118 229	10 181 281
Purchases	18 822 657	19 078 818
Issues	(17 815 971)	(17 831 900)
Losses / Inventory adjustments	(188 574)	(309 970)
Closing balance	11 936 341	11 118 229

Inventory pledged as security

There is no inventory pledged as security for both reporting years.

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Figures in Rand	2025	2024
5. Receivables from exchange transactions		
Student debtors	68 988 029	53 083 721
Other debtors	4 835 803	4 064 997
Prepaid expenses	996 723	219 915
Employee debtors	195 002	309 502
NSFAS receivable	167 754	2 041 032
Accrued income	1 475 865	2 137 204
	76 659 176	61 856 371
Gross balances		
Student debtors	212 768 295	199 838 930
Other debtors	12 043 868	10 810 613
Employee debtors	2 841 498	2 484 529
Prepaid expense	966 723	219 915
NSFAS receivables	167 754	2 041 032
Accrued income	1 475 865	2 137 204
	230 264 003	217 532 223
Less: Allowance for impairment		
Student debtors	(143 780 266)	(146 755 209)
Other debtors	(7 208 065)	(7 433 372)
Employee debtors	(2 646 496)	(2 175 027)
Prepaid expense	-	-
NSFAS receivables	-	-
Accrued income	-	-
	(153 634 827)	(156 363 608)
Net balances		
Student debtors	68 988 029	53 083 721
Other debtors	4 835 803	3 377 241
Employee debtors	195 002	309 502
Prepaid expense	996 723	219 915
NSFAS receivables	167 754	2 041 032
Accrued income	1 475 865	2 137 204
	76 659 176	61 168 615
Student debtors		
31 - 60 days	885 382	2 793 756
61 - 90 days	25 205 397	3 719 824
Exceeding 91 days	186 677 416	193 349 889
	212 768 195	199 863 469
Other debtors		
Current (0-30) days	2 020 262	(29 467)
31 - 60 days	177 721	453 811
61 - 90 days	(289 543)	3 927 006
Exceeding 91 days	10 135 428	6 459 264
	12 043 868	10 810 614
Employee debtors		
Current (0-30) days	181 155	(15 790)
31 - 60 days	(10 299)	159 058
61 - 90 days	(13 609)	12 909
Exceeding 91 days	2 684 252	2 328 353
	2 841 499	2 484 530

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
5. Receivables from exchange transactions (continued)		
Prepaid expenses		
Current (0-30) days	966 723	219 915
	-	-
	966 723	219 915
NSFAS Receivable		
Current (0-30) days	167 754	2 041 032
	-	-
	167 754	2 041 032
Accrued income		
Current (0-30) days	1 460 872	2 137 204
	-	-
	1 460 872	2 137 204
6. Receivables from non-exchange transactions		
Government grants and subsidies	14 795 610	13 771 195
Project receivables	7 345 026	774 344
	22 140 636	14 545 539
7. Other financial assets		
Designated at amortised costs		
Standard Bank Fixed Deposit - (628806850-009)	-	9 234 505
Interest rate	9.675%	
Term of deposit	365 days	
Effective date	09 February 2024	
Maturity date	07 February 2025	
Nedbank Fixed Deposit - (03-7881084347-000069)	-	21 106 438
Interest rate	9.85%	
Term of deposit	365 days	
Effective date	10 June 2024	
Maturity date	10 June 2025	
Standard Bank - Fixed Deposit (628826850-010)	-	20 976 055
Interest rate	9.475%	
Term of deposit	365 days	
Effective date	26 June 2024	
Maturity date	26 June 2025	
Nedbank Fixed Deposit - (03-7881084347-000068)	-	10 553 219
Interest rate	9.85%	
Term of deposit	365 days	
Effective date	10 June 2024	
Maturity date	10 June 2025	
Standard Bank Fixed Deposit - (628806850-011)	9 971 586	-
Interest rate	8.700%	
Term of deposit	365 days	
Effective date	18 March 2025	
Maturity date	18 March 2026	
Nedbank Fixed Deposit - 03-7881084347-000072	20 783 562	-
Interest rate	8.1250%	
Term of deposit	365 days	
Effective date	09 July 2025	
Maturity date	09 July 2026	

Orbit TVET College

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Figures in Rand	2025	2024
7. Other financial assets (continued)		
Standard Bank Fixed Deposit - ('628826850-012)	22 742 966	-
Interest rate	7.600%	
Term of deposit	365 days	
Effective date	30 June 2025	
Maturity date	30 June 2026	
Nedbank Fixed Deposit - (03-7881084347-000070)	42 994 658	-
Interest rate	8.68%	
Term of deposit	365 days	
Effective date	20 February 2025	
Maturity date	20 February 2026	
Nedbank Fixed Deposit - 03-7881084347-000071	10 391 781	-
Interest rate	8.700%	
Term of deposit	365 days	
Effective date	09 July 2025	
Maturity date	09 July 2026	
	106 884 553	61 870 217
Current assets		
Designated at amortised cost	106 884 553	61 870 217
8. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	20 000	20 000
Bank balances	261 237 772	295 124 363
Short-term deposits	218 945 797	205 145 765
	480 203 569	500 290 128
9. Trade and other payables from exchange transactions		
Bursary liability	33 746 153	40 683 092
Other payables	14 925 850	13 946 542
Payroll Accruals	867 251	908 425
Accrued leave pay	477 047	275 637
Retention liability	22 931	1 202 296
Accrued expenditure	20 259 659	19 299 188
Payroll payable 37%	2 715 166	2 715 166
	73 014 062	79 030 344
10. Payables from non-exchange transactions		
Projects - Current	11 354 681	4 302 709
Projects - Non-current	1 975 344	9 134 362
	13 330 025	13 437 071
Current liabilities	11 354 681	4 302 709
Non-current liabilities	1 975 344	9 134 362
	13 330 025	13 437 071

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11. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
NSF Centre of Specialisation	4 904 651	3 517 644
Movement during the year		
Balance at the beginning of the year	3 517 644	-
Allocations during the year	10 310 835	4 479 386
Income recognition during the year	(8 923 828)	(961 742)
	4 904 651	3 517 644
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 entity has directly benefited; and		
Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.		
12. Revenue		
Tuition and related fees	78 674 434	79 237 811
Rental of facilities and equipment	1 357 525	862 950
Football participation income	26 050 000	9 415 000
Other income	330 763	594 981
Business unit income	-	202 145
Interest received - investment	33 704 387	36 852 765
Government grants & subsidies	91 219 529	79 033 725
Service in-kind	190 063 626	180 117 782
Project income	16 366 324	14 550 650
	437 766 588	400 867 809
The amount included in revenue arising from exchanges of goods or services are as follows:		
Tuition and related fees	78 674 434	79 237 811
Rental of facilities and equipment	1 357 525	862 950
Miscellaneous other revenue	26 050 000	9 415 000
Other income	330 763	594 981
Business unit income	-	202 145
Interest received - investment	33 704 387	36 852 765
	140 117 109	127 165 652
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Transfer revenue		
Government grants & subsidies	91 219 529	79 033 725
Service in-kind	190 063 626	180 117 782
Project income	16 366 324	14 550 650
	297 649 479	273 702 157

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Figures in Rand	2025	2024
13. Tuition and related fees		
Tuition fees (Report 191)	19 637 644	21 652 024
Residential fees	7 521 519	7 985 778
Tuition fees (NCV)	48 065 077	47 409 406
Tuition fees - Skill occupational	2 332 014	1 057 465
Examination fees	646 980	593 738
Tuition fees - Pre-Vocational Learning	471 200	539 400
	78 674 434	79 237 811
14. Rental of facilities and equipment		
Premises		
Venue hire	797 556	337 762
Housing rental income	559 969	525 188
	1 357 525	862 950
Included in the above rentals are operating lease rentals at straight-lined amounts as well as contingent rentals.		
15. Football participation income		
Football participation income	26 050 000	9 415 000
16. Business Unit Income		
Business unit income	-	202 145
17. Other income		
Recoveries	235 499	40 796
Gain/(loss) on disposal of assets	(39 720)	554 185
Sales: Football Jerseys	134 984	-
	330 763	594 981
18. Interest received		
Interest revenue		
Bank	25 735 052	27 555 108
Investments	7 969 335	9 297 657
	33 704 387	36 852 765

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Figures in Rand	2025	2024
19. Government grants & subsidies		
Operating grants		
DHET Programme funding	81 680 000	78 178 000
NSF Revenue	8 923 828	-
Skills levy	615 701	855 725
	91 219 529	79 033 725
Conditional and Unconditional		
Included in above are the following grants and subsidies received:		
Conditional grants received - (NSF Revenue)	8 923 828	-
Unconditional grants received - (DHET Programme Funding and Skills Levy)	82 295 701	79 033 725
	91 219 529	79 033 725
20. Service In-kind		
Service in-kind - DHET	190 063 626	180 117 782
21. Project income		
Project income	16 366 324	14 550 650
22. Employee related costs		
Employee related cost and DHET Management Fee	229 730 685	205 249 584
Summary of remuneration		
DHET Management fees	190 063 626	180 117 782
Remuneration paid to employees by the college council	39 667 059	25 131 802
	229 730 685	205 249 584
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.		
23. Remuneration of councillors		
Meetings	718 553	346 910
Travel and accommodation allowances	40 318	13 415
	758 871	360 325
24. Depreciation and amortisation		
Property, plant and equipment	16 683 183	17 710 336
Intangible assets	287 269	322 296
	16 970 452	18 032 632

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
25. Impairment loss (reversal)		
Impairments		
Property, plant and equipment	3 337 232	3 488 394
Impairment is as a result of assets not verified as well as condition changes.		
26.		
Other interest paid	732 208	950 832
27. Lease rentals on operating lease		
Equipment		
Contractual amounts	895 514	732 976
28. Debt impairment		
Movement of debt impairment provision	(2 532 967)	13 321 635
29. Auditors' remuneration		
Fees	2 930 286	2 659 848

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
30. General expenses		
Advertising	1 604 628	778 694
Assessment rates & municipal charges	4 621 066	2 577 184
Auditors remuneration	2 930 286	2 659 848
Bank charges	237 914	422 001
Cleaning	3 422 864	2 894 856
Affiliation fees	250 000	250 000
Computer expenses	374 128	803 857
Consulting and professional fees	4 913 511	3 271 841
Consumables	1 790 978	1 997 126
Entertainment	1 641 886	2 507 087
Gifts	104 994	146 974
Insurance	4 770 540	4 202 585
Student support services	8 965 294	16 254 010
Conferences and seminars	394 605	631 710
Licensing of vehicles	43 535	39 212
Medical expenses	813 025	-
Diploma ceremony	687 153	643 853
Fuel and oil	2 049 789	1 677 936
Placement fees	-	223 800
Printing and stationery	4 209 185	3 974 726
Promotions	1 620 566	1 250 873
Protective clothing	1 863 353	1 921 084
Security	8 976 509	8 447 887
Software licenses	5 437 820	4 535 465
Staff welfare	641 351	1 036 188
Subscriptions fees	42 566	43 320
Telephone and internet fees	2 957 524	3 004 650
Training and bursaries	2 668 975	1 917 377
Membership fees	356 815	305 693
Municipal expenses	14 302 231	14 145 263
Uniforms	278 871	78 021
Travel and accommodation	4 928 397	3 610 659
Textbooks and learning materials	27 547 591	19 665 234
Business integrator fees	158 557	124 541
Examination expenses	63 872	58 723
Services Rendered for Projects	2 263 323	811 837
Hire	1 472 788	-
Telecommunications expense	343 532	254 290
Council functions	15 580	59 950
Stipends	7 070 325	5 214 611
	126 835 927	112 442 966

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
31. Cash generated from operations		
Surplus	41 825 290	40 616 059
Adjustments for:		
Depreciation and amortisation	16 970 452	18 032 632
Impairment deficit	3 337 232	3 488 394
Debt impairment	(2 532 967)	13 321 635
Inventory losses or write-downs	188 573	309 970
Changes in working capital:		
Inventories	(1 006 685)	(1 246 918)
Receivables from exchange transactions	(12 269 837)	(22 704 378)
Receivables from non- exchange transactions	(7 595 097)	272 729
Trade and other payables from exchange transactions	(6 016 289)	(3 204 508)
Payables from non-exchange transactions	(107 046)	7 442 058
Unspent conditional grants and receipts	1 387 007	3 517 644
Finance lease obligation	-	(22 800)
	34 180 633	59 822 517

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

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Figures in Rand	2025	2024
32. Financial instruments disclosure		
Categories of financial instruments		
2025		
Financial assets		
	At amortised cost	Total
Other financial assets (At Amortised Cost)	106 884 553	106 884 553
Receivables from exchange transactions (At Amortised Cost)	75 494 699	75 494 699
Cash and cash equivalents (At Amortised Cost)	480 203 569	480 203 569
	662 582 821	662 582 821
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions (At Amortised Cost)	72 537 015	72 537 015
2024		
Financial assets		
	At amortised cost	Total
Other financial assets (At Amortised Cost)	61 870 217	61 870 217
Receivables from exchange transactions (At Amortised Cost)	59 595 424	59 595 424
Cash and cash equivalents (At Amortised Cost)	500 290 128	500 290 128
	621 755 769	621 755 769
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions (At Amortised Cost)	78 754 709	78 754 709
33. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	1 679 762	2 021 290
Total capital commitments		
Already contracted for but not provided for	1 679 762	2 021 290
Total commitments		
Total commitments		
Authorised capital expenditure	1 679 762	2 021 290

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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34. Contingencies

2025

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:

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.

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 R24 688 757.

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 22,688,297..

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.

Orbit TVET College

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35. 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.

Subject to common of DHET

Subject to common of DHET

Subject to common of DHET

Responsible for planning, directing and controlling the reporting college

Mbuso Tshabalala (Mr) (SRC President)

N Msizo (Ms) (SRC Secretary)

Lerato Qoma - Ministerial Appointee) Deputy Chairperson

Matildah Mokgatle*

Van Heerden A (Secretary and College Employee)

Molope (MB) (Dr) (General Manager: Pilanesberg - Mines Ministerial Appointee)

Victor Mofokeng - (Donor Representative)*

Phinias Nkai*

Magolego PM (Attorney - Donor)

Ramdass (KR) (Prof.) (Professor at UNISA - Ministerial Appointee)

Rapule Kgalaki*

Mokoena DF (Principal - College Employee)

Moloantoa K (Dr) (Director - Ministerial Appointee) Chairperson

Singh R (Financial Accountant)

Carrim I (Council Member)

Fourie W (Audit and Risk Committee)

Hoogkamer JA (Council Member)

Molapise JJ (Council Member)*

Qoma LE (Council Member)

Sepeng S (Council Member)

Ntshole GEE (College Employee)*

Mlambo TV (College Employee)

Carrim I (Group Financial Accountant at Glencore) Fourie W (Chartered Accountant at DVS Chartered Accountants)

R Kgalaki (Consultant)

G Mafojane (College Employee)

Dika Mokoena (Principal at ORBIT TVET College)

Lerato Qoma (Deputy Chairperson)

M Sebaetse (Deputy Principal Finance)

M Tshabangwe (College Employee)*

Other TVET Colleges and Universities

SETA's

NSFAS

Members of Key Management

Councillors

Audit Committee

Orbit TVET College

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Figures in Rand	2025	2024
35. Related parties (continued)		
Members of key management	A Van Heerden (Secretary and College Employee) DF Mokoena - Accounting Officer/Principal. SM Matjiane - Deputy Principal: CorporateServices* TJ Mosito - Deputy Principal: Academic. TM Sebaetse - Deputy Principle Finance Dr JCH Viljoen - Acting Deputy Principle Innovation Ms T Tlhopile - Acting Deputy Principal Academic	
Related party balances		
Related party balances included in payables from non-exchange transactions		
NSFAS	-	40 683 092
INSETA INTERNS	1 730 858	241 463
ETDP SETA	215 763	72 515
FOODBEV SETA	63 300	63 300
SASSETA	244 486	-
AGRI SETA	-	238 289
INSETA SKILLS TRAINING	70 050	-
FP&MSETA30	596 121	-
UJ EWSETA	285 000	-
	3 205 578	41 298 659
Related party balances included in receivables from non exchange transactions		
EWSETA	369 515	84 514
EPWP	-	130 850
W&RSETA	612 635	591 795
MERSETA	1 735 129	335 662
AGRISETA	298 588	-
Gert Sibande TVET College	26 180	-
Vuselela TVET College	26 180	-
Ehlanzeni TVET College	34 907	-
EWSETA 15: BRITS	84 515	-
W&R SETA SOLAR	130 548	-
Services SETA Apprenticeship	472 520	-
W&R SETA INTERN/LEARN	1 045 772	-
	4 836 489	1 142 821
Government Grants and Subsidies Received		
Department of Higher Education and Training - Services In-Kind	190 063 626	180 117 781
Department of Higher Education and Training - Programme Funding	81 680 000	78 178 000
Department of Higher Education and Training - Centre of Specialisation	5 055 721	3 517 644
National Skills Levy	615 701	855 725
	277 415 048	262 669 150

Orbit TVET College

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Figures in Rand	2025	2024
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35. Related parties (continued)

Remuneration of management

Management class: Councillors

2025

Name	Meeting Fees	Travel & Subsistence	Total
Carrim I	5 396	-	5 396
Fourie WS	24 282	-	24 282
Kgalaki R	27 170	-	27 170
Sepeng GS	35 079	-	35 079
Mogolego MP	72 717	6 166	78 883
Singh R	36 045	1 305	37 350
Ramdass KR	-	1 425	1 425
Molope BL	58 852	881	59 733
Qoma LE	141 600	22 809	164 409
Hoogkamer JA	155 441	2 716	158 157
Molapisi JJ	150 221	5 016	155 237
Mlangeni S	11 750	-	11 750
	718 553	40 318	758 871

2024

Name	Meeting Fees	Travel & Subsistence	Total
Dubazana TC	9 126	-	9 126
Moloantsoa K	67 077	1 758	68 835
Bogopa MB	21 758	-	21 758
Magolego PM	38 058	3 197	41 255
Singh R	14 283	369	14 652
Molope M	14 283	378	14 661
Mathye MG	22 488	5 670	28 158
Fourie WS	5 317	-	5 317
Ngoma EPC	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
	346 910	13 415	360 325

Orbit TVET College

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Figures in Rand	2025	2024
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35. Related parties (continued)

Management class: Executive management

2025

Name	Basic salary	Other benefits received	Total
Principal	927 945	427 208	1 355 153
Deputy Principal: Corporate Services	862 325	279 360	1 141 685
Deputy Principal: Academic	650 607	335 335	985 942
Deputy Principal: Finance	794 429	288 309	1 082 738
Deputy Principal: Innovation	794 429	321 204	1 115 633
Acting Deputy Principal: Corporate Services	-	294 992	294 992
	4 029 735	1 946 408	5 976 143

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
	3 885 713	1 472 161	5 357 874

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36. 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.

At 31 December 2025	Less than 1 year			
Trade and other payables - exchange (At amortised cost)	72 537 015	-	-	-
At 31 December 2024	Less than 1 year			
Trade and other payables - exchange (At amortised cost)	78 754 709	-	-	-

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The entity 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	2025	2024
Cash and cash equivalents (At Amortised Cost)	480 203 569	500 290 128
Other financial assets (At Amortised Cost)	106 884 553	61 870 217
Receivables from exchange transactions (At Amortised Cost)	75 494 699	59 595 424

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.

Orbit TVET College

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36. Risk management (continued)

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.

37. Going concern

We draw attention to the fact that at 31 December 2025, the entity had an accumulated surplus of 767 521 945 and that the entity's total assets exceed its liabilities by 767 521 945.

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.

38. Events after the reporting date

No material non-adjusting events occurred after the reporting date.

39. Segment information

General information

Identification of segments

The entity's reporting systems do not 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:

- Results are not separately reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance;
- Separate financial information / reporting is not available.

Orbit TVET College

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40. 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

2024

	As previously reported	Correction of error	Restated
Receivables from exchange	65 573 288	(3 716 917)	61 856 371
Accumulated surplus	(683 414 492)	(1 108 481)	(684 522 973)
Trade and other payables from exchange	(78 926 162)	(104 184)	(79 030 346)
Trade and other payables from non exchange	(14 563 552)	1 126 481	(13 437 071)
Property, plant and equipment	166 791 469	3 777 301	170 568 770
	(544 539 449)	(25 800)	(544 565 249)

Statement of financial performance

2024

	As previously reported	Correction of error	Re-classification	Restated
Tuition and related fees	79 244 351	(6 540)	-	79 237 811
Finance costs	(849 148)	(101 684)	-	(950 832)
Depreciation	(21 809 934)	3 777 302	-	(18 032 632)
Project income	15 675 650	(1 125 000)	-	14 550 650
Rental of facilities and equipment	855 450	7 500	-	862 950
Repair and maintenance	-	-	(811 837)	(811 837)
Services rendered for projects	-	-	811 837	811 837
Impairments	(10 744 257)	(2 577 376)	-	(13 321 633)
Surplus for the year	62 372 112	(25 798)	-	62 346 314

Cash flow statement

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024		
40. Prior-year adjustments (continued)				
2024				
	As previously reported	Correction of error	Re-classification	Restated
Cash flow from operating activities				
Cash received from customers	80 763 811	2 402 463	-	83 166 274
Grants Received	82 551 369	180 027 782	-	262 579 151
Interest received	36 852 764	(1 527 806)	-	35 324 958
Other income	-	594 981	-	594 981
Employee costs	(25 492 127)	(179 943 498)	-	(205 435 625)
Suppliers	(72 694 349)	(43 712 873)	-	(116 407 222)
Finance cost	(849 148)	849 148	-	-
	101 132 320	(41 309 803)	-	59 822 517
Cash flow from investing activities				
Purchase of property, plant and equipment	(25 060 805)	382 299	-	(24 678 506)
Purchase of intangible assets	-	(146 050)	-	(146 050)
Proceeds from the sale of property, plant and equipment	(746 343)	746 343	-	-
Proceeds from sale of financial assets	-	-	41 446 711	41 446 711
	(25 807 148)	982 592	41 446 711	16 622 155
Cash flow from financing activities				
Finance lease payments	(22 800)	22 800	-	-

Errors

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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40. Prior-year adjustments (continued)

Accumulated surplus

During the prior year, there were prior period errors corrections made which resulted in accumulated surplus movement.

Accrued Expenditure

During the current year, it was noted that finance cost rates) was not recorded in the 2024 Statement of Financial Performance. This resulted in a restatement on the comparative figures relating to Accrued expenses and Finance costs

Property, plant and equipment

During the prior year, there was capitalisation of WIP on buildings to PPE and also there was a gain on movable assets. This resulted in a restatement on the comparative figures relating to Property, plant and equipments.

Student debtors

During the current year, it was noted that student debtors was incorrectly recorded in the 2025 FY instead of the 2024 FY. This resulted in a restatement on the comparative figures relating to Class Fee:NCV, College Accumulated fund and Student debtors control

Employee receivables

During the current year, it was noted that the calculation impairment for other debtors was incorrectly calculated in the 2024 financial year. This resulted in a restatement on the comparative figures relating to Employee debtors, Provision for bad debts and Provision for doubtful debtors

Other debtors

During the current year, it was noted that the calculation impairment for other debtors was incorrectly calculated in the 2024 financial year. This resulted in a restatement on the comparative figures relating to Other debtors, Provision for bad debts and Provision for doubtful debtors.

Projects-current

In the prior year, it was noted that the a credit note was passed incorrectly in 2025 financial year instead of the 2024 financial year. This resulted in a restatement on the comparative figures relating to Project - Current Liability and Project income .

Other payables

In the prior year, it was noted that the indemnity fee was not recorded and as a result, this resulted in a restatement on the comparative figures relating to Other Payables and Other debtors.

Tuition and related fees

In the prior year, it was noted that student debtors was incorrectly recorded in the 2025 FY instead of the 2024 FY. This resulted in a restatement on the comparative figures relating to Class Fee:NCV, College Accumulated fund and Student debtors control.

Finance costs

In the prior year, it was noted that finance cost(Rates) was not recorded in the 2024 Statement of Financial Performance. This resulted in a restatement on the comparative figures relating to Accrued expenses and Finance costs

Depreciation

In the prior year, the assessment of useful life of certain assets was revised. This resulted in a restatement on the comparative figures relating Property, plant and equipment and depreciation.

Project income

Orbit TVET College

Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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40. Prior-year adjustments (continued)

In the prior year, it was noted that the a credit note was passed incorrectly in 2025 financial year instead of the 2024 financial year. This resulted in a restatement on the comparative figures relating to Project - Current Liability and Project income.

Rental of facilities and equipment

In the prior year, it was noted that income relating to the rental of facilities and equipment was not recorded in the 2024 financial year. This resulted in a restatement on the comparative figures relating to Other debtors and Hire of venue.

Repairs and maintenance

In the prior year it was noted that repairs and maintenance was overstated by an account of services rendered for projects which was incorrectly mapped under repairs and maintenance. This resulted in a reclassification and restatement on the comparative figures relating to repairs and maintenance and general expenditure-services rendered for projects.

Cash flow

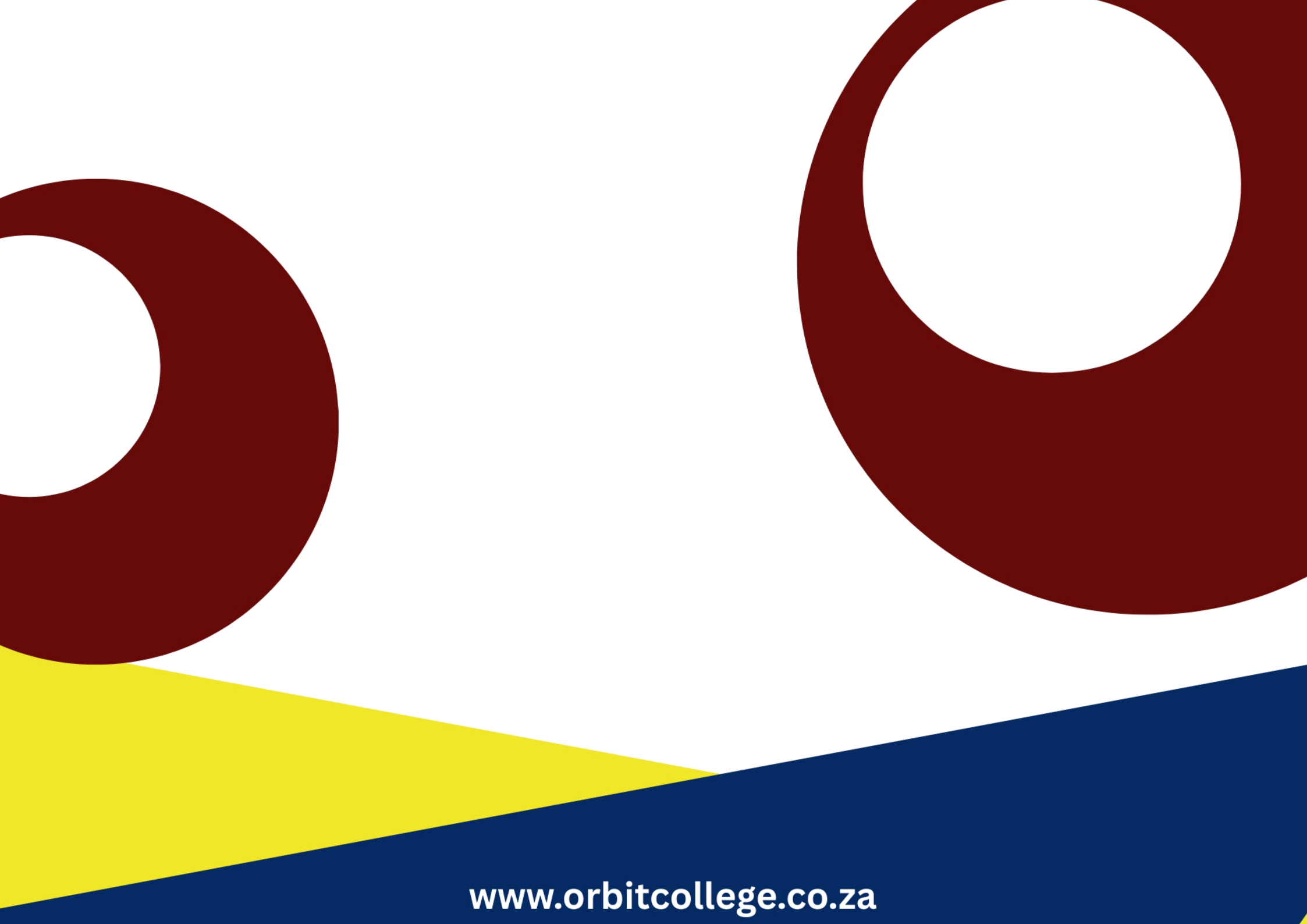
In the prior financial year, the cash flow working paper did not cast correctly, and certain calculations were misstated. The cash flow movements were subsequently reviewed and recalculated to correct the identified errors, misstatements, and casting discrepancies.

41. New standards and interpretations

41.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 January 2026 or later periods:

GRAP 104 (Revised)	1 January 2026	Unlikely there will be a material impact
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