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# **NUST FINANCIAL STATEMENTS**

**Think In Other Terms**





**NATIONAL UNIVERSITY OF  
SCIENCE AND TECHNOLOGY**

**2024 FINANCIAL STATEMENTS**

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### GENERAL INFORMATION

31 December 2024

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### NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES

The National University of Science and Technology (“NUST”) is an institution of higher learning established in terms of the National University of Science and Technology Act (Chapter 25:13) of 1990 and is domiciled in Bulawayo, Zimbabwe.

### COUNCIL MEMBERS

Professor Lindiwe Majele Sibanda (Chairperson)  
Mr Collence Chirume (Deputy Chairperson)  
Professor Mqhele Dlodlo (Vice Chancellor)  
Professor Norman Takaidza  
Dr Edwin Sibanda  
Engineer Irene Kamuteuro- Goto  
Dr Engineer Farai Karonga  
Ms Siphathisiwe Mguni Maisiri  
Mrs Prisilla Raviro Munyeza  
Mr Caleb Mutandwa  
Dr Douglas Bramsen  
Mr Bernard Gona  
Mrs Edith Maziofa  
Mr Upenyu Manyanye  
Mrs Esther Mupundu  
Professor Philimon Nyamugure (Internal)  
Dr Thembekile Ncube (Internal)  
Mr Readyforward Dube (Internal)  
Mr Micheal Lupahla (Internal)

### REGISTERED OFFICE, BUSINESS AND POSTAL ADDRESSES

National University of Science and Technology  
Corner Gwanda Road/Cecil venue  
**BULAWAYO**

### BANKERS

FBC Bank Limited  
11<sup>th</sup> Avenue/ Jason Moyo Street  
**BULAWAYO**

ZB Bank Limited  
Corner Fife Street and 10th Avenue  
**BULAWAYO**

First Capital Bank Limited  
100 JMN Nkomo Street  
**BULAWAYO**

Banc ABC Limited  
Corner Jason Moyo Street and 12th Avenue  
**BULAWAYO**

CBZ Limited  
8th Avenue/Jason Moyo Street  
**BULAWAYO**

Ecobank Limited  
5 Parkade Centre, Corner. Fife Street/9th Avenue  
**BULAWAYO**

## **NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**

### **GENERAL INFORMATION**

**31 December 2024**

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#### **BANKERS (Continued)**

Standard Chartered Bank Limited  
84 Fife Street  
**BULAWAYO**

#### **INDEPENDENT EXTERNAL AUDITORS**

PKF Chartered Accountants (Zimbabwe)  
8<sup>th</sup> Floor Takura House  
Kwame Nkurumah Avenue  
P O Box CY 629  
Causeway  
**HARARE**

#### **PREPARERS OF FINANCIAL STATEMENTS**

AMG Global Chartered Accountants (Zimbabwe)  
Suite 310, Treger House  
Between 11<sup>th</sup> and 12<sup>th</sup> Avenue/Jason Moyo Street  
**BULAWAYO**

#### **LAWYERS**

Calderwood Bryce Hendrie and Partners  
Ground Floor Derry House  
Corner 6<sup>th</sup> Avenue and Fife Street  
P O Boxes 187 and 276  
**BULAWAYO**

**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**

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**31 December 2024**

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**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**FINANCIAL STATEMENTS**

**31 December 2024**

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**COUNCIL'S RESPONSIBILITY STATEMENT**

The Council Members ("Council") are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards ("IFRS") and in terms of the requirements of the National University of Science and Technology Act (Chapter 25:13) ("NUST Act") and the Public Finance Management Act (Chapter 22:19), "The PFM Act".

The Council's responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Council's responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The Council has made an assessment of the University's ability to continue as a going concern. The Council has no reason to believe that the University will not be a going concern in the year ahead and has therefore prepared the financial statements on a going concern basis.

The auditors are responsible for reporting on whether the financial statements of the University are fairly presented in accordance with IFRS and in terms of the requirements of the NUST Act, as well as the PFM Act.

These financial statements were prepared under the supervision of Mr S Ndlovu (CIMA), the Bursar, and were approved by the Council on 18-12-25 and are signed on its behalf by:

  
Council Chairman

  
Vice Chancellor



**PKF Chartered Accountants & Business Advisors**

8<sup>th</sup> Floor Takura House  
67 Kwame Nkrumah Avenue  
P O Box CY 629  
Causeway  
HARARE

+263 242 704 427 / 707 986 / 707 817

[www.pkf.com](http://www.pkf.com)

**INDEPENDENT AUDITOR'S REPORT**

**To the Council of the National University of Science and Technology**

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**Opinion**

We have audited the inflation adjusted financial statements of the National University of Science and Technology ("the University") set out on pages 9 to 43, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the matter discussed in the Basis of Qualified Opinion section of our report, the accompanying inflation adjusted financial statements present fairly, in all material respects, the financial position of the National University of Science and Technology as at 31 December 2024 and its financial performance and its cashflows for the year then ended in accordance with International Financial Reporting Standards.

**Basis for Qualified Opinion**

**Valuation of Property, Plant equipment**

We noted that the University's property, plant and equipment on the statement of financial position is carried at ZWG1 528 606 536 (2023: ZWG1 471 667 857). The University engaged an independent valuer to determine the fair value of land, buildings and motor vehicles, with the valuation performed in ZWG.

IFRS 13 – Fair Value Measurement requires entities to use the fair value hierarchy when valuing property and equipment, which gives the highest priority to quoted prices in active markets for identical assets (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs) to the extent that relevant observable inputs are not available. The valuation was based on unobservable inputs (Level 3 inputs), despite the existence of an active market for similar properties with readily available observable inputs. The use of unobservable inputs while there are available market prices, represents a departure from the fair value hierarchy prescribed under IFRS 13. Consequently, we were unable to obtain sufficient appropriate audit evidence to conclude that the carrying amounts of property and equipment are stated at fair value.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the University in accordance with the International Ethics Standards Councils of Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibility in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the inflation adjusted financial statements of the current period. These matters were addressed in the context of our audit of the inflation adjusted financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



**INDEPENDENT AUDITOR'S REPORT (continued)**

**To the Council of the National University of Science and Technology**

**Key audit matters (Continued)**

<b>Revenue recognition – Tuition fees</b>	
<p>Tuition fees represent a significant proportion of the University's revenue for the year.</p> <p>Tuition fees are automatically billed for all students and recognised to the extent that it is probable that the economic benefits will flow to the University.</p> <p>Due to the high volume of tuition fees processed during the year, a risk exists that tuition fees may be inappropriately recognised in the incorrect period.</p> <p>Recognition of tuition fees was considered a key audit matter due to the significance of the balance, the significant volume of academic fees processed during the year and the work effort required to be performed by the audit team.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Recalculating tuition fee revenue using the number of active students based on results listings for each semester and the authorised tuition fee rates for each program, to assess whether the tuition revenue recognised for the year is accurate.</li> <li>• Inspecting graduation lists for 2023 and the billing list for each relevant semester, to assess on a sample basis whether selected individuals who had completed their studies had been inappropriately billed in the subsequent semester.</li> <li>• Assessing whether all billed students wrote examinations in the relevant semester for which they were billed by comparing the list of students billed with the results for each semester.</li> <li>• Determining whether third year students were only billed using the authorised tuition fee rates for each program, to assess whether the tuition revenue recognised for the year is accurate.</li> </ul>

**Other information**

The Council is responsible for the other information. The other information comprises the Council's responsibility statement. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**INDEPENDENT AUDITOR'S REPORT (continued)**  
**To the Council of the National University of Science and Technology**

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**Responsibilities of the Council for the Financial Statements**

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

In preparing the financial statements, the Council is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so. The Council is responsible for overseeing the University's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted

in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the University.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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 we identify during our audit.

We also provide the Council with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.



**INDEPENDENT AUDITOR'S REPORT (continued)**  
**To the Council of the National University of Science and Technology**

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**Report on Other Legal and Regulatory Requirements**

The financial statements have been compiled so as to comply with the disclosure and presentation requirements of the National University of Science and Technology Act [Chapter 25:13].

The engagement partner on the audit resulting in this independent auditor's report is Lewis Hussein.

**PKF Chartered Accountants (Zimbabwe)**  
Registered Public Accountants (Zimbabwe)  
Harare

December 2025

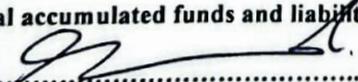
**Per: Lewis Hussein CA(Z)**  
Partner  
Registered Public Auditor  
PAAB Practicing Certificate Number :0347

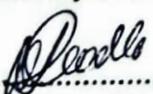
NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF FINANCIAL POSITION  
as at 31 December 2024

	Note	Inflation adjusted		Historical	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	2	1 528 606 536	1 470 380 860	1 477 970 669	133 318 205
Intangible assets- software	3	1 287 441	1 286 997	65 737	55 886
		<u>1 529 893 977</u>	<u>1 471 667 857</u>	<u>1 478 036 406</u>	<u>133 374 091</u>
<b>Current assets</b>					
Cash and cash equivalents	4	104 063 713	77 080 500	104 063 713	7 095 137
Short term investments	5	21 189 968	9 518 114	21 189 968	876 127
Accounts receivables	6	43 679 775	22 792 187	43 679 775	2 097 984
Inventories	7	4 649 747	12 544 405	3 313 325	302 464
		<u>173 583 203</u>	<u>121 935 206</u>	<u>172 246 781</u>	<u>10 371 712</u>
<b>Total assets</b>		<u><u>1 703 477 180</u></u>	<u><u>1 593 603 063</u></u>	<u><u>1 650 283 187</u></u>	<u><u>143 745 803</u></u>
<b>ACCUMULATED FUNDS AND LIABILITIES</b>					
<b>Accumulated funds</b>					
Non-distributable reserve		1 459 696 682	1 465 764 908	1 432 116 492	131 517 811
Accumulated losses		98 096 508	(49 071 307)	75 969 452	(1 077 615)
Public sector investment programme reserve		151 269 108	137 000 513	13 515 510	3 347 980
Public sector investment programme utilised funds		(147 782 197)	(133 513 602)	(13 515 346)	(3 347 816)
Committed funds	8	16 507 754	18 008 846	16 507 754	1 657 685
		<u>1 577 787 855</u>	<u>1 438 189 358</u>	<u>1 524 593 862</u>	<u>132 098 045</u>
<b>Non-current liabilities</b>					
Deferred income	9	-	39 375 331	-	966 610
<b>Current liabilities</b>					
Accounts payable	10	58 381 341	43 739 418	58 381 341	4 026 144
Provisions	11	67 307 984	72 298 956	67 307 984	6 655 004
		<u>125 689 325</u>	<u>116 038 374</u>	<u>125 689 325</u>	<u>10 681 148</u>
<b>Total accumulated funds and liabilities</b>		<u><u>1 703 477 180</u></u>	<u><u>1 593 603 063</u></u>	<u><u>1 650 283 187</u></u>	<u><u>143 745 803</u></u>

**Total accumulated funds and liabilities**

  
.....  
**University Council Chairman**

  
.....  
**Vice Chancellor**

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
year ended 31 December 2024

	Note	Inflation adjusted		Historical	
		2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
<b>INCOME</b>					
Fees	12	143 452 978	45 002 524	102 988 054	2 889 204
Grants and donations	13	348 712 799	323 359 573	251 272 186	18 590 720
Finance income	14	526 799 026	39 534 777	325 092 180	1 703 346
Other income	15	107 889 347	155 184 585	75 330 238	8 842 519
		<u>1 126 854 150</u>	<u>563 081 459</u>	<u>754 682 658</u>	<u>32 025 789</u>
<b>EXPENDITURE</b>					
Academic and administration expenditure	16	582 666 132	486 719 399	408 485 602	30 233 092
Finance costs	17	414 284 116	28 011 025	268 383 692	2 578 370
Other operating expenses	18	916 385	686 709	766 297	23 171
		<u>997 866 633</u>	<u>515 417 133</u>	<u>677 635 591</u>	<u>32 834 633</u>
Operating surplus/ (deficit) for the year		<u>128 987 517</u>	<u>47 664 326</u>	<u>77 047 067</u>	<u>(808 844)</u>
Net loss on monetary items		18 180 298	(28 582 782)	-	-
Surplus/(deficit) for the year		<u>147 167 815</u>	<u>19 081 544</u>	<u>77 047 067</u>	<u>(808 844)</u>
<b>Other comprehensive income</b>					
Revaluation surplus	2	(6 068 226)	653 770 486	1 300 598 681	116 902 873
Total comprehensive income for the year		<u>141 099 589</u>	<u>672 852 030</u>	<u>1 377 645 748</u>	<u>116 094 029</u>

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
year ended 31 December 2024

INFLATION ADJUSTED

	Note	Accumulated losses ZWG	Committed funds ZWG	Public sector investment programme utilised funds ZWG	Non-distributable reserve ZWG	Public sector investment programme reserve ZWG	Total ZWG
Balances as at 31 December 2022		(68 152 851)	1 558 698	(86 101 848)	811 994 422	89 588 759	748 887 180
Receipts during the year		-	34 162 543	-	-	108 939 941	143 102 484
Disbursements during the year		-	(15 375 844)	(47 411 754)	-	(61 528 187)	(124 315 785)
Effects of IAS 29 restatements		-	(2 336 551)	-	-	-	(2 336 551)
Total comprehensive income for the year		19 081 544	-	-	653 770 486	-	672 852 030
Balances as at 31 December 2023		(49 071 307)	18 008 846	(133 513 602)	1 465 764 908	137 000 513	1 438 189 359
Receipts during the year		-	22 440 438	4 698 155	-	14 268 595	41 407 188
Disbursements during the year		-	(1 600 607)	(18 966 750)	-	-	(20 567 357)
Effects of IAS 29 restatements		-	(22 340 923)	-	-	-	(22 340 923)
Total comprehensive income for the year		147 167 815	-	-	(6 068 226)	-	141 099 589
Balances as at 31 December 2024		98 096 508	16 507 754	(147 782 197)	1 459 696 682	151 269 108	1 577 787 855

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
year ended 31 December 2024

HISTORICAL

	Note	Accumulated losses ZWG	Committed funds ZWG	Public sector investment programme utilised funds ZWG	Non-distributable reserve ZWG	Public sector investment programme reserve ZWG	Total ZWG
Balances as at 31 December 2022		(268 771)	29 857	(253 680)	14 614 938	253 843	14 376 187
Receipts during the year		-	2 606 574	-	-	8 138 993	10 745 567
Disbursements during the year		-	(978 746)	(3 094 136)	-	(5 044 856)	(9 117 738)
Total comprehensive (loss)/ income for the year		(808 844)	-	-	116 902 873	-	116 094 029
Balances as at 31 December 2023		(1 077 615)	1 657 685	(3 347 816)	131 517 811	3 347 980	132 098 045
Receipts during the year		-	21 764 522	3 347 816	-	10 167 530	35 279 868
Disbursements during the year		-	(6 914 453)	(13 515 346)	-	-	(20 429 799)
Total comprehensive income for the year		77 047 067	-	-	1 300 598 681	-	1 377 645 748
Balances as at 31 December 2024		75 969 452	16 507 754	(13 515 346)	1 432 116 492	13 515 510	1 524 593 862

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF CASH FLOWS  
year ended 31 December 2024

	Note	Inflation adjusted		Historical	
		2024	2023	2024	2023
		ZWG	ZWG	ZWG	ZWG
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Operating cash flows</b>					
Surplus/(deficit) for the year		128 987 517	47 664 326	77 047 067	(808 844)
<i>Adjustments for:</i>					
• Effects of IAS 29 restatement		18 180 298	(28 582 782)	-	-
• Interest receivable		(526 799 026)	(39 534 777)	(325 092 180)	(1 703 348)
• Depreciation amortisation charges	2	8 425 598	8 956 732	4 907 935	367 080
• Interest payable		414 284 116	28 011 025	268 383 692	2 578 370
• Amortisation of software		40 268	27 058	19 228	9 831
Net operating cash flows before reinvestment in working capital		43 118 771	16 541 582	25 265 742	443 089
Increase in accounts receivable		(20 887 588)	(8 686 495)	(41 581 791)	(1 827 786)
(Decrease)/increase in inventories		7 894 658	(7 513 396)	(3 010 861)	(323 707)
Increase in accounts payables		14 641 923	26 057 621	54 355 197	3 687 444
(Decrease)/increase in provisions		(4 990 972)	67 205 053	60 652 980	6 064 065
		39 776 792	93 604 365	95 681 267	8 043 105
<b>Returns on investment and servicing of finance</b>					
Interest receivable		526 799 026	39 534 777	325 092 180	1 703 348
Interest payable		(414 284 116)	(28 011 025)	(268 383 692)	(2 578 370)
<b>Net cash flows from operating activities</b>		152 291 702	105 128 117	152 389 755	7 168 083
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of property, plant and equipment	2	(72 719 500)	(49 359 388)	(48 961 718)	(2 086 538)
Acquisition of software	3	(40 712)	(1 314 055)	(29 079)	(65 717)
Net cash outflows from investing activities		(72 760 212)	(50 673 443)	(48 990 797)	(2 152 255)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Net movement in deferred income	10	(39 375 331)	8 675 965	(966 610)	699 817
Net movement in committed funds		(1 501 092)	16 450 148	14 850 069	1 627 828
Net cash (outflows)/inflows from financing activities		(40 876 423)	25 126 113	13 883 459	2 327 645
<b>INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>					
Cash and cash equivalents at the beginning of the year		86 598 614	6 817 827	7 971 264	627 791
Cash and cash equivalents at the end of the year		125 253 681	86 598 614	125 253 681	7 971 264
Cash and cash equivalents comprises:					
Cash and bank balances	4	104 063 713	77 080 500	104 063 713	7 095 137
Short term investments	5	21 189 968	9 518 114	21 189 968	876 127
Cash and cash equivalents at the end of the year		125 253 681	86 598 614	125 253 681	7 971 264

# NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

## STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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### 1. ACCOUNTING POLICIES

The principal accounting policies of the University, which are set out below, are consistently followed in all material respects. These financial statements, unless otherwise disclosed, are prepared in conformity with International Financial Reporting Standards (“IFRS”).

#### 1.1 BASIS OF PREPARATION

The financial statements are presented in Zimbabwe Dollars (ZWG). The amounts have been rounded to the nearest thousand Zimbabwe Dollars (ZWG). They are based on the historical cost convention and adjusted to take account of the effects of inflation in accordance with *International Accounting Standards 29: Financial Reporting in Hyperinflationary Economies (“IAS 29”)*. The adjusted amounts are presented side by side with the unadjusted figures from where they are derived. The inflation adjusted financial statements constitute the University’s primary financial statements whilst the historical financials are supplementary.

The economy of Zimbabwe is considered to be hyperinflationary. IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date, and that corresponding figures be stated in terms of the same measuring unit.

Accordingly, these financial statements have been adjusted, to take account of the changes in the general purchasing power of the Zimbabwe Dollar and, as a result, are stated in terms of the measuring unit current at the reporting date. The adjustments are based on conversion factors derived from the Zimbabwe Consumer Price Index (CPI) compiled by the Zimbabwe Central Statistical Office and published on the Reserve Bank of Zimbabwe’s website. The Consumer Price Indices (CPI’s) presented below, as compiled by the Zimbabwe Central Statistics Office and the conversion factors derived there-from, have been applied in adjusting the historical financial statement figures as required per IAS 29.

Dates	Indices	Conversion factors
31 December 2024	166.30	1.00
31 December 2023	100.00	1.66
2024 Average CPI	118.50	1.40

The main procedures applied in the adjustment of transactions and balances are as follows:

- Monetary assets and liabilities as at the end of the current year being reported on are not adjusted because they are already stated in terms of the measuring unit current at reporting date;
- Non-monetary assets and liabilities, and components of shareholders’ equity/funds, are adjusted by applying the change in the index from the date/month of the transaction or, if applicable, from the date of their most recent revaluation to the reporting date;
- Property, plant and equipment as well as intangible assets are adjusted by applying the change in the index from the date of transaction, or if applicable, from the date of their most recent/last revaluation, to the reporting date. Depreciation and amortization amounts are based on the adjusted amounts;
- Statement of comprehensive income items/transactions, except depreciation and amortization charges as explained above, are adjusted by applying the monthly price indices for the respective months when the income and/or expenses were incurred and adjusted to current reporting date;

# NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

## STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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### 1. ACCOUNTING POLICIES (Continued)

#### 1.1 BASIS OF PREPARATION

- For comparative statement of comprehensive income items/transactions, an average index during the period to the prior reporting date was applied;
- Gains and losses arising from the net monetary asset or liability positions are included in the profit and loss statement; and
- All items in the cash flow statement are expressed in terms of the measuring unit current at the reporting date.

#### 1.2 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Zimbabwe Dollars (ZWG) which is the University's functional and presentation currency.

#### 1.3 FUND ALLOCATION

Equity is divided into the following categories:

##### *Public sector investment programme ("PSIP") reserve and utilised funds*

These reserves indicate the level of funding received through the PSIP and the utilization of those funds, respectively. The funds are utilised for acquisitions of property, plant and equipment.

##### *Committed and restricted funds*

These funds comprise of income received for specific purposes, the use of which is legally beyond the control of the Council.

#### 1.4 FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

#### 1.5 PROPERTY, PLANT AND EQUIPMENT (PPE)

##### *Carrying amount*

Land and buildings comprise mainly, lecture halls, laboratories, residences and administrative buildings and are stated at valuation. Revaluations are carried out at appropriate intervals on the basis of professional valuations.

Plant and equipment is stated at cost and/or valuation less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Property, and equipment obtained in terms of a donation or bequest are shown at fair value less accumulated depreciation and any accumulated impairment losses.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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#### 1.5 PROPERTY, PLANT AND EQUIPMENT (Continued)

##### *Carrying amount*

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

##### *Depreciation*

Depreciation is charged at the following rates on a straight line basis:

Buildings	50 years
Other plant and equipment	3-10 years

Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the University will obtain ownership by the end of the lease term.

No depreciation is provided on land and work in progress. In addition, depreciation is charged to the statement of profit or loss and other comprehensive income.

##### *Repairs and maintenance*

Material improvements to buildings, plant and equipment are capitalised while maintenance and repair work is charged to the statement of profit and loss and other comprehensive income in the financial period in which they are incurred.

##### *Depreciation rates and residual values*

The residual values and useful lives of assets are reviewed, and adjusted, if appropriate, at the end of each reporting period.

##### *Gain and losses on disposal*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in statement of profit or loss and other comprehensive income.

##### *Impairment*

The carrying amounts of the University's assets are reviewed at each year end to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income in the year in which they are incurred.

##### *Calculation of recoverable amount*

The recoverable amount of items of property, plant and equipment is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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#### 1.5 PROPERTY, PLANT AND EQUIPMENT (Continued)

##### *Reversal of impairment*

Any impairment losses previously recognised are reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is only reversed to an extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

##### *De-recognition of PPE*

PPE is de-recognised when the asset is disposed of or retired from use and/or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal is included in the profit or loss in the period the PPE item is de-recognised.

#### 1.6 FINANCIAL INSTRUMENTS

Financial instruments held by the University are classified in accordance with the provisions of *IFRS 9 : Financial Instruments ("IFRS 9")*. The University's financial instruments comprise mainly of accounts receivables, cash and cash equivalents, finance lease obligations, employee benefits, provisions, accounts payables and loans. All these instruments are recognised and measured at amortised cost in accordance with IFRS 9.

##### **Accounts receivable**

##### *Classification*

Accounts receivables, are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the University's business model is to collect the contractual cash flows on accounts receivables.

##### *Recognition and measurement*

Accounts receivables are recognised when the University becomes a party to the contractual provisions of the receivables. They are measured, on initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

##### *Impairment*

The University recognises a loss allowance for expected credit losses ("ECL") on accounts receivables, in line with IFRS 9's simplified approach. The amount of expected credit losses is updated at each reporting date. The University measures the loss allowance for accounts receivables at an amount equal to lifetime expected credit losses, which represents the expected credit losses that will result from all possible default events over the lifetime of the financial assets.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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#### 1.6 FINANCIAL INSTRUMENTS (Continued)

##### *Impairment*

The ECL impairment loss allowance is an unbiased, probability – weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD) and the possible exposure at default (EAD). Of equal importance is the sound correlation between these parameters and forward-looking economic conditions.

ECL reflects the University's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, the University also considers observable market information about the credit risk of the particular financial instrument or similar financial instruments. In the absence of sufficient depth of data, management apply expert judgment within a governance framework to determine the required parameters. The expert judgement process is based on available internal and external information.

##### **Borrowings, leases and employee benefits obligations**

##### *Classification*

Borrowings, leases and employee benefits obligations are classified as financial liabilities subsequently measured at amortised cost.

##### *Recognition and measurement*

Borrowings, leases and employee benefits obligations are recognised when the University becomes a party to the related contractual provisions. They are measured, at initial recognition, at fair value minus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in the profit or loss under finance costs. Borrowings, leases and employee benefit obligations expose the University to liquidity and interest rate risks. Refer to note 19 for details of risk exposure and management thereof.

##### **Accounts payables**

Accounts payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Accounts payables are measured initially at fair value and subsequently measured at amortised cost using the effective interest method.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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#### 1.7 FINANCIAL INSTRUMENTS (Continued)

##### *Gains and losses on subsequent measurement*

Gains and losses arising from a change in the fair value of financial liabilities are recognised directly in the statement of profit or loss and other comprehensive income.

##### *Derecognition*

A financial liability is derecognised when it is extinguished.

#### 1.8 INVENTORIES

Inventories are shown at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling costs. Inventories comprise raw materials, finished goods, consumables and study materials.

#### 1.9 CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks and investments in money market instruments, net of bank overdrafts. In the statement of financial position, bank overdrafts, are included in borrowings under current liabilities.

#### 1.10 BORROWING COSTS

Borrowing costs comprise interest payable on borrowings and other borrowing costs. Borrowing costs are recognised in the statement of profit or loss in the period in which they accrue regardless of how the borrowed funds are utilised.

#### 1.11 PROVISIONS

Provisions are recognised when the University has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement at the reporting date.

Revenue mainly comprises the fair value of the consideration received or receivable for the sale of goods as well as rendering of services in the ordinary course of the University's activities.

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the University and when specific criteria have been met for each of the University's activities as described below:

The amount of revenue is not considered to be reliably measurable until all contingencies relating to the activity have been resolved.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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#### 1.13 REVENUE

##### *Tuition and other fee income*

Tuition fees are recognised at a point in time (upon registration) for each particular semester, based on fees that are charged per each semester. The revenue is recognised as realisable and, to the extent that it is not, provision is realistically made for the estimated unrealisable amount.

##### *Research income*

Revenue is recognised in the financial period in which the University becomes entitled to the use of those funds. Funds in the possession of the University that it cannot use until some specified future period occurrence are recognised upon receipt and thereafter are held in a reserve fund until the financial period in which funds may be used.

##### *Donations*

Donations are recognised on receipt. Donations in kind are recognised at their fair value on the date of the donation.

##### *Interest receivable*

Interest income is recognised in the statement of profit or loss on a time proportion basis using the effective interest rate method.

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the cost which it is intended to compensate are expensed.

When the grant relates to an asset it reduces the carrying amount of the asset. The grant is then recognised as income over the useful life of the depreciable asset by way of reduced depreciation charge.

When the University receives non-monetary grants, the asset and the grant are recognised at nominal amount and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments.

When loans or similar assistance are provided by the Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a grant.

#### 1.14 EMPLOYEE BENEFITS

Employee benefits are all forms of benefits given in exchange for services rendered by employees. These are classified as:

- (i) *Short-term employee benefits* – benefits due to be settled within 12 months after the end of the period in which the employees rendered related services;

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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#### 1.14 EMPLOYEE BENEFITS (Continued)

- (i) *Post-employment benefits* are benefits payable after the completion of employment. Post-employment benefit plans are benefit plans which are formal or informal arrangements providing post-employment benefits for one or more employees. Such plans (or funds) may be either defined contribution funds or defined benefit funds; and
- (ii) *Termination benefits* are employee benefits payable as a result of either the University's decision to terminate an employee's employment before normal retirement date, or an employee's decision to accept voluntary redundancy in exchange for those benefits.

#### **Recognition**

##### *Short-term benefits*

The cost of all short-term employee benefits, such as salaries, employee entitlements to leave pay, bonuses, medical aid and other benefit contributions are recognised during the period in which the employee renders the related service.

The University recognises the expected cost of bonuses when the University has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

The University's short-term employee benefits comprise remuneration in the form of salaries, wages, commissions and bonuses.

##### *Post-employment retirement benefit funds*

Retirement benefits are provided for University employees through an independently administered defined contribution fund and by the National Social Security Authority (NSSA). Payments to the defined contribution fund and to the NSSA scheme are recognised as an expense when they fall due, which is when the employee renders the service.

During the year the University contributed to the University defined contribution fund and to the NSSA scheme.

##### *Other long-term benefits*

Other long-term benefits are recognised as an expense when an obligation arises. The University had no other long-term benefit commitments during the year.

##### *Termination benefits*

The University recognises termination benefits as a liability and an expense when, and only when, it is demonstrably committed to either:

- (i) Terminate the employment of an employee or employees before the normal retirement date; or
- (ii) Provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Termination benefits are recognised as an expense immediately

#### **Measurement**

##### *Short-term employee benefits*

All short-term employee benefits are measured at cost.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### STATEMENT OF ACCOUNTING POLICIES

31 December 2024

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#### 1.14 EMPLOYEE BENEFITS (Continued)

##### Measurement

##### *Post-employment retirement benefit funds*

The University has no liability for post-employment retirement benefit funds once the current contributions have been paid at the time the employees render service.

##### *Termination benefits*

Termination benefits are measured according to the terms of termination contract.

#### 1.15 ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and disclosure of contingent assets and liabilities in the financial statements. The estimates, including those related to provision for doubtful debts, inventory obsolescence, investments, PPE and contingent liabilities are reviewed on an ongoing basis and are based on the Councillors best knowledge of current events and actions of the University as well as historical experience and other factors that are considered to be relevant. Actual results may ultimately differ from those estimates and assumptions

##### *Property, plant and equipment*

PPE represents a significant proportion of the asset base of the University, and as such, the estimates and assumptions made to determine their carrying amounts and related depreciation expense are critical to the University's financial position and performance

##### *Residual values of PPE*

Residual values are reassessed at the end of each year and adjustments are made where appropriate. The valuation methods adopted in this process involve significant judgement and estimation

##### *Useful lives of PPE*

The determination of the remaining estimated useful lives of PPE is deemed to be a significant area of judgement.

##### *Provision for doubtful debts*

The determination of ECL involves significant judgements and estimates which are very subjective in nature.

##### *Inventories provisions*

All obsolete, damaged and expired inventories are written off in full. Slow moving inventories and stocks with fast approaching expiry dates are provided in full where there is no realistic prospect of realising a sale before their expiry and/ or obsolescence

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF ACCOUNTING POLICIES

31 December 2024

1.16 STANDARDS ISSUED YET TO BE ADOPTED

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the University’s financial statements are disclosed below. The University intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Standard	Details of amendment	Effective for annual periods beginning on or after
IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i>	<i>Annual Improvements to IFRS Accounting Standards—Volume 11 – Hedge Accounting by a First-time Adopter</i> Narrow scope amendment to improve consistency with and understanding of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first-time adopter. This standard does not apply to the University.	1 January 2026
IFRS 7 <i>Financial Instruments: Disclosures</i>	<i>Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7</i> The amendments to IFRS 7 introduce additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets. Application of the standard is not expected to have a material impact on the financial statements.	1 January 2026
	<i>Annual Improvements to IFRS Accounting Standards—Volume 11 – Gain or loss on derecognition</i> Narrow scope amendment to delete an obsolete reference that remained in IFRS 7 following the publication of IFRS 13 Fair Value Measurement and to make the wording of the requirements of IFRS 7 relating to disclosure of a gain or loss on derecognition consistent with the wording and concepts in IFRS 13. Application of the standard is not expected to have a material impact on the University’s financial statements.	1 January 2026
	<i>Contracts Referencing Nature-dependent Electricity- Amendments to IFRS 9 and IFRS 7</i> Narrow scope amendment adding new disclosure requirements to enable investors to understand the effect of contracts referencing nature-dependent electricity on an entity’s financial performance and cash flows. Application of the standard is not expected to have a material impact on the University’s financial statements.	1 January 2026

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF ACCOUNTING POLICIES  
31 December 2024

STANDARDS ISSUED YET TO BE ADOPTED (Continued)

Standard	Details of amendment	Effective for annual periods beginning on or after
IFRS 9 <i>Financial Instruments</i>	<p><i>Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7</i></p> <p>Narrow scope amendments to address diversity in accounting practice by making the classification and measurement requirements of IFRS 9 more understandable and consistent, by:</p> <ul style="list-style-type: none"> <li>○ Clarifying the classification of financial assets with environmental, social and corporate governance (ESG) and similar features.</li> <li>○ Clarifying the date on which a financial asset or financial liability is derecognised when a liability is settled through electronic payment systems. These amendments also introduce an accounting policy option to allow a University to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.</li> <li>○ The adoption of this standard is not expected to have a material effect on the financial statements of the University.</li> </ul>	1 January 2026
	<p><i>Annual Improvements to IFRS Accounting Standards—Volume 11</i></p> <p>Two narrow scope amendments were made to IFRS 9:</p> <ul style="list-style-type: none"> <li>○ <i>Derecognition of lease liabilities.</i> The amendment clarifies that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss arising from the difference between the carrying amount of the lease liability extinguished or transferred and any consideration paid in profit or loss.</li> <li>○ <i>Transaction price.</i> Removal of an inconsistency between the requirements of IFRS 9 and the requirements in IFRS 15 Revenue from Contracts from Customers in relation to the initial measurement of trade receivables at their transaction price. The amendment clarifies that trade receivables must be measured at the amount determined by applying IFRS 15.</li> <li>○ The adoption of this standard is not expected to have a material effect on the University’s financial statements.</li> </ul>	1 January 2026
	<p><i>Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7</i></p> <p>Narrow scope amendment to allow entities to better reflect contracts referencing nature-dependent electricity (for example, renewable power purchase agreements or PPAs) by:</p> <ul style="list-style-type: none"> <li>○ clarifying the application of the ‘own use’ requirements of IFRS 9; and</li> <li>○ permitting hedge accounting if these contracts are used as hedging instruments by parties to the contracts.</li> <li>○ The adoption of this standard is not expected to have a material effect on the University’s financial statements</li> </ul>	1 January 2026

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF ACCOUNTING POLICIES

31 December 2024

STANDARDS ISSUED YET TO BE ADOPTED(Continued)

Standard	Details of amendment	Effective for annual periods beginning on or after
IFRS 10 <i>Consolidated Financial Statements</i>	<p><i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)</i></p> <p>Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. Application of these amendments are not anticipated to have a material impact on the financial statements of the University.</p>	The effective date of this amendment has been deferred indefinitely until further notice
	<p><i>Annual Improvements to IFRS Accounting Standards—Volume 11 – Determination of a ‘de facto agent’</i></p> <p>Narrow scope amendment to clarify whether a party acts as a de facto agent in assessing control of an investee.</p>	1 January 2026
IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	<ul style="list-style-type: none"> <li>○ IFRS 18 is the culmination of the IASB’s Primary Financial Statements project.</li> <li>○ IFRS 18 introduces three sets of new requirements to improve entities’ reporting of financial performance and give investors a better basis for analysing and comparing entities:</li> <li>○ Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals, including operating profit.</li> <li>○ Enhanced transparency of management-defined performance measures with a requirement for companies to disclose explanations of those entity-specific measures that are related to the income statement.</li> <li>○ More useful grouping of information in the financial statements through enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for entities to provide more transparency about operating expenses.</li> <li>○ This Standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged.</li> <li>○ The adoption of this new standard is expected to have a material impact on the University’s financial statements in future periods.</li> </ul>	1 January 2027

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

STATEMENT OF ACCOUNTING POLICIES

31 December 2024

STANDARDS ISSUED YET TO BE ADOPTED (Continued)

Standard	Details of amendment	Effective for annual periods beginning on or after
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	<ul style="list-style-type: none"> <li>○ IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements.</li> <li>○ Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent entity applies IFRS Accounting Standards in their consolidated financial statements. A subsidiary does not have public accountability if it does not have equities or debt listed on a stock exchange and does not hold assets in a fiduciary capacity for a broad group of outsiders.</li> <li>○ The adoption of these amendments is not expected to have a material impact on the University's financial statements.</li> </ul>	1 January 2027
IAS 7 <i>Statement of Cash Flows</i>	<p><i>Annual Improvements to IFRS Accounting Standards—Volume 11 – Cost method</i></p> <p>Narrow scope amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of 'cost method' from IFRS Accounting Standards. The adoption of these amendments is not expected to have a material impact on the University's financial statements.</p>	1 January 2026
IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i>	<p><i>Lack of Exchangeability</i></p> <p>The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. The adoption of these amendments is not expected to have a material impact on the University's financial statements.</p>	1 January 2025
IAS 28 <i>Investments in Associates and Joint Ventures</i>	<p><i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)</i></p> <p>Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The adoption of these amendments is not expected to have a material impact on the University's financial statements.</p>	The effective date of this amendment has been deferred indefinitely until further notice

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY  
NOTES ON THE FINANCIAL STATEMENTS  
31 December 2024

Inflation adjusted

1 PROPERTY, PLANT AND EQUIPMENT

	Land ZWG	Buildings ZWG	Capital work in progress ZWG	Scientific and technical equipment ZWG	Computer and office equipment ZWG	Plant and equipment ZWG	Furniture & fittings ZWG	Motor vehicles ZWG	Tools ZWG	Total ZWG
<b>2.1 Cost/valuation</b>										
At 31 December 2022	142 498 741	550 963 772	97 852 296	6 056 219	23 970 979	3 613 366	9 120 836	15 885 036	577 087	850 538 332
Additions	157 962	-	18 133 918	-	14 919 829	8 887 305	1 226 646	5 905 756	1 277 972	49 359 388
Revaluation	130 423 946	451 800 070	64 764 380	-	-	-	-	6 782 090	-	653 770 486
At 31 December 2023	273 080 649	1 002 763 842	180 750 594	6 056 219	38 890 808	12 500 671	10 347 482	28 572 882	705 059	1 553 668 206
Additions	-	-	21 611 092	5 415 117	19 666 502	7 188 080	5 573 806	12 972 042	292 861	72 719 500
Revaluation	41 416 461	(26 056 655)	(16 253 075)	-	-	-	-	(5 174 957)	-	(6 068 226)
At 31 December 2024	314 497 110	976 707 187	186 108 611	11 471 336	58 557 310	19 688 751	15 921 288	36 369 967	997 920	1 620 319 480
<b>2.2 Depreciation</b>										
At 31 December 2022	-	39 773 529	-	4 243 234	16 108 732	1 669 444	4 854 751	7 435 437	245 487	74 330 614
Charge for the year	-	5 580 562	-	25 656	1 576 616	365 134	86 030	1 315 805	6 929	8 956 732
At 31 December 2023	-	45 354 091	-	4 268 890	17 685 348	2 034 578	4 940 781	8 751 242	252 416	83 287 346
Charge for the year	-	3 718 918	-	138 796	2 956 440	303 912	115 129	1 187 404	4 999	8 425 598
At 31 December 2024	-	49 073 009	-	4 407 686	20 641 788	2 338 490	5 055 910	9 938 646	257 415	91 712 944
<b>2.3 Net book amounts</b>										
At 31 December 2024	314 497 110	927 634 178	186 108 611	7 063 650	37 915 522	17 350 261	10 865 378	26 431 321	740 505	1 528 606 536
At 31 December 2023	273 080 649	957 409 751	180 750 594	1 787 329	21 205 460	10 466 093	5 406 701	19 821 640	452 643	1 470 380 860
At 31 December 2022	142 498 741	511 190 243	97 852 296	1 812 985	7 862 247	1 943 922	4 266 085	8 449 599	331 600	776 207 718

2.4 A register of land and buildings owned by the University is available at the University's registered address. The University is not permitted to dispose off or alienate land and buildings without the approval of the Government of Zimbabwe.

2.5 The University's properties and motor vehicles were revalued by an external valuer as at 31 December 2024. The valuations were conducted in USD based on available market prices for transactions conducted in the same location close to year end, and were converted to Zimbabwe Gold at the closing spot exchange rate as at year end.

2.6 The University was offered land by the Ministry of Public Works under a free grant to build a Medical School for a total value of ZWG 11 609 325 (US\$ 450 000). The school should have been built between 2018 and 2022. Management are currently engaging the Ministry of Public Works for the extension of this period.

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

NOTES ON THE FINANCIAL STATEMENTS  
31 December 2024

Historical

2 PROPERTY, PLANT AND EQUIPMENT (Continued)

	Land ZWG	Buildings ZWG	Capital work in progress ZWG	Scientific and technical equipment ZWG	Computer and office equipment ZWG	Plant and equipment ZWG	Furniture & fittings ZWG	Motor vehicles ZWG	Tools ZWG	Total ZWG
<b>2.7 Cost/valuation</b>										
At 31 December 2022	2 729 607	9 853 343	1 874 391	8 363	112 162	13 432	25 614	170 134	1 506	14 788 552
Additions	4 544	-	306 854	-	968 128	529 429	64 657	207 751	5 175	2 086 538
Revaluation	22 402 487	78 531 876	14 456 559	-	-	-	-	1 511 951	-	116 902 873
Impairment	-	-	-	3 017	-	(3 017)	-	-	-	-
At 31 December 2023	25 136 638	88 385 219	16 637 804	11 380	1 080 290	539 844	90 271	1 889 836	6 681	133 777 963
Additions	-	-	14 686 488	3 676 583	13 022 198	4 484 954	2 723 574	10 154 513	213 408	48 961 718
Revaluation	289 360 472	841 268 698	154 784 319	-	-	-	-	15 185 192	-	1 300 598 681
At 31 December 2024	314 497 110	929 653 917	186 108 611	3 687 963	14 102 488	5 024 798	2 813 845	27 229 541	220 089	1 483 338 362
<b>2.8 Depreciation</b>										
At 31 December 2022	-	61 338	-	1 881	16 329	1 785	2 881	8 280	184	92 678
Charge for the year	-	195 840	-	910	84 612	24 756	3 676	57 006	280	367 080
At 31 December 2023	-	257 178	-	2 791	100 941	26 541	6 557	65 286	464	459 758
Charge for the year	-	1 762 561	-	110 909	2 007 728	208 955	81 037	732 934	3 811	4 907 935
At 31 December 2024	-	2 019 739	-	113 700	2 108 669	235 496	87 594	798 220	4 275	5 367 693
<b>2.9 Net book amounts</b>										
At 31 December 2024	314 497 110	927 634 178	186 108 611	3 574 263	11 993 819	4 789 302	2 726 251	26 431 321	215 814	1 477 970 669
At 31 December 2023	25 136 638	88 128 041	16 637 804	8 589	979 349	513 303	83 714	1 824 550	6 217	133 318 205
At 31 December 2022	2 729 607	9 792 005	1 874 391	6 482	95 833	11 647	22 733	161 854	1 322	14 695 874

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**31 December 2024**

	<b>Inflation adjusted</b>		<b>Historical</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>
<b>3 INTANGIBLE ASSET- SOFTWARE</b>				
Opening balance	1 286 997	-	55 886	-
Additions	40 712	1 314 055	29 079	65 717
Amortisation charge for the year	(40 268)	(27 058)	(19 228)	(9 831)
Closing balance	<u>1 287 441</u>	<u>1 286 997</u>	<u>65 737</u>	<u>55 886</u>
<b>4 CASH AND CASH EQUIVALENTS</b>				
Bank balances	104 060 605	77 041 025	104 060 605	7 091 500
Cash balances	3 108	39 475	3 108	3 637
	<u>104 063 713</u>	<u>77 080 500</u>	<u>104 063 713</u>	<u>7 095 137</u>
<b>5 SHORT TERM INVESTMENTS</b>				
<b>5.1 Analysis</b>				
Money market investments	<u>21 189 968</u>	<u>9 518 114</u>	<u>21 189 968</u>	<u>876 127</u>

**5.2** These are short term investment denominated in US\$, which were placed with a local financial institution on 30-day tenure. The investments were earning interest at 8% per annum during the year and they matured after year end on 3 January 2025 and were rolled over on similar terms.

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	Inflation adjusted		Historical	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
<b>6 ACCOUNTS RECEIVABLES</b>				
Trade receivables	58 075 040	32 910 306	58 075 040	3 040 235
Staff receivables	1 023 425	1 243 994	1 023 425	114 508
Other receivables	7 520 621	1 203 702	7 520 621	99 904
Prepayments	31 067	257 996	31 067	23 748
Value added tax	1 012 805	-	1 012 805	-
	<u>67 662 958</u>	<u>35 615 998</u>	<u>67 662 958</u>	<u>3 278 395</u>
Allowance for credit losses (note 6.5)	(23 983 183)	(12 823 811)	(23 983 183)	(1 180 411)
	<u>43 679 775</u>	<u>22 792 187</u>	<u>43 679 775</u>	<u>2 097 984</u>

6.2 Students fees debtors are non-interest bearing and are generally on terms of up to 60 days. The student fees receivable is net of the expected credit loss provision. The University monitors student fees receivable on a daily basis. Student fees are considered outstanding if they remain unpaid 30 days after the original due date

The University anticipates that the majority of current year fees will be settled as part of the registration process for the second semester for 2024 to 2025 academic year.

It is the University's policy that returning students are not allowed to register with outstanding fee debt unless they have made appropriate payment plans.

The student fee receivable is grouped according to the year and semester in which the fees were earned, in order to calculate the expected credit loss rate per grouping. The groups comprise of conventional, postgraduate, parallel, graduate school of business as well as staff debtors. In addition, forward looking information comprising

6.3 Economic growth rates were applied to determine the final loss rates which were used in calculating the expected credit loss as at year end.

Movements in the expected credit loss provision of student fees receivables are as further disclosed in 7.5 below.

6.4 Trade debtors are on 30 day terms. The debtors were assessed for impairment at year end, and appropriate expected credit losses were recognized, where necessary.

**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**NOTES ON THE FINANCIAL STATEMENTS**  
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**6 ACCOUNTS RECEIVABLES (continued)**

**6.5 Movement in expected losses**

	Inflation adjusted		Historical	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Opening balances	12 823 811	8 033 708	1 180 411	153 892
Current year charge	22 802 772	11 151 082	22 802 772	1 026 519
Effects of IAS 29 restatement	(11 643 400)	(6 360 979)	-	-
Closing balances	<u>23 983 183</u>	<u>12 823 811</u>	<u>23 983 183</u>	<u>1 180 411</u>

6.5.1 The University considers any changes in the credit quality of the respective receivables from the date on which credit was granted up to the end of the reporting period before determining the impairment losses based on the Expected Credit Losses per IFRS 9, using the simplified approach, as further disclosed in note 6.2 above.

**7 INVENTORIES**

Finished goods	1 237 590	3 016 827	881 883	72 960
Fuels	1 203 683	3 722 063	857 722	30 346
Stationery	768 566	2 104 067	547 666	89 689
Raw materials	740 561	-	527 710	-
Canteen stocks	256 655	-	182 887	-
Stores	243 474	2 808 647	173 495	59 125
Shop stock	128 086	295 004	91 271	19 967
Work in progress	69 120	-	49 255	-
Farm produce	2 012	597 797	1 436	30 377
	<u>4 649 747</u>	<u>12 544 405</u>	<u>3 313 325</u>	<u>302 464</u>

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

NOTES ON THE FINANCIAL STATEMENTS

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8 COMMITTED FUNDS	Opening balances ZWG	Receipts for the year ZWG	Expenditure for the year ZWG	Effects of restatement ZWG	Closing balances ZWG
<b>Inflation adjusted</b>					
Grow Green Africa	23 513 673	4 463 094	(270 210)	(22 546 778)	5 159 779
The American Corner	(859 287)	439 035	(5 255)	656 253	230 746
Ipps project support	(744 565)	174 120	(108 096)	657 164	(21 377)
Soltrain	(132 202)	472 914	(17 128)	(10 192)	313 392
Comp Consult	(12 352)	19 980	(8 621)	7 969	6 976
ACCA	119	-	-	(108)	11
IAEA (UN) Agency	22	-	-	(20)	2
Indigenous knowledge systems conference	46 910	151 604	(240 356)	(17 234)	(59 076)
Biochemical ecotoxicology	70 365	718 576	(631 606)	(88 737)	68 598
DVV Deutscher volkshochschulver band	22	-	-	(20)	2
Develop of distillation prototype	(47 030)	5 511	(17 414)	46 101	(12 832)
Comesa leather and leather	8 386	2 828	(10 540)	(5 410)	(4 736)
Promotion of sustainable Livelihoods	(82 228)	-	(6 800)	76 602	(12 426)
Unsteady State Heat Loading Technology	22	-	-	(20)	2
Mapping Nutrient Hotspots	(1 825)	1 680	-	1 177	1 032
Multi-Pronged Strategies	(32 744)	30 103	-	21 129	18 488
Amplifying Local voices to reduce failure	(413)	384	-	265	236
Inclusive Poultry value Chain	(1 770)	1 625	-	1 143	998
An assessment of digital literacy skills	69 333	-	-	(62 951)	6 382
Other	(3 785 590)	15 958 984	(284 581)	(1 077 256)	10 811 557
	<u>18 008 846</u>	<u>22 440 438</u>	<u>(1 600 607)</u>	<u>(22 340 923)</u>	<u>16 507 754</u>

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8.1 COMMITTED FUNDS	Opening balances ZWG	Receipts for the year ZWG	Expenditure for the year ZWG	Closing balances ZWG
<b>Historical</b>				
Grow Green Africa	2 164 396	3 187 924	(192 541)	5 159 779
The American Corner	(79 096)	313 597	(3 755)	230 746
Ipps Project support	(68 536)	124 371	(77 212)	(21 377)
Soltrain	(12 169)	337 796	(12 235)	313 392
Comp Consult	(1 137)	14 272	(6 159)	6 976
ACCA	11	-	-	11
IAEA (UN) Agency	2	-	-	2
Indigenous knowledge systems conference	4 318	108 289	(171 683)	(59 076)
Biochemical ecotoxicology	6 477	513 268	(451 147)	68 598
DVV Deutscher volkshochschulver band	2	-	-	2
Develop of distillation prototype	(4 329)	3 936	(12 439)	(12 832)
Comesa leather and leather	772	2 020	(7 528)	(4 736)
Promotion of sustainable Livelihoods	(7 569)	-	(4 857)	(12 426)
Unsteady State Heat Loading Technology	2	-	-	2
Mapping Nutrient Hotspots	(168)	1 200	-	1 032
Multi-Pronged Strategies	(3 014)	21 502	-	18 488
Amplifying Local voices to reduce failure	(38)	274	-	236
Inclusive Poultry value Chain	(163)	1 161	-	998
An assessment of digital literacy skills	6 382	-	-	6 382
Other	(348 458)	17 134 912	(5 974 897)	10 811 557
	<u>1 657 685</u>	<u>21 764 522</u>	<u>(6 914 453)</u>	<u>16 507 754</u>

9 DEFERRED INCOME	Inflation adjusted		Historical	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
Opening balances	39 375 331	30 699 366	966 610	266 795
Capitalisation of restricted funds	-	11 246 629	-	1 035 233
Received during the year	-	(1 747 238)	-	(259 623)
Amortised during the year	(39 375 331)	(823 426)	(966 610)	(75 795)
Closing balances	<u>-</u>	<u>39 375 331</u>	<u>-</u>	<u>966 610</u>

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NOTES ON THE FINANCIAL STATEMENTS

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	Inflation adjusted		Historical	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
<b>10 ACCOUNTS PAYABLE</b>				
<b>10.1 Analysis</b>				
Students funds	30 064 384	2 975 932	30 064 384	270 219
Staff payables (note 10.2)	20 444 437	15 738 987	20 444 437	1 448 749
Trade accruals	4 990 846	8 511 785	4 990 846	783 496
Audit fees payables	33 661	490 812	33 661	45 178
Penalties	66 581	-	66 581	-
Trade payables	1 724 100	13 618 785	1 724 100	1 257 299
Other payables	1 057 332	2 403 117	1 057 332	221 203
	<u>58 381 341</u>	<u>43 739 418</u>	<u>58 381 341</u>	<u>4 026 144</u>
<b>10.2 Payroll accruals</b>				
PAYE	9 856 516	2 870 356	9 856 516	264 211
Accrued salaries	2 003 623	4 079 843	2 003 623	375 542
Staff pension	2 823 137	1 154 880	2 823 137	106 305
NSSA pension	2 470 329	991 452	2 470 329	91 261
Standard development levy	-	119 391	-	10 990
Medical Aid Societies	2 901 524	3 785 735	2 901 524	348 471
Other staff benefits payable	389 308	2 737 330	389 308	251 969
	<u>20 444 437</u>	<u>15 738 987</u>	<u>20 444 437</u>	<u>1 448 749</u>
<b>10.3</b>	These are funds levied and collected from students in order to meet specific expenditures related to the welfare and activities of students, such as sporting, medical aid, transport and administration expenses of the Students' Representative Committee ("SRC"). Decision making rights over income earned and the related expenses rest with the SRC. Council retains an oversight role with regards to ensuring that expenditure is in accordance with the mandate of the funds and as per University's policies.			
<b>11 PROVISIONS</b>				
Leave pay	67 307 984	72 296 840	67 307 984	6 654 809
Onerous contract provision	-	2 116	-	195
	<u>67 307 984</u>	<u>72 298 956</u>	<u>67 307 984</u>	<u>6 655 004</u>

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**31 December 2024**

	Inflation adjusted		Historical	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
<b>12 FEES</b>				
Undergraduate convention	92 461 038	13 640 364	65 532 599	1 001 863
Postgraduate	39 991 486	18 038 057	29 705 483	1 138 470
Registration	6 226 822	9 665 462	4 326 049	544 949
Undergraduate private	4 773 632	3 658 641	3 423 923	203 922
	<u>143 452 978</u>	<u>45 002 524</u>	<u>102 988 054</u>	<u>2 889 204</u>
<b>13 GRANTS AND DONATIONS</b>				
Salary grants	335 433 560	316 876 371	238 164 503	18 419 188
Operational grants	231 209	1 810 559	140 020	56 343
Donations	113 413	-	61 493	-
Other grants	12 934 617	4 672 643	12 906 170	115 189
	<u>348 712 799</u>	<u>323 359 573</u>	<u>251 272 186</u>	<u>18 590 720</u>
<b>14 FINANCE INCOME</b>				
Exchange gains	525 219 270	37 596 960	324 066 997	1 612 817
Interest income	1 579 756	1 937 817	1 025 183	90 529
	<u>526 799 026</u>	<u>39 534 777</u>	<u>325 092 180</u>	<u>1 703 346</u>

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31 December 2024

	Inflation adjusted		Historical	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
<b>15 OTHER INCOME</b>				
Levies	57 559 446	98 661 902	40 359 624	5 004 542
Transcripts and certificates	8 997 718	1 338 373	7 154 142	74 848
Sale of PPE and detergents	7 244 039	5 487 661	6 076 025	356 782
Examination fees	7 087 094	25 410 812	5 145 942	1 483 370
Canteen income	7 190 997	7 687 754	4 237 118	400 333
Self financing programmes	3 557 183	2 388 943	2 512 508	152 901
Central services income	2 838 117	-	2 120 130	-
Application fees	3 177 808	2 755 102	1 149 045	81 191
Rental income	2 522 926	4 368 904	1 095 257	207 903
Prizes	1 087 566	71 521	873 342	4 783
Centre of continuous education fees	1 221 342	442 612	870 305	136 149
Consultancy technopark	1 360 632	478 104	969 560	204 905
Graduation fees	776 597	3 648 106	652 276	555 970
Genetic testing centre income	984 670	1 727 839	593 928	93 930
Affiliation fees income	667 461	325 712	537 085	19 537
Unknown deposits realised	580 267	-	264 199	-
Other consultancy income	249 923	44 947	178 091	12 439
Farming income	278 043	290 326	201 407	15 844
Radio station income	117 966	-	74 141	-
Supplementary fees	98 368	-	58 502	-
Other income	291 184	55 967	207 611	37 092
	<u>107 889 347</u>	<u>155 184 585</u>	<u>75 330 238</u>	<u>8 842 519</u>
<b>16 ACADEMIC AND ADMINISTRATION EXPENDITURE</b>				
Salaries and wages (note 16.1)	404 015 128	365 675 731	279 806 819	22 653 889
Allowance for ECL	22 802 772	11 151 082	22 802 772	1 026 519
Utilities	26 079 897	18 317 811	16 860 515	1 399 318
Repairs and maintenance costs	15 175 484	6 301 270	9 894 474	361 290
Refreshments and canteen	12 624 143	6 836 754	8 503 254	360 302
Internet	11 385 713	4 486 794	7 227 296	272 810
Fuel and lubricants	11 011 842	5 546 167	6 850 014	294 829
Bank charges	10 831 939	8 504 102	7 575 931	456 289
Depreciation and amortization	8 465 866	8 984 790	4 927 163	376 911
Other	60 273 348	50 914 898	44 037 364	3 030 935
	<u>582 666 132</u>	<u>486 719 399</u>	<u>408 485 602</u>	<u>30 233 092</u>

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	Inflation adjusted		Historical	
	2024 ZWG	2023 ZWG	2024 ZWG	2023 ZWG
<b>16.1 SALARIES AND WAGES</b>				
Salaries and benefits	355 920 522	273 593 904	254 494 460	16 165 456
Pension, funeral and medical allowances	38 856 426	38 356 706	26 533 626	2 098 412
Travelling costs	28 646 155	9 422 896	19 775 417	510 385
Leave expenses	(23 390 119)	43 269 644	(23 847 366)	3 825 462
Conferences	2 350 714	-	1 735 411	-
Councillors allowances	1 007 567	-	664 554	-
Recruitment and installation costs	158 282	53 926	130 004	1 400
Wellness costs	184 862	732 783	124 086	37 271
Severance pay	146 922	-	88 347	-
Staff accommodation	78 564	-	75 066	-
Family benefits	55 233	-	33 214	-
Compliance costs	-	245 204	-	15 460
Staff development fellow	-	668	-	43
	<u>404 015 128</u>	<u>365 675 731</u>	<u>279 806 819</u>	<u>22 653 889</u>
<b>17 FINANCE COSTS</b>				
Exchange losses	414 284 116	28 011 025	268 383 692	2 578 370
	<u>414 284 116</u>	<u>28 011 025</u>	<u>268 383 692</u>	<u>2 578 370</u>
<b>18 OTHER OPERATING EXPENSES</b>				
Material costs	916 385	686 709	766 297	23 171
	<u>916 385</u>	<u>686 709</u>	<u>766 297</u>	<u>23 171</u>

**19 FINANCIAL RISK MANAGEMENT**

**19.1 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, may affect the University's income or the value of its holdings of financial assets. Management's objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return on investments. The University has no portfolios that have speculative characteristics. As at year end the carrying value of the University's assets and liabilities were equal to their fair values.

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### NOTES ON THE FINANCIAL STATEMENTS

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#### 19 FINANCIAL RISK MANAGEMENT (Continued)

##### 19.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, may affect the University's income or the value of its holdings of financial assets. Management's objective is to manage and control market risk exposures within acceptable parameters, while optimising the return on investments. The University has no portfolios that have speculative characteristics. As at year end the carrying value of the University's assets and liabilities were equal to their fair values.

##### 19.2 Currency risk

The University occasionally undertakes foreign currency denominated transactions. Management has introduced a policy which requires that all material foreign currency transactions are settled on delivery of the goods and services. At year end the University had the following foreign currency denominated balances:

	US\$
Cash and bank balances	3 458 080
Contact leave	(662 550)
Specific funds	(641 633)
Short term investments	822 997
	<hr/>
	2 976 894
	<hr/> <hr/>

A change rate in exchange rate by 1% could result in an increase or decrease in surplus by US\$29 769.

##### 19.3 Interest rate risk

This is the risk of adverse movements in the value of future interest receipts or commitments resulting from movements in interest rates. The University did not have borrowings as at year end and hence exposure to interest rate risk was considered minimal as at 31 December 2024.

##### 19.4 Credit risk

Credit risk is the risk of financial loss to the University if a client, student or counterparty to a financial asset fails to meet its contractual obligations.

The counterparties to investments, cash and cash equivalents are limited to high-credit-quality financial institutions. The University has policies that limit the amount of credit exposure to any one financial institution. Receivables comprise of outstanding trade debtors and student fees. The University is exposed to credit risk arising from accounts receivables related to outstanding balances. In the case of student balances, the risk is mitigated by requiring students to pay an initial installment in respect of tuition and accommodation fees on the date of registration, the regular monitoring of outstanding fees and the institution of debt collection action in cases of long outstanding amounts.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### NOTES ON THE FINANCIAL STATEMENTS

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#### 19 FINANCIAL RISK MANAGEMENT (Continued)

##### 19.4 Credit risk

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 payment arrangement. However, all amounts assessed as uncollectable were provided in full at year end.

The University's trade debtors are concentrated in one customer who constituted about 20% of the outstanding balance as at year end. No provision was made on the balance as management was confident that they will be able to collect same. The ageing of accounts receivables were as follows:

<b>Student receivables age</b>	<b>Amount</b>
Current	36 869 312
30 days	1 458 798
60 days	12 062 918
90 days	9 299 472
120 days and above	384 540
Total due	<u>60 075 040</u>

##### 19.5 Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they fall due. The University's approach to managing liquidity risk is to ensure as far as possible, that it will always have sufficient liquid funds to meet its liabilities as and when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the University's reputation. Liquidity risk is managed by conducting cash flow forecasts on a weekly basis in order to effectively manage liquid funds. In addition, the University enjoys favourable credit ratings with local financial institutions. The liquidity gap at year end is as analysed below:

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**19 FINANCIAL RISK MANAGEMENT (Continued)**

**19.5 Liquidity risk**

	Note	Less than 1 year ZWGS	2 to 5 years ZWGS	Carrying amount ZWGS
<b>Financial assets</b>				
Cash and cash equivalents	4	104 063 713	-	104 063 713
Short term investments	5	21 189 968	-	21 189 968
Accounts receivable	6	43 679 775	-	43 679 775
		168 933 456	-	168 933 456
<b>Financial liabilities</b>				
Committed funds	8	-	16 507 754	16 507 754
Accounts payable	10	58 381 341	-	58 381 341
Provisions	11	67 307 984	-	67 307 984
Total assets		125 689 325	16 507 754	142 197 079
		43 244 131	(16 507 754)	26 736 377
Liquidity gap		43 244 131	(16 507 754)	26 736 377

**20 CONTINGENT LIABILITIES**

***University construction works***

The University's buildings at the main campus have been under construction for a long time. Management have initiated the process of decommissioning the contractors and have requested for submission of final claims. There are potential liabilities that could arise due to security, dismantling of the equipment, movement from site, loss of profit as well as normal certificate claims for actual work done by the contractors.

***Litigations and claims***

The University faces various litigation claims, the outcome of which is uncertain. The value being claimed by various contractors is amounting to US\$4 663 872.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### NOTES ON THE FINANCIAL STATEMENTS

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## 21 EVENTS AFTER THE REPORTING DATE

### 21.1 *Taxation and legislative changes effective 1 January 2025*

Amendments to the Finance Act, VAT Act, and Income Tax Act became effective on 1 January 2025. Key changes include:

- **VAT Act:** Adjustments to exemptions and zero-rating, including automatic VAT registration for tenders above USD 25,000;
- **Income Tax Act:** Revised definitions of taxable income, including taxation of rental income from residential properties converted to commercial use, and ZIG-based tax remittance for ZIG-denominated salaries; and
- **Finance Act:** Introduction of new levies, changes to royalty deductibility, and updates to payment deadlines and penalties.

These changes will be accounted for prospectively in accordance with IFRS requirements. As such, they do not impact the amounts or disclosures in the financial statements for the year ended 31 December 2024.

### 21.2 *Monetary policy measures (6 February 2025)*

The Reserve Bank of Zimbabwe issued a Monetary Policy Statement (MPS) on 6 February 2025. In the MPS all entities in Zimbabwe are required to prepare and present their Zimbabwe Gold financial statements. The requirement takes effect on all financial statements prepared for the period on or after 1 January 2024. The University has complied with these requirements.

### 21.3 *AI and digitalisation in higher education*

In 2025, global and local reports (CAW, UNDP, and JOLTIDA) highlighted the accelerating adoption of Artificial Intelligence (AI) across education and finance. Locally, students at NUST are developing AI tools, and national strategies are promoting AI literacy and infrastructure development.

While these developments do not have an effect on amounts in the current year financial statements, they may require strategic shifts in education delivery, curriculum design, and financial investments. In line with IFRS, this is disclosed as a non-adjusting subsequent event due to its potential impact on future operations.

### 21.4 *Public procurement and compliance*

On 25 July 2025, amendments to the Public Procurement and Disposal of Public Assets Act (Chapter 22:23) were gazetted. Key changes include:

- Restrictions on participation in procurement-on-procurement staff and their relatives;
- PRAZ authorization validity reduced to one year; and
- Enhanced monitoring and digital procurement systems.

These changes do not affect balances as of 31 December 2024 but may impact procurement compliance for contracts signed post year-end. In line with IFRS, this is disclosed as a non-adjusting subsequent event.

**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**NOTES ON THE FINANCIAL STATEMENTS**  
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**22 RELATED PARTIES**

**22.1 Relationships**

The University’s key related parties comprises of key members of management as well as the Council members. Transactions with these parties mainly relate to the payment of remuneration and other allowances as well as Council members’ sitting allowances and fees. In addition, some revolving loans were advanced to some of the key members of management during the year.

22.2 During the year, the University entered into various transactions with its related parties in the ordinary course of business.

	<b>Inflation adjusted</b>		<b>Historical</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>	<b>ZWG</b>
<b>22.2.1 Remuneration and Council allowances</b>				
Basic salaries	2 770 930	3 905 897	1 979 236	195 795
Pension	110 743	132 235	79 102	6 629
Fuel allowance	592 398	461 645	423 141	23 141
Holiday	333 658	1 211 492	238 327	60 730
Milage	-	188 298	-	9 439
Other benefits	2 050 485	1 120 015	1 464 633	56 145
Sittings fees and allowances	930 376	1 378 259	664 554	69 089
	6 788 590	8 397 841	4 848 993	420 968
	6 788 590	8 397 841	4 848 993	420 968
<b>22.2.2 Outstanding balances of loans advanced</b>				
Registrar	4 914	2	4 914	1
	4 914	2	4 914	1
	4 914	2	4 914	1

The above loans accrued interest at 15% (2023: 3%) per annum and was payable over a period of six months.

## NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

### NOTES ON THE FINANCIAL STATEMENTS

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#### 23 RIGHT OF USE ASSET ON THE FARMLAND

The University was offered a farm in Bulilima District, Matabeleland South Province by The Ministry of Lands, Agriculture, Wildlife, Fisheries and Rural Resettlement in 2012 to be utilised for research and agricultural purposes. In terms of the offer letter, the land remains State property and may be compulsorily acquired for resettlement purposes in future should the need arise. The University does not have a leasing arrangement with the Government of Zimbabwe and there are no rentals which are being paid for the use of land. Hence management and Council have determined that the arrangement does not contain a lease per IFRS 16. As such there is no right of use asset that can be recognized from the arrangement at this stage. However, the University has recognized the value of improvements on the land as items of property, plant and equipment under note 2 in accordance with IAS 16.

#### 24 CHANGES IN FUNCTIONAL CURRENCY

On 5 April 2024, the Reserve Bank of Zimbabwe (RBZ) issued a Monetary Policy Statement (MPS) advising the public that the country was changing its currency from the Zimbabwe Dollar (ZWL) to the Zimbabwe Gold (ZiG). The change was intended to bring stability to the prices of goods and services as well as the exchange rates. Furthermore, the change aimed to re-monetize the local currency so it could serve its role as a medium of exchange and a store of value in a multi-currency system. In the same MPS, the RBZ affirmed that the multi-currency economy would continue until 2030.

The University assessed that most of its transactions during the year 2024 were denominated in the Zimbabwean Gold (ZWG) and therefore adopted the ZWG as the new functional currency from April 2024 onwards.

The change in functional currency was accounted for prospectively in accordance with IAS 21 from 5 April 2024. The prior period financial statements were restated to Zimbabwe Gold using a conversion rate of 1 ZWL to ZWG 2 499 as at 5 April 2024.

#### 25 GOING CONCERN

The Council has assessed that the University will be able to continue operating as a going concern for the foreseeable future and have adopted the going concern basis of accounting in the preparation of the financial statements.





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