



UNIVERSITEIT
STELLENBOSCH
UNIVERSITY

ANNUAL REPORT
2013





Our journey towards integrated reporting

Stellenbosch University first embarked on its journey to integrated reporting a few years ago. Global discourse on integrated reporting has been zestfully underway for a number of years. At the heart of this groundswell of interest and experiment is the realisation that a far wider range of factors determine the value and future of an organisation than financial profitability alone. Indeed, who today dares defend the single bottom line?

Some factors that contribute to the value of an organisation are financial and tangible, and therefore easy to add up or subtract, but many others are not so easy to account for. In a university environment, our intangibles predominate – consider our human capital, our intellectual expertise, our student material, our supporting environment of natural resources, our expanding and contracting markets and competition, our brand and sometimes capricious reputation, our indispensable partnerships. These, and more, make up the sum total of things with which we create and sustain value.

And integrated reporting enables us to communicate in a clear and concise way how we use our capitals to generate value in the short, medium and long term.

Via our all-encompassing, integrated reporting, we hope to show our numerous stakeholders how we try to allocate resources, manage risks and grasp opportunities in the best possible way. Stellenbosch University – like so many other organisations, both corporate and public – is still *en route* ... We hope to improve our understanding of true materiality and true accountability across the board of our multiplicity of operations, and we hope that integrated thinking will eventually become second nature to us, so that

we may make better decisions and manage efficiently and sustainably, as befits a knowledge-driven institution such as ours. The University hopes to have a fully integrated report for the year 2015.

OUR SCOPE AND BOUNDARIES

This report covers the full scope of University operations over the traditional reporting period, 1 January to 31 December 2013. To this we add a few months more – till April 2014, to enable us to include our graduation data.

WHAT YOU WILL FIND IN THIS REPORT

Since we are travellers along a path, our report still contains elements of the conventional annual report. You will find financial facts and figures about our operations over the 2013 financial year and the customary reports of the Chancellor, Chair of the University Council, Rector and Vice-Chancellor, Chief Operating Officer, Vice-Rectors, and Deans of faculties on their fields of care and supervision. Most of these reports however now specifically highlight the value created over the reporting period in line with selected strategic priorities identified in the University's Intent and Strategy document for 2013–2018. This focus on value accords with the principles provided by the *International <IR> Framework* of the International Integrated Reporting Council (IIRC), which believes that "communication about value creation should be the next step in the evolution of corporate reporting".

OUR WEBSITE WILL TELL YOU MORE

For a more detailed report, with live video interviews and with hyperlinked rollouts of deeper levels of information, visit our website www.sun.ac.za/annualreport.

CONTENTS



MESSAGE OF THE CHANCELLOR



ORGANISATIONAL OVERVIEW: WHO ARE WE?

- 6 Vision 2030
- 6 Mission
- 6 Values
- 6 Strategic priorities
- 6 University structure
- 6 Stakeholder groups



REPORT OF THE CHAIR OF THE UNIVERSITY COUNCIL

- 9 The University Council as on 5 May 2014



THE RECTOR'S MANAGEMENT TEAM



OUR STAKEHOLDERS



REPORT OF THE RECTOR AND VICE-CHANCELLOR

- 14 How did we implement our Vision in 2013?
- 14 On the way to an inclusive institution
- 17 On the way to an innovative institution
- 18 On the way to a future-oriented institution
- 19 The road to 2018
- 19 Financial overview



REPORTS OF THE RECTOR'S MANAGEMENT TEAM

- 28 Report of the Chief Operating Officer
- 33 Report of the Vice-Rector (Learning and Teaching)
- 37 Report of the Vice-Rector (Research and Innovation)
- 41 Report of the Vice-Rector (Community Interaction and Personnel)

REPORT ON RISK EXPOSURE, EVALUATION AND MANAGEMENT

44

SENATE REPORT TO COUNCIL

45

FACULTY REPORTS

46

Faculty of AgriSciences	47
Faculty of Arts and Social Sciences	48
Faculty of Economic and Management Sciences	49
Faculty of Education	50
Faculty of Engineering	51
Faculty of Law	52
Faculty of Medicine and Health Sciences	53
Faculty of Military Science	54
Faculty of Science	55
Faculty of Theology	56

REPORT OF THE INSTITUTIONAL FORUM

58

Composition	58
Activities	58
Proposed policies	58
Forum commentary on policies and formal requests	58
Forum commentary on other matters	58

THE UNIVERSITY ACKNOWLEDGES EXCELLENCE

60

Honorary degrees	60
Chancellor's Medal	61
The Rector's Awards for Succeeding against the Odds	61

REPORT ON THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS 2013

63

GLOSSARY	102
ABBREVIATIONS	104



As we progress towards integrated reporting – which places a strong emphasis on stakeholders – we have chosen to highlight various facets of student life in our visual presentation of this report. Among many highlights, 2013 will be remembered for our first Diversity Week in September, which ended with a street festival of colours – a celebration of our evolving diversity, represented by explosions of colour throughout these pages. The year signalled the beginning of the next phase of our transformation journey, to be guided by our Institutional Intent and Strategy, and Vision 2030, adopted in 2013.





MESSAGE OF THE CHANCELLOR

DR JOHANN RUPERT

Worldwide, universities are faced with the challenge of continual change. While there is nothing novel about the need to adapt and renew, the scope and tempo of the transformation demanded of universities in the 21st century are overwhelming.

On the macro level, the relationship of a university with broader society has two facets. On one hand, a university happens to be situated in a certain milieu: community, region, country, continent and, finally, global collective. There are particular historical, geographic, socioeconomic and political factors, specific interest groups and a global context which affect such an institution. This milieu is largely a given situation, created by external circumstances, in which the university must be able to perform and excel. On the other hand, a university worth its salt should exercise a positive influence on society, not only be exposed to its influences. The days of academic ivory towers are at an end.

Universities across the world are confronted with transformation challenges of one sort or another related to their particular environments. What does the milieu look like in which South African universities must function? The primary socioeconomic factors which impact on our universities are poverty, unemployment, healthcare demands and the poor quality of our schooling. These factors channel state funds away from higher education and away from research; in this way the pressure of, among others, financial inequality and hindrances to study, as well as the responsibility for study-preparedness, is transferred to universities.

Then there is the natural tension between fulfilling local needs and meeting the demands of the international higher education arena of rankings, reputation management and international partnerships, and keeping up with the worldwide technology and information explosion.

Stellenbosch University is expanding its footprint in Africa. In the period 2000 to 2012 there was a phenomenal 3 606,7% growth in internet usage in Africa compared to the rest of the world's total of 566,4%, but Africa's market penetration is still only 15,6% and its usage only 7% of the world's internet use. This gave rise to the University's considered decision to reach students via the satellite and cell phone technology of its telematic platform.

In the spirit of lifelong learning and the University's endeavour eventually to focus more strongly on postgraduate studies, and also in view of the realities of professional people who simply cannot afford to forfeit their

jobs and move to Stellenbosch for postgraduate studies, the Telematic Services Division provides the technological support to overcome geographic challenges. The same platform is used over weekends by the Western Cape Department of Education to help prepare Grade 12 learners for their final examinations. Companies with branches across the country also use the University's telematic facilities for personnel training. The University's investment in this technology thus has a threefold impact: it makes postgraduate study possible for business people who cannot study full time; it delivers a significant service to society by helping to improve the quality of teaching (and thus delivering better prepared first-year students) and it generates income through the renting of these facilities to the business sector and other higher education institutions.

This is but one example of how the University management deals with both the present and the anticipated macro environment of higher education within the framework of its three overarching strategic priorities. The various facets of the telematic facility make a considerable contribution to broadening access to the University, to sustaining the momentum of excellence, and to extension of the University's impact on society.

To all the factors and influences mentioned above, now must be added the numerous international development goals and South Africa's National Development Plan in order to understand fully the extremely complex external milieu in which Stellenbosch University finds itself.

In this 2013 report – the first step in a journey towards a fully integrated report format by 2015 – Stellenbosch University illustrates, through its core functions and three linked strategic priorities how it as an academic institution responds to its external environment and answers the needs of society. By applying innovative thinking and entrepreneurial flair it is possible for the University to implement an initiative such as Telematic Services to achieve its own core functions, to make an impact on society and to generate funds. Amid the myriad demands and challenges at macro level, Stellenbosch University remains a frontrunner with the highest research output compared to all other South African universities, and with its undergraduate pass rate of 83,9%.



ORGANISATIONAL OVERVIEW: WHO ARE WE?

VISION 2030

We see Stellenbosch University as an inclusive, innovative and future-focused place of discovery and excellence, where staff and students are thought leaders in advancing knowledge in service of our stakeholders.

MISSION

We strive to achieve our vision for Stellenbosch University through sustained transformation and, on our journey of discovery through academia in the service of our stakeholders, we have resolved to:

- create an academic community in which social justice and equal opportunities will lead to systemic sustainability;
- investigate and innovatively implement appropriate and sustainable approaches to the development of Africa;
- align our research with a wide-ranging spectrum of challenges facing the world, Africa, our country and the local community;
- maintain student-centred and future-oriented learning and teaching that establish a passion for lifelong learning;
- invest in the innovative scholarship and creative ability of all our people;
- leverage the inherent power of diversity; and
- establish and extend synergistic networks in which our University is a dynamic partner.

VALUES

EXCELLENCE

Everything we do is characterised by excellence.

SHARED ACCOUNTABILITY

We realise and accept that, in the interests of the stakeholders we serve, we are jointly responsible for the achievement of the University's vision.

EMPATHY

We promote human dignity through a culture of respectful behaviour – self-respect, respect for other people, and respect for the physical environment.

INNOVATION

We think and act in new and different ways and make good choices and decisions for ourselves, and for our stakeholders, the country, the continent and the planet.

LEADERSHIP IN SERVICE OF OTHERS

We promote the well-being of people and the world by leading with humility, responsibility and understanding.

STRATEGIC PRIORITIES

BROADENING ACCESS

Theme 1: Increase access to new knowledge markets

Theme 2: Increase diversity profile of students and staff

SUSTAINING MOMENTUM OF EXCELLENCE

Theme 3: Position as the leading research institution in Africa

Theme 4: Maintain student success rate

ENHANCING SOCIETAL IMPACT

Theme 5: Establish committed visionary leadership

UNIVERSITY STRUCTURE

10 faculties

114 entities offering academic programmes

62 centres and institutes

6 centres of excellence

5 campuses

19 student service divisions

3 lecturer service divisions

13 support service divisions

STAKEHOLDER GROUPS

- Prospective students, students and their parents
- Employees
- Government, regulators and professional bodies
- Alumni
- Donors
- The community (civic society, non-governmental organisations, industry, other universities, schools, advisory councils, service providers and the media)



REPORT OF THE CHAIR OF THE UNIVERSITY COUNCIL

MR GEORGE STEYN

The Council of Stellenbosch University made a number of crucial decisions in 2013 which will be decisive in positioning the institution and also in determining its future. As the statutory body vested with the highest authority, the Council assumes overall responsibility for Stellenbosch University's academic and operational affairs; institutional policy and strategy; and assets. This responsibility is set out in the Higher Education Act (Act 101 of 1997) and the Statute of Stellenbosch University (2010).

Further to this, Council determines the conditions of service of staff, the student admissions policy and the University's language policy. The Act also prescribes that we, as councillors, must carry out our task in collaboration with the University's other statutory bodies – the Senate, Institutional Forum and Students' Representative Council. Moreover, Council has a responsibility towards the University's many stakeholders. This is reflected in the composition of the University Council, which includes representatives of the University management, donors, the Senate, Students' Representative Council, Institutional Forum, academic and non-academic staff, Minister of Higher Education, Western Cape Government and Stellenbosch Municipality. The Convocation, the statutory body which represents alumni of Stellenbosch University, elects six members of Council.

In the reporting year, Council adopted, among others, the Institutional Intent and Strategy for 2013–2018, a management vision for 2030 and a growth strategy till 2018. Another noteworthy development was the approval and implementation of a more dynamic remuneration policy. In addition, Council approved the University's new residential placement policy.

The adoption of the residential placement policy and a complete bilingual language offering – Afrikaans and English – in the first study years will probably prove to be the decisive factors in promoting diversity at the University over the next few years. While Afrikaans will continue to be strengthened as an academic language, a mixed model of dual-medium teaching, parallel-medium teaching and interpreting will make the University more accessible to students who choose English as teaching medium.

These two important decisions support the University's Vision 2030 to become an inclusive, innovative and future-focused institution, and they prepare the way for the realisation of our three overarching strategic priorities. Access is broadened because language is no longer a limiting factor; the momentum of excellence is sustained since language does not negatively influence the academic performance of students, nor does it limit the appointment of international academics; and academically vulnerable students, especially first-years, benefit more readily from residence support structures, thanks to the residence placement policy.

I wish to thank Prof Russel Botman and his management team, as well as all staff and students who contributed to Stellenbosch University's excellence in 2013. The University's management in 2013 gave an indication of how the institution should look in the medium term, by 2018 – its centenary year – and in the long term, by 2030. This will require that the University adapts to its external environment, as laid out by the Chancellor on page 5.

Our institution's future depends on our ability to build on our academic excellence, to remain relevant to society, and to grasp sustained systemic transformation with enthusiasm. Although the Institutional Intent and Strategy was adopted in April 2013, many successes had already been achieved – which this report elaborates upon. After Council had approved decisions on policy and strategy, the University was able to implement a series of management plans which will confirm the University's position as an institution of the 21st century.

I have great appreciation for the dedication and willingness of my fellow councillors to make their expertise and time available in the interests of the University and for the support they gave me in the drive to implement far-reaching change.

MR GM STEYN
CHAIR OF THE UNIVERSITY COUNCIL

FAST FACTS

A-rated
researchers:
13

NRF-rated
researchers:
316

Research
output:
3.08

Undergraduate
pass rate:
83,9%

Doctorates
awarded:
225

Master's degrees
awarded:
1 301

Student
total:
28 156

Publication output
per capita:
1.36

Student
diversity:
34,6%

QS World University
Rankings position:
387

THE UNIVERSITY COUNCIL AS ON 5 MAY 2014

RECTOR AND VICE-CHANCELLOR

- ■ ◆ ■ Prof HR Botman, BA, LicTheol, DTh (UWC)

CHIEF OPERATING OFFICER

- ◆ Prof L van Huyssteen, MScAgric, PhD (Agric) (Stell)

VICE-RECTOR (COMMUNITY INTERACTION AND PERSONNEL) (ACTING)

Prof ASM Karaan, MScAgric, PhD (Agric) (Stell)

VICE-RECTOR (LEARNING AND TEACHING)

Prof A Schoonwinkel, PrEng, MEng (Stell), MBA (UCT), PhD (Stanford)

VICE-RECTOR (RESEARCH AND INNOVATION)

Prof TE Cloete, MSc (UOFS), DSc (Pret)

ELECTED BY THE PERMANENT ACADEMIC STAFF (NON-SENATE MEMBERS)

- Prof SS du Plessis, MSc, MBA, PhD (Stell)

ELECTED BY THE PERMANENT NON-ACADEMIC STAFF

Ms G Arangies, BCom (UPE), MBA (*cum laude*) (Stell)

ELECTED BY THE INSTITUTIONAL FORUM

Vacant

ELECTED BY THE MINISTER OF HIGHER EDUCATION AND TRAINING

Prof A Keet, MEd (UWC), PhD (Pret)
Ms TS Lingela, BA (Fort Hare), BEd (Rhodes),
MEd (UDW, USA)
Vacant

ELECTED BY CONVOCAION

- Dr JP Bekker, BAHons (Stell), LLB (Witw), MBA (Columbia, USA), DCom *honoris causa* (Stell)
- Prof WAM Carstens, MA, DLitt (Stell)
- Dr GC du Toit, MB, ChB, FCOG (SA), MMed (Stell), Subspecialist Gynaecological Oncology (HPCSA)
- ▼ ◆ Prof DP du Plessis, BSc (UCT), MBA (*cum laude*), DBA (Stell)
- Mr PJ le Roux, BComHons (Stell)
- Mr JG Theron, BA Law, LLB (Stell)

ELECTED BY SENATE

Prof ASM Karaan, MScAgric, PhD (Agric) (Stell)
Prof NN Koopman, BA, DTh (UWC)
Prof JH Knoetze, BEng, PhD (Eng) (Stell)

APPOINTED BY THE COUNCIL OF THE MUNICIPALITY OF STELLENBOSCH

- ▼ Adv WJ Pretorius, BCom (Stell), LLB (Pret), LLM (Amsterdam), BComHons FAPM (*cum laude*) (UCT)

ELECTED BY THE DONORS

- ■ ■ Mr GM Steyn, BA Law, LLB (Stell) (*Chair*)
- ■ ■ Prof PW van der Walt, BScBEng, MEng, PhD (Stell) (*Vice-Chair*)
- ▼ ◆ Mr JJ Durand, BAccHons (Stell), MPhil (Oxon), CA (SA)

ELECTED BY THE WESTERN CAPE PROVINCIAL GOVERNMENT

- ■ Mr AP van der Westhuizen, BCom, HED, MEd (Stell)

ELECTED BY COUNCIL

Mr AV Moos, BA, BPhil Journalism, MBA (Stell)
Mr J van der Westhuizen, BCom, HED (UPE), BEdHons (Unisa)
Ms K Njobe, Biology (UCLA, USA), MSc (Zoology) (Pret), MTE (IMD, Switzerland)

ELECTED BY THE STUDENTS' REPRESENTATIVE COUNCIL

Mr MJ Dippenaar
Ms R van Zyl

THE FOLLOWING NON-COUNCIL MEMBERS WERE APPOINTED AS ADDITIONAL MEMBERS OF THE AUDIT AND RISK COMMITTEE

- ▼ Mr JP Bester, BComHons (Acc) (Stell), BComHons (ManAcc), BComHons (InformSys) (UCT), CA (SA)
- ▼ Mr BHJ Wessels, BCompt (Unisa), GIA (SA)
- ▼ Prof CJ van Schalkwyk, BAccHons, MCom (Stell), CA (SA)

THE FOLLOWING NON-COUNCIL MEMBERS WERE APPOINTED BY COUNCIL AS MEMBERS OF THE INVESTMENT COMMITTEE

- ◆ Dr GT Ferreira, BCom, MBA, DCom *honoris causa* (Stell)
- ◆ Mr JF Mouton, BComHons, CTA (Stell)
- ◆ Mr PG Steyn, BCom, LLB (Stell)
- ◆ Mr MM du Toit, BScAgric, MBA (Stell)

● MEMBERS OF THE EXECUTIVE COMMITTEE OF COUNCIL

▼ MEMBERS OF THE AUDIT AND RISK COMMITTEE OF COUNCIL

■ MEMBERS OF THE HUMAN RESOURCES COMMITTEE OF COUNCIL

◆ MEMBERS OF THE INVESTMENT COMMITTEE OF COUNCIL

■ MEMBERS OF THE REMUNERATION COMMITTEE OF COUNCIL



THE RECTOR'S MANAGEMENT TEAM

RECTOR AND VICE-CHANCELLOR: Prof Russel Botman
CHIEF OPERATING OFFICER: Prof Leopoldt van Huyssteen
VICE-RECTOR (LEARNING AND TEACHING): Prof Arnold Schoonwinkel
VICE-RECTOR (RESEARCH AND INNOVATION): Prof Eugene Cloete
VICE-RECTOR (COMMUNITY INTERACTION AND PERSONNEL): Prof Julian Smith



SUPPORTING STAFF

CHIEF DIRECTOR: STRATEGIC INITIATIVES AND HUMAN RESOURCES: Prof Tobie de Coning
SENIOR DIRECTOR: COMMUNICATION AND LIAISON: Mr Mohamed Shaikh
DIRECTOR: PROJECTS: Dr Barbara Pool
DIRECTOR: LEGAL SERVICES: Mr Gerhard Lipp
REGISTRAR: Mr Johann Aspeling
EXECUTIVE ASSISTANT TO THE RECTOR: Prof Monique Zaahl



OUR STAKEHOLDERS

The University creates value through its interaction with stakeholders. The large variety of stakeholders has different expectations from the University. These cover a wide scope of needs that range from quality qualifications and student success to the inclusion and development of the community. Since the University's business model is not profit-oriented and its income relies upon sources such as state subsidy, research contracts and donations, our relationship capital serves as an important input and output for our core business. Community interaction is one of our core activities along with learning and teaching, and research and innovation. The University places a high premium on the networks we build with our academic, government, industry and community partners and we also try to add value to partners' activities through an interactive and mutually beneficial model. This interaction therefore not only adds great value to the volume and quality of our own knowledge capital, but also gives us the opportunity to make a reasonable contribution to the development of society and the solution of its problems through the application of science.

Our stakeholder groups are the following:

- Prospective students, students and their parents;
- Employees;
- Government, regulators and professional bodies;
- Alumni;
- Donors; and
- The community (civic society, non-governmental organisations, industry, other universities, schools, advisory councils, service providers and the media).

OUR INTERACTION WITH STAKEHOLDERS

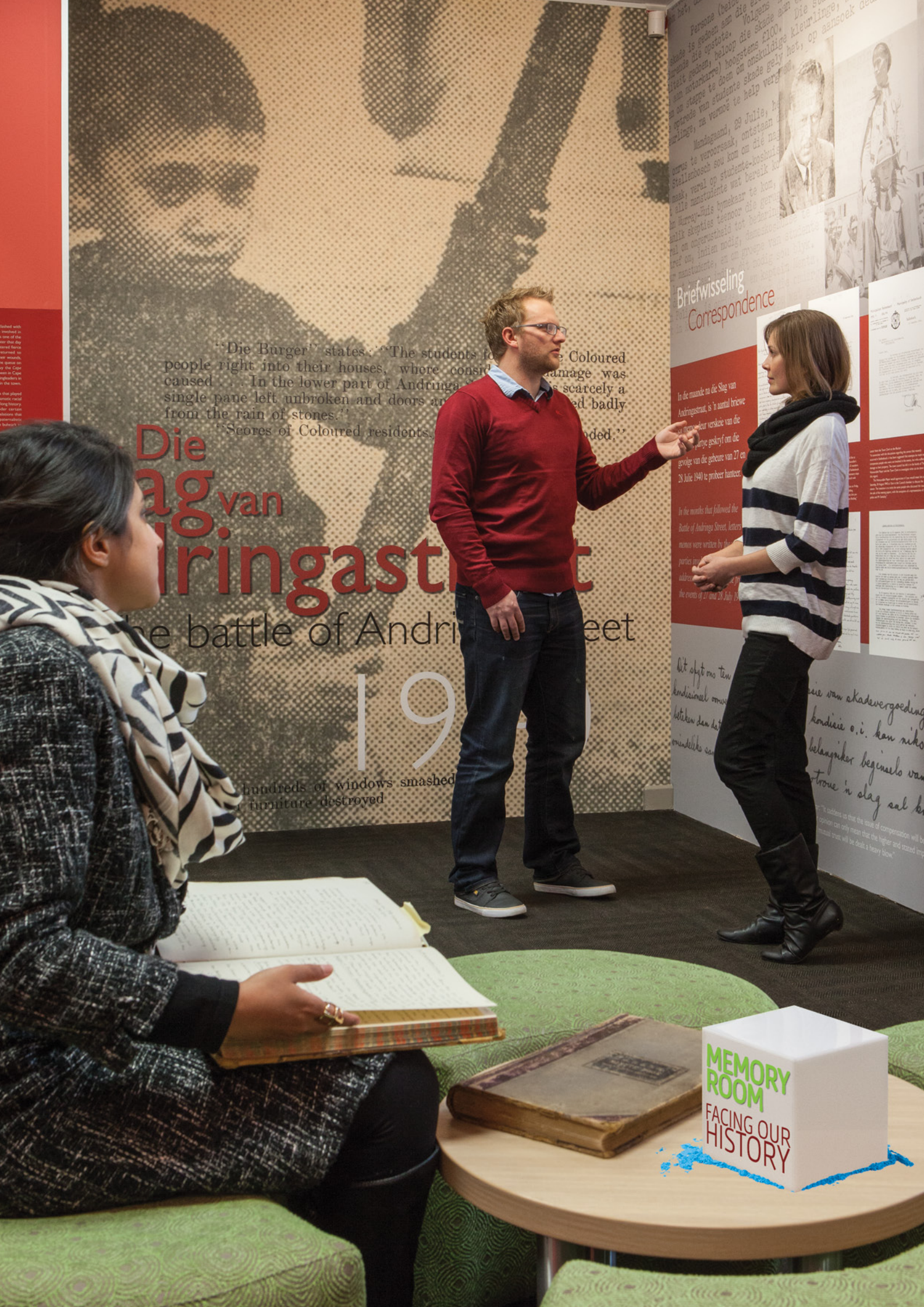
The Community Interaction Division is dedicated to the facilitation of relationships between the University (students, lecturers, support service staff, management) and its stakeholders, and serves as the entry point to the University for the local community. The following structures have been introduced:

- Community Interaction Committee of the Senate;
- Community interaction committees in faculties;
- A direct reporting line to the Vice-Rector (Community Interaction and Personnel), Prof Julian Smith;
- Monthly division meetings; and
- Weekly one-on-one discussions in a broad performance management system.

We use a variety of mechanisms to distribute information to our stakeholders and to receive feedback from them – ranging from group discussions (such as Convocation meetings with our alumni) to formal reports (such as our annual report and donors' report) and surveys (such as questionnaires and opinion polls). Which mechanisms are used and how often they are applied depends on the stakeholder groups and the matters at hand.

In our communication with our stakeholder groups, we undertake to act in accordance with our strategic priorities, ethical responsibilities and stated values.





"Die Burger" states: "The students forced the Coloured people right into their houses, where considerable damage was caused. In the lower part of Andringastraat a single pane left unbroken and doors and windows were badly from the rain of stones."

"Scores of Coloured residents..."

Die Slag van Andringastraat

the battle of Andringastreet

1941

hundreds of windows smashed, furniture destroyed

Briefwisseling Correspondence

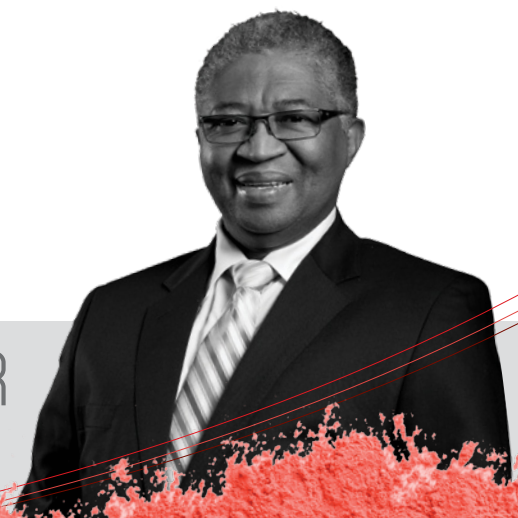
In the months following the Battle of Andringastreet, letters were written by the parties involved...

In the months following the Battle of Andringastreet, letters were written by the parties involved...

Dit sê ons ten...

ie van skadevergoeding...
kondisie o.i. kan niks...
belangriker beginsels van...
troue 'n slag sal be...

MEMORY ROOM
FACING OUR HISTORY



REPORT OF THE RECTOR AND VICE-CHANCELLOR

PROF RUSSEL BOTMAN

What sort of institution does Stellenbosch University wish to be by 2030 and how do we envisage getting there?

An excerpt from the vision statement of the National Development Plan for a transformed South Africa by 2030 echoes the spirit in which and fixity of purpose with which our University leadership pays attention to this core question:

“We work towards goals with patience invested in actual effort. We invest in our efforts and are not waiting in disengaged expectation. Because we are impatient to succeed, we work with painstaking rigour.”

Our future positioning is based on the present reality that higher education across the world faces harsh challenges and that universities therefore must make drastic adjustments and changes in order to meet the demands of our time. Among these severe challenges are: the needs of the communities which universities serve; rising student numbers in the face of limited and shrinking resources; new ways of learning and studying arising from technological development; and the continual blurring of classroom boundaries owing to new possibilities of learning any place and any time. These are the sorts of challenges that universities need to face in the second decade of the 21st century.

As an established institution espousing the ideal of excellence, Stellenbosch University takes these challenges seriously and confronts them head-on in its positioning and planning for the future. It has become clear from wide-ranging consultation within the University that the broad university community has the capacity to keep pace with the demands of the time, while also maintaining academic excellence.

Out of this process of intense introspection and with cognisance of the flood of changes, challenges and trends with which higher education institutions are confronted, Stellenbosch University’s management, in deliberation with the academic leadership, formulated a vision and strategic positioning for the future. This vision is anchored in the creation and maintenance of an environment of inclusivity, innovation, diversity and transformation (see explanation of Vision 2030, page 103) and a place of discovery and excellence where staff and students can be thought leaders

who advance knowledge for the benefit of all stakeholders. This positioning, better known as the University’s Institutional Intent and Strategy 2013–2018, was adopted by the University Council on 9 April 2013 as the foundational phase of the University’s Vision 2030. It reflects the approach of imagining the future and then rethinking the present. It supports our core activities of learning and teaching, research, and community interaction. It is aligned with the four focus areas which formed the foundation of our vision for the future: student success, the maintenance of the University’s knowledge base, the promotion of diversity, and systemic sustainability.

To implement our Institutional Intent and Strategy practically, the University devised three overarching strategic priorities, which are supported by strategic themes. This plan is based on intentions supported by strategies by means of which the intentions will be carried out or achieved. Schematically, the University’s plan for the immediate future looks like this:

STELLENBOSCH UNIVERSITY VISION 2030		
Intent	Strategic priority	Strategic theme
Inclusive	Broaden access	<ul style="list-style-type: none">• Increase diversity profile of students and staff• Promote access to new knowledge markets
Innovative	Sustain our momentum of excellence	<ul style="list-style-type: none">• Position as the foremost research leader in Africa• Increase student success rate
Future-oriented	Enhance our impact on society	<ul style="list-style-type: none">• Establish hope-at-work initiatives with the emphasis on the development of people and communities• Develop dedicated and visionary leadership

HOW DID WE IMPLEMENT OUR VISION IN 2013?

It is self-evident that the intent and strategic priorities flowing from our Vision 2030 must be supported by practicable institutional and environment plans. Our institutional plans involve, among other things, a variety of procedures and policies which aim to create an empowering framework within which institutional goals may be realised. Through such plans the University can deliver the desired results in respect of core matters such as creating an environment which is welcoming, a culture which promotes transformation and diversity, and a business model which supports continuous academic and research excellence. Environment plans, on the other hand, have to do with the activities, initiatives and critical performance areas of faculties and support services divisions, which are essential to realise the institution's strategic goals.

During the reporting period, the management of the University worked tirelessly on the institutional plans in

order to create an environment which would facilitate the achievement of our institutional goals. These plans aim to support not only the core activities of the University, but also its future growth strategies and transformation:

- Plan for a Welcoming Culture;
- Language Action Plan;
- Personnel Plan;
- revised Residence Placement Policy;
- Recruitment Bursary and Financial Support Plan for needy students; and
- comprehensive Information and Communication Technology Plan for Learning and Teaching.

Environment plans to achieve the strategic goals of the Institutional Intent and Strategy are presently in the making and will materialise further during the course of 2014 in line with a set of measurable strategic management indicators, such as those in Table 1 below.

TABLE 1: CALCULATED VALUES OF STELLENBOSCH UNIVERSITY'S STRATEGIC MANAGEMENT INDICATORS, 2008 AND 2013

Focus	Strategic management indicators	2008	2013	% variation 2008/2013
Knowledge base	Publication output of teaching/research staff	0,86	1,04	20,6
	Permanently appointed teaching/research staff with doctorates (%)	57,92	60,82	5,0
	Permanent NRF-evaluated teaching/research staff (%)	28,71	32,10	11,8
	Full-time equivalent postgraduate students (%)	22,99	27,59	20,0
	Postgraduate qualifications awarded per full-time equivalent senior lecturer equivalent staff member	1,30	1,67	28,8
	Community interaction score	4,28 ¹	5,10	19,1
Student success	Success rate of undergraduate students	81,62	83,87	2,8
Diversity	Diversity of teaching/research staff (%)	48,44	54,05	11,6
	Diversity of postgraduate students (%)	45,89	46,21	0,7
	Diversity of newcomer first-year students (%)	22,81	32,37	41,9
	Postgraduate students from other African countries (%)	9,70	14,33	47,8
	Established partnerships in Africa	0,45	0,33	-26,5
Sustainability	Utilisation of teaching/research staff	51,96	55,61	7,0
	Third-stream income utilised	120,57	163,04	35,2

Interpretation of comparative values in Table 1

Table 1 shows the calculated values for our strategic management indicators which applied in 2013 and our progress in those areas since 2008. In respect of research, there was a significant increase in the publication outputs per academic staff member, postgraduate students as a percentage of all students, and postgraduate qualifications awarded per academic staff member over this period. The success rate of undergraduate students was maintained above the 80% mark. There was also a pleasing improvement in diversity levels among first-year students. Despite the drop in established partnerships in Africa, the percentage of postgraduate students from other African countries rose sharply. A marked increase was also seen in third-stream income expenditure on bursaries and assets, among other things.

ON THE WAY TO AN INCLUSIVE INSTITUTION

In the reporting period, the University had to adhere to the critical requirement of enrolling a greater number of undergraduates, particularly coloured, black and Indian candidates. The strategic intake goal is 40,6% coloured, black and Indian students by 2018. Simultaneously, the aim is to increase the momentum of Stellenbosch University's diversity and inclusivity efforts. Table 2 demonstrates the University's diversity profile over the past five years.

As a result of a dedicated recruitment campaign conducted by the Section for Communication and Liaison and the

Centre for Prospective Students both at schools and in the mainstream and social media to attract more coloured, black and Indian students, the University had already, by the end of 2013, observed a significant increase in the applications for admission to study in 2014 in virtually all faculties. The percentage of coloured, black and Indian students who were conditionally admitted with a view to study in 2014 was 39,7%, while the percentage in 2013 was 35,4% and in 2012 was 28,6%. This growth trend was maintained in the actual registration figures for 2014, where 35,1% of the newcomer first-year students were from the designated groups (see next page 'What we achieved').

¹ The value of 2009 is shown here instead of that of 2008, because the measurement of community interaction only stabilised by 2009.



What we achieved

Registered newcomer students	2012	2013	2014
Number of coloured, black and Indian students	1 085	1 462	1 848
Number of white students	3 105	3 162	3 410
Total number of students	4 190	4 624	5 258
% of coloured, black and Indian students	25,9%	31,6%	35,1%

TABLE 2: COLOURED, BLACK AND INDIAN STUDENTS AT STELLENBOSCH UNIVERSITY AS A PERCENTAGE PER FACULTY AND OF ALL STUDENTS, 2009–2013

Coloured, black and Indian students as a percentage per faculty

Faculty	Undergraduate students					All students in faculty				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
AgriSciences	17,7	18,3	19,1	17,2	20,6	21,3	21,1	22,5	21,3	24,1
Arts and Social Sciences	20,2	22,4	24,4	23,9	28,1	24,1	26,9	29,1	31,0	32,9
Economic and Management Sciences	16,9	17,3	17,3	17,4	19,5	30,2	30,4	30,2	30,2	31,2
Education	17,4	19,5	22,1	24,4	26,9	50,7	45,7	44,2	41,9	40,4
Engineering	13,2	13,8	15,3	16,4	18,6	15,0	15,7	17,2	18,5	20,3
Law	22,8	24,2	29,9	31,8	30,7	23,2	24,5	24,5	26,0	25,3
Medicine and Health Sciences	43,8	44,0	44,3	46,8	49,8	48,2	49,7	48,5	49,2	51,4
Military Science	88,2	90,9	87,2	85,4	86,2	85,5	88,9	86,1	84,2	84,9
Science	30,4	31,5	32,1	31,7	32,1	32,0	33,5	33,9	33,7	34,3
Theology	25,4	25,6	32,9	39,0	52,7	43,5	44,9	45,1	47,7	50,7

Coloured, black and Indian students as a percentage of all students

White	76,3	75,5	74,4	74,0	71,3	67,6	67,1	67,1	66,9	65,4
Coloured	16,0	16,2	16,4	16,1	17,2	16,5	16,3	15,8	15,5	16,0
Black	6,2	6,8	7,6	8,2	9,6	13,9	14,6	15,0	15,5	16,3
Indian	1,5	1,5	1,6	1,7	1,9	1,9	2,0	2,1	2,1	2,3
% coloured, black and Indian students	23,7	24,5	25,6	26,0	28,7	32,3	32,9	32,9	33,1	34,6
Number of students	15 869	16 524	17 051	16 932	17 293	26 243	27 694	28 193	27 823	28 156

Interpretation of comparative enrolment figures according to race in Table 2

Table 2 reveals steady progress in the overall racial diversification of students. All faculties show an increasing trend in coloured, black and Indian undergraduate student enrolment from 2009 to 2013, with the Theology Faculty reflecting the greatest leap to 52,7% in 2013. Only the already well-represented Military Science Faculty experienced a slight drop in designated group undergraduate enrolments. Indeed, when looking at total student numbers in faculties in 2013, the enrolment of coloured, black and Indian students as a group predominates over the white student group in the Faculties of Medicine and Health Sciences (51%), Theology (50,7%) and Military (84%), while the designated groups are least represented in the Faculties of AgriSciences (24,1%), Engineering (20,3%) and Law (25,3%).

Looking at the undergraduate percentages at the University as a whole, white students still predominate, at 71,3%, with the coloured, black and Indian group climbing steadily since 2009 from 23,7% to 28,7% in 2013. When comparing the totals of all students at the University across all study years and faculties, the coloured, black and Indian group has shown a gradual increase year upon year, from 32,3% in 2009 to 34,6% in 2013.



TABLE 3: MINISTERIAL ENROLMENT AND EFFECTIVENESS TARGETS FOR 2013 AND STELLENBOSCH UNIVERSITY (SU) PERFORMANCE, 2011–2013

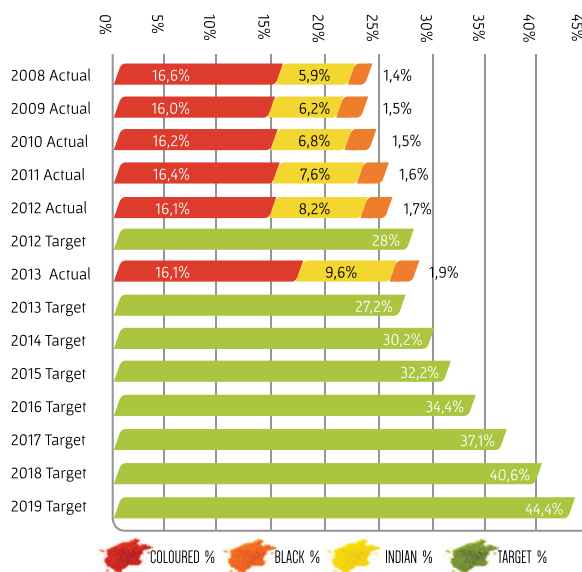
	Ministerial target	SU in 2011	SU in 2012	SU in 2013
Head count	25 693 in 2009 to increase to 27 639 in 2013, i.e. an annual increase of 1,8% between 2009 and 2013	27 266	27 510	27 418
Full-time equivalent students	20 668 in 2009 to increase to 21 806 in 2013, i.e. an annual increase of 1,3% between 2009 and 2013	22 188	22 193	21 803
Funded teaching input unit total for 2015/2016	65 800	68 534	71 598	69 049
Newcomer undergraduates in 2013	4 489, i.e. an average annual increase of 1,5% from 4 234 in 2009	4 535	3 936	4 553
Major fields of study in 2013				
Science, engineering and technology	45,1%	45,6	47,9	48,0
Business and management	19,1%	22,9	21,6	21,2
Education	5,4%	5,9	5,7	5,9
Humanities	30,4%	25,6	24,8	24,9
Levels of study				
Undergraduate	59,3% in 2013	61,0	60,0	61,5
Postgraduate below master's	14,5% in 2013	13,6	13,2	13,6
Master's	18,6% in 2013	19,3	18,4	17,2
Doctoral	4,1% in 2013	4,5	4,8	5,0
Occasional students	3,5% in 2013	1,6	3,6	2,7
Total graduates	To increase from 6 766 in 2009 to 7 570 in 2013	7 179	7 680	7 529
Graduates in scarce skills				
Engineering	370 in 2013	382	447	434
Life and physical sciences	261 in 2013	439	464	441
Animal and human health sciences	327 in 2013	293	304	319
Initial teacher education	391 in 2013	375	441	437
Graduates at different levels				
Honours	1 347 in 2013	1 244	1 158	1 220
Research master's	672 in 2013	615	939	841
Doctoral	192 in 2013	150	240	225
Targeted success rate	84,5% in 2013, up from 83,8% in 2009	83,4%	84,9%	85,9%
SU proportion of contribution to national scarce skills graduate output				
Engineering	3,3% in 2014			
Life and physical sciences	4,8% in 2014			
Animal and human health sciences	3,3% in 2014			
Initial teacher education	2,7% in 2014			

Interpretation of comparative enrolment and effectiveness values and the ministerial targets for 2013 in Table 3

Table 3 shows how Stellenbosch University fared in 2011, 2012 and 2013, measured against the enrolment and effectiveness targets set for the University for 2013 by the Minister of Higher Education and Training. These statistics were extracted annually from the Higher Education Management Information System (HEMIS) and submitted to the Department of Higher Education and Training, for comparative purposes. Our success rate of 85,9% for 2013 exceeds the Minister's target of 84,5%. The University's proportional contribution to the national delivery of graduates in scarce skills will be calculated in 2014.



FIGURE 1: UNDERGRADUATE DIVERSITY PROFILE MEASURED AGAINST THE UNIVERSITY COUNCIL TARGET UNTIL 2019



Interpretation of the comparative values in Figure 1

Figure 1 demonstrates how the University has progressed with the diversity targets set by the University Council since 2008. The actual percentages of coloured, black and Indian students enrolled at the University over the past number of years are given. The actual enrolments and the targets for 2012 and 2013 are shown, while the annual targets till 2019 may be read on the target bars. Although we did not achieve the target in 2012, we did indeed do so in 2013 after concerted efforts (see page 33).

THE ESTABLISHMENT OF A CENTRE FOR INCLUSIVITY

Transformation at the University of Stellenbosch is conceptualised as a combination of, on one hand, purposeful demographic changes and, on the other hand, a shift in the institutional culture. We endeavour to be inclusive not only on the basis of race and ethnicity, but also on the basis of gender, disabilities, language, sexual orientation and religion.

The Centre for Inclusivity was founded in September 2013 to support and monitor transformation at the University. The goals of the Centre are, among others, to:

- extend and develop learning and living spaces in order to prioritise diversity and inclusion as key mechanisms for leadership development, for the promotion of social cohesion, for relevant teaching and learning, and for student success;
- empower leaders and make them sensitive to participation in the widest possible context and to monitor discrimination effectively and eradicate it; and

- develop a visual redress and communication strategy which prioritises a welcoming and inclusive culture, facilitates critical debates and provides institutional spaces for staff and students to communicate. Visual redress projects are aimed at recognising and welcoming multiple institutional histories and identities.

Since its founding, the Centre for Inclusivity has begun preparing for its transformation initiatives by:

- drawing up a control list to monitor the implementation of recommendations made by the Soudien Report (see Glossary, page 103);
- developing and testing a concept template for faculty transformation plans;
- identifying transformation research priorities;
- developing and implementing transformation training programmes for both staff and students; and
- holding a series of public discussions on the advancement of diversity, of which some have coincided with the celebration of public holidays.

INTRODUCTION OF A WEEKLONG CELEBRATION OF DIVERSITY

Stellenbosch University held its first celebration of diversity from 30 September to 4 October 2013. This weeklong event, which will henceforth become standing practice, consists of a wide variety of discussions, presentations, plays and performances; and provides a platform for staff and students to celebrate diversity and inclusivity. All the facets of this first programme were very well attended, especially by students; indeed, to judge by their active participation in the programme, a paradigm shift appears to have taken place among students towards the very inclusivity that the University is striving for in our Institutional Intent and Strategy on our way to 2030.

ON THE WAY TO AN INNOVATIVE INSTITUTION

By sustaining the momentum of our academic and research endeavour, the University was able to excel during the reporting period, not only through its distinction as leading university in the area of weighted research outputs per capita, but also through the higher position that it now holds in the QS ranking of world universities.

The Department of Higher Education and Training confirmed in 2013, according to 2012 data, that for the fourth consecutive year Stellenbosch University was the institution which delivered the highest number of weighted research outputs per full-time academic staff member, namely 3.08. This is the highest output in the country – higher even than that of the CSIR, and significantly higher than that of the University of Cape Town, which took the second place in the ranking.

On the QS list of world universities, Stellenbosch University

has now moved out of the block of universities lying between the 400th and 450th position and has climbed to an individual 387th place to lie among the leading research-driven universities.

Regarding the throughput rate of first-year students, our result of 87% is presently the highest in the country. In addition, our overall undergraduate success rate now stands at 83,9%. This irrefutably shows the beneficial nature of Stellenbosch University's consistent approach of fostering 'success on admittance', an approach whereby especially newcomer students are fully supported by tailor-made academic and development programmes and structures.

FOUNDING OF THE AFRICAN CANCER INSTITUTE

In reaction to the critical need for interventions which will help to prevent cancer and improve access to treatment and care for cancer sufferers on the African continent, Stellenbosch University founded the African Cancer Institute in November 2013. The Institute will, through its programmes, support South Africa and other African countries in the field of cancer to build capacity, to provide teaching and training, and to promote national and international cooperation.

The African Cancer Institute is situated in our Faculty of Medicine and Health Sciences, but cancer research at our institution is not restricted to this faculty alone. Several divisions and units in seven other faculties also conduct cancer-related research. The aim of the Institute is to conduct high-level cancer research which will contribute to the improvement of the prevention, diagnosis and management of cancer in Africa.

A memorandum of understanding was signed with the influential University of Texas MD Anderson Cancer Center. This arrangement will facilitate collaboration in the areas of training programme development, faculty exchanges, specific oncology courses and research projects, in order to promote scientific insight into cancer and improve the care of cancer sufferers.

INSTALLATION OF SIX NEW RESEARCH CHAIRS

Altogether six new research chairs were awarded to Stellenbosch University by the South African Research Chair Initiative (SARChI) in 2013, which brings the number of SARChI research chairs at the University to 18. The new chairs are in the areas of Mechanistic Modelling of Health and Epidemiology, Integrated Wine Sciences, Micobactomica (genetic study of bacteria that cause tuberculosis), Biomarkers for Tuberculosis and Animal Tuberculosis. The other two are joint research chairs which focus on Mathematics and Theoretical Physical Biosciences (with AIMS – African Institute for Mathematical Sciences) and on Meat Science (with the University of Fort Hare).

SARChI is a flagship initiative of the government which was designed to attract excellence in research and innovation to the South African science system and maintain it. The primary goal is to strengthen the country's universities so that high-quality postgraduate students, research and innovation outputs can be produced. The research chairs lend impetus to the University's endeavour to increase the number of postgraduate students, since this creates opportunities for master's and doctoral students to undertake research.

ON THE WAY TO A FUTURE-ORIENTED INSTITUTION

Stellenbosch University has entrenched itself as a role player which wishes to make a positive impact on society through effective research programmes based on the science-for-society approach and through extensive community development programmes.

HOPE@MATIES OPENS UP OPPORTUNITIES

In 2013 Stellenbosch University's Hope@Maties programme awarded recruitment bursaries to 201 Grade 12 learners who took part in the programme. This is a strategic schools partnership programme which Grade 12 learners with an average percentage of 70% or more from 10 geographic groupings attend on Saturdays or during school holidays. The programme is held in urban and rural centres, with a centrally situated school as host. During these programmes learners receive supplementary teaching in subjects like mathematics, life and physical sciences, and accountancy by some of the best teachers from the area. The learners are exposed to various study options at Stellenbosch University, and to career options that accord with their subjects. In addition, they receive guidance and assistance with their formal admittance to the University.

In the urban centres (Stellenbosch, Atlantis, Mitchell's Plain, Elsie's River and Paarl) the programme is presented on Saturdays and during the winter school holidays. In the rural centres (Worcester, Malmesbury and the Overberg) the learners attend contact sessions during autumn, winter and spring school holidays. In 2013 the programmes were extended to two additional centres: the Eden and Central Karoo district (Mossel Bay, George, Knysna, Plettenberg Bay, Oudtshoorn and Beaufort West) and the southern suburbs of Cape Town. Programmes for Grade 11 learners have also been introduced in three districts: the Cape Winelands, West Coast and Overberg.

WORCESTER CAMPUS EMBRACES RURAL COMMUNITIES

In the reporting period, the University expanded its footprint further into rural communities with, as base, the ultra-modern Ukwanda Rural Clinical School of the Faculty of Medicine and Health Sciences at the Worcester Campus.

Ukwanda, with its hub at Worcester and spokes radiating out to Ceres, Robertson, Caledon, Hermanus and Swellendam, provides an opportunity to medical students to complete their final year in a rural environment. Here students receive exposure to the real health needs of communities, develop their ability to apply critical thinking, and put their medical knowledge to use in a practical way.

Ukwanda also offers space for innovation, and is but the first step in creating a strong multidisciplinary rural presence. From 2013 the Worcester Campus has also been the home of the SciMathUS bridging programme, which gives disadvantaged learners a second chance to come into consideration for admission to higher education. Altogether 19 students followed this programme in 2013; all 19 were successful and proceeded to study at Stellenbosch University. SciMathUS has been run with success on the main campus of Stellenbosch since 2001.

The University's Legal Aid Clinic opened an office on the Worcester Campus in 2013 in an effort to offer needy people in the rural districts access to quality legal services. The



focus is on legal aid in respect of divorce, children's rights and farm evictions. Plans are already in place to expand legal services delivery in Worcester.

DEVELOPING PEOPLE THROUGH COMMUNITY INTERACTION

Through its active involvement in communities via activities aimed at people and community development, Stellenbosch University strove to improve the quality of life in surrounding communities during the reporting period.

During 2012–2013 the Africa Centre for HIV/Aids Management, which is dedicated to elucidating the complexities surrounding HIV/Aids, helped to organise a total of 128 productions of educational theatre, and so reached 24 632 people. In the process, about 6 000 people were tested for HIV.

The University's Legal Aid Clinic in 2013 handled altogether 260 cases concerning farm labourer housing, of which 194 were contested in court. The Legal Aid Clinic works mainly with cases concerning eviction from farms, labour disputes, family violence, divorce and debt relief. Free legal services are provided to the needy, especially to members of previously disadvantaged communities. During this process, final-year law students and candidate attorneys are trained.

The Unit for Psychology in 2013 offered a total of 1 088 psychological consultations to individuals from communities. This Unit delivers psychological services to individuals from poor communities in Stellenbosch, who would not otherwise have access to psychological care. The Unit also does research and offers training to equip clinical psychologists and counsellors to meet the country's mental healthcare needs by fulfilling the role of community psychologists.

PROMOTING VISIONARY LEADERSHIP

Central to the University's new vision is the value statement that we are an institution where thought leaders of the future are trained. In the 20th century and earlier, the world required managers of organisations, leaders of institutions and great industrialists. Universities therefore strove to equip students with the knowledge that they might need to manage the structures in their specific fields. But in the 21st century we need people who can lead the thinking of society – in our country, on our continent and across the whole world. We need people with better insight into global questions, we need people with the talent and industry to solve problems creatively, and we need people with the vision and motivation to place their knowledge and thought leadership in the service of a better society.

In this reporting year, the University welcomed its first 'born free' students. These are students who were born in the first year of our country's democracy (1994). The potential influence that this unique group of students can have on our University and even our society came to the fore clearly during our first Diversity Week which we celebrated in October 2013 – not least from the leading thoughts that emerged in their responses to the question: What does it mean to be born free in a democratic South Africa?

The new perspectives, fresh ideas and challenging thoughts about the place of the youth in a future South Africa came to the fore particularly in the blog competition which was held during the diversity celebrations. This gave the

leadership of the University important indicators and leads about the student market of the future – about the needs and thinking of our future students and about the challenges that lie ahead, not only to create the institutional culture for a new generation, but also to help nurture thought leadership for the new world.

INCUBATING BUSINESS IDEAS

Thought leadership with an entrepreneurial flair was strengthened at the University in 2013 with the opening in August of the University's first business incubator, LaunchLab. LaunchLab is an initiative of Innovus, the University's innovation company. Here student entrepreneurs may develop and test their business ideas in a stimulating incubator atmosphere. LaunchLab also presents the annual Stellenbosch Idea Competition in which 10 students win seed capital, mentorship and space in the incubator to convert their business ideas into a viable business. LaunchLab Talks are regular talk events where thought leaders and successful entrepreneurs share their experience with the LaunchLab community.

THE ROAD TO 2018

Our Institutional Intent and Strategy 2013–2018 is the University's initial step towards integrated management and reporting. The following reports on our core business by the University leadership sketch a picture of our performance during 2013 and show how we added value in service of our wide range of stakeholders.

I trust that our staff and students will embrace the Institutional Intent and Strategy 2013–2018 with enthusiasm and dedication. In the short to medium term, further challenges undoubtedly lie ahead, but with the demonstrated achievements of the past year the foundation of our Intent and Strategy has been laid. This places our University securely on the road to 2018, when we plan to celebrate a century of academic excellence as a public higher education institution. Like the vision statement from the National Development Plan in the opening paragraph of my report, our statement of intent affirms that "we work with painstaking rigour" in striving for and realising our vision and institutional goals.

FINANCIAL OVERVIEW

Stellenbosch University is committed to strategic financial planning and management for the long-term financial sustainability of the institution. This strategic financial planning for sustainability is determined by the management mandate for the next five years. Up to and including the reporting year, the systemic emphasis was on the four strategic focus areas, namely the presentation and development of the University's expertise, the promotion of students' success, the broadening of staff and student diversity, and securing systemic sustainability. From 2014 the systemic focus is on the priorities of the Institutional Intent and Strategy 2013–2018 as adopted by the Council on 9 April 2013. In terms of this, the allocation of resources is determined by three strategic priorities and the associated themes as drivers of sustainability, as set out earlier in my report and on page 6.

The University succeeded in completing the 2013 financial year successfully, despite a variety of factors resulting in financial

challenges that had to be faced. Some of these factors were:

- the volatility of international economies and the resultant impact on exchange rates, third-stream income² and the pressure on the South African economy;
- the impact of current economic conditions on the affordability of student and accommodation fees; and
- changes to certain components used for determining government subsidy grants, which had resulted in subsidy income for 2013 being lower than budgeted.

The most significant features for the year under review are:

- total income growth of 14,7% (3,6% in 2012) to R4 064 million (R3 544 million in 2012), compared with expenditure growing by 7,1% (14,8% in 2012) to R3 536 million in 2013 (R3 302 million in 2012);
- income growth from private donations, allocations and research contracts of 3,2% (6,7% in 2012) to R1 090 million (R1 057 million in 2012);
- increased funding for continually growing facility and equipment needs;
- a total surplus of R528 million, compared with the surplus of R243 million in 2012; and
- a surplus of R225 million (R111 million in 2012) if investment income is excluded.

A total of R316 million of the surplus above is attributable to restricted funds over which the Council does not have discretion. The surplus of R213 million in unrestricted Council funds may, among others, be attributed to:

- actual income exceeding actual expenditure against the University's main budget;
- the decrease in the percentage growth in income from private donations, allocations and contracts (3,2% in 2013 compared with 6,7% in 2012 and 11,6% in 2011), which has also contributed to spending in 2013 being more conservative than in previous years; and
- factors such as the higher-than-budgeted income from interest earnings and realised profit on the sale of investments.

The income for the University's main budget comprises government subsidies, student fees and other smaller contributions, such as a percentage of the surcharge on third-stream income. The total budget saving for 2013 amounts to R123 million, R106 million of which has been transferred to the strategic and balance funds of environments for discretionary expenditure such as, among others, bursaries, capital projects and operating expenditure that could not be accommodated in the main budget for 2014. The remaining R17 million saving on the main budget is attributable to higher-than-budgeted income and savings on institutional expenditure such as for municipal services, postage, bank charges and insurance. The latter two savings are the result of tender processes leading to a reduction in the real expenditure for these services, as well as enhanced business processes at the University. The conservative spending in terms of operating expenditure and salaries for 2013 is the result of uncertainties with regard to long-term income expectations for the University, with the subsidy formula for higher educational institutions currently being reviewed. This gives rise to uncertainty about future subsidy apportionment to higher education institutions.

Furthermore, the 2013 financial results can be, among others, attributed to:

- conservative, integrated budgeting within a rolling six-year financial plan, including a contingency reserve for managing unforeseen events;
- the continued redesign and streamlining of operational processes to ensure greater cost-efficiencies, particularly as far as physical facilities are concerned; and
- the provision of strategic funds in support of new initiatives aimed at realising the vision and objectives of the University.

The successes above provide a sound base for ongoing proactive financial planning and the refinement of the financial model that serves the University's strategic objectives and focus areas.

REPORTING STANDARDS

On 29 August 2003 the Regulations for Annual Reporting by Higher Education Institutions were published in the Government Gazette by the Minister of Education, prescribing the framework, as well as the minimum standards and the reporting format. These consolidated annual financial statements for the year ended 31 December 2013 have been compiled in accordance with the regulations. In terms of section 41(2) of the Higher Education Act, 101 of 1997 (as amended up to and including the Regulations for Annual Reporting by Higher Education Institutions dated 1 August 2007), universities are obliged to submit annual financial statements that comply with South African Standards of Generally Accepted Accounting Practice to the Department of Education. The University opted to apply International Financial Reporting Standards (IFRS). The date of transition was 1 January 2004.

In terms of section 4(3)(b) of the Public Audit Act, 25 of 2004, the Auditor-General may audit any institution receiving public funding. The Auditor-General opted, however, not to perform the Stellenbosch University audit itself, but instructed the University's appointed external auditor, PricewaterhouseCoopers Inc., to attend to certain additional instructions. These additional instructions include the audit of compliance legislation applicable to financial affairs, financial management and other related matters, as well as the audit of performance against predetermined objectives, as agreed by the University and the Minister of Higher Education and Training. The only contracted objective with the Minister of Higher Education and Training for the year under review was the ministerial enrolment targets set out in Table 3 on page 16.

Owing to accounting standards and policy changes, prior-year figures were restated in 2013. References to prior-year figures in this report are always indicative of restated figures.

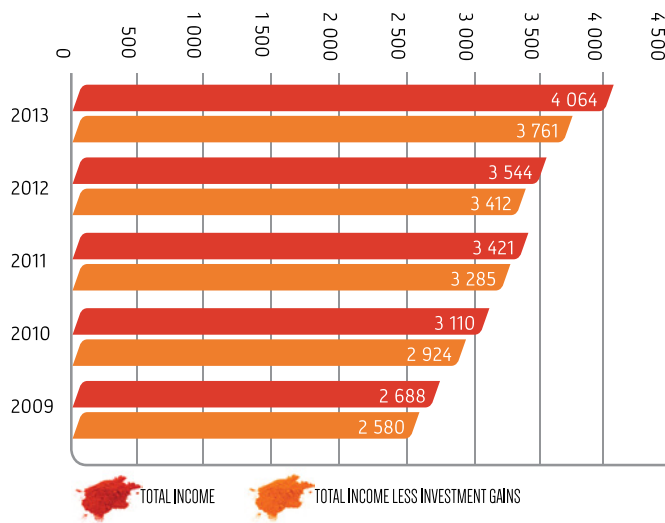
²See Glossary page 102.



INCOME

Figure 2 shows the growth in the University's total income and income excluding profit on investments for the period 2009 to 2013.

FIGURE 2: TOTAL INCOME, 2009–2013 (RM)



The composition of the University's income per main component in terms of value and proportion is shown in Figure 3 and Table 4, with comparative figures for previous years.

FIGURE 3: TOTAL INCOME PER MAIN COMPONENT (R4 064m)

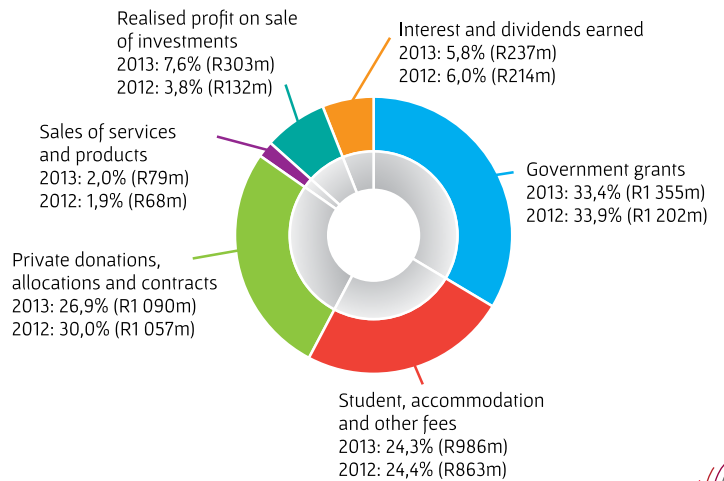


TABLE 4: GROWTH AND COMPOSITION OF INCOME, TOTAL AND PER MAIN COMPONENT, 2009–2013

	2009	2010	Increase/ (Decrease) 2009 / 2010 %	2011	Increase/ (Decrease) 2010 / 2011 %	2012	Increase/ (Decrease) 2011 / 2012 %	2013	Increase/ (Decrease) 2012 / 2013 %
Total recurring income, of which:	Rm 2 688	3 110	15,7	3 421	10,0	3 544	3,6	4 064	14,7
Government grants	Rm 955	1 112	16,4	1 224	10,1	1 202	(1,8)	1 355	12,7
% of income	% 35,5	35,7		35,6		33,9		33,4	
Student, accommodation and other fees	Rm 587	682	16,1	786	15,3	863	9,8	986	14,3
% of income	% 21,8	21,9		23,0		24,4		24,3	
Private donations, allocations and contracts	Rm 766	888	15,9	991	11,6	1 057	6,7	1 090	3,1
% of income	% 28,5	28,6		29,0		30,0		26,9	
Sales of services and products	Rm 69	50	(27,5)	67	34,0	68	1,5	79	16,2
% of income	% 2,5	1,6		2,0		1,9		2,0	
Realised profit on sale of investments	Rm 108	186	72,2	136	(26,9)	132	(2,9)	303	129,5
% of income	% 4,0	6,0		4,0		3,8		7,6	
Interest and dividends earned	Rm 189	189	–	196	3,7	214	9,2	237	10,7
% of income	% 7,0	6,1		5,7		6,0		5,8	

As shown in Table 4, *total recurring income* increased by 14,7% (2012: 3,6%) to R4 064 million (2012: R3 544 million). Private donations, allocations and contracts as a percentage of total recurring income have decreased from 28,5% in 2009 to 26,9% in 2013, with government grants also decreasing slightly from 35,5% to 33,4% in the same period.

Table 4 also shows that growth in total recurring income was higher in 2013 (14,7%), compared with 3,6% in 2012. In nominal terms total income grew by 51,2% – from R2 688 million in 2009 to R4 064 million in 2013.

Government grants comprise unearmarked subsidy income and earmarked grants, with unearmarked subsidy income earned according to a formula of the Department of Higher Education and Training. This formula is currently under review and the impact of the amended formula on the University's income is uncertain. For the University's main budget unearmarked subsidy income is taken into account. Given the uncertainties surrounding unearmarked subsidy income, it is important that the contribution of private donations, allocations and contracts to the University's total income is increased over time.

The lower-percentage growth in private donations, allocations and contracts in 2013 (3,1% compared with 6,7% in 2012 and 11,6% in 2011) is, among others, the result of an income shift at the University of Stellenbosch Business School. Where this income had been recognised under private donations, allocations and contracts in the past, it was reclassified as tuition income in 2013. Although donations increased by R10,4 million in nominal terms (increase of 6,0%), this was from a low base in 2012. From 2011 to 2013 the increase in donations averaged 3% per annum. The impact of current global economic conditions is reflected in the slow growth in this income category.

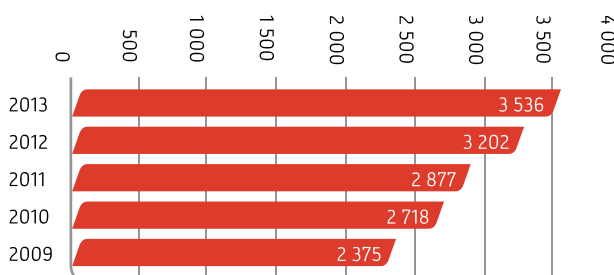
Income from student and other³ fees increased by 14,3% since 2012. This growth is attributable to the general student fee adjustment of 8,5% and a 9,7% adjustment in accommodation fees, as well as an increase in the number of students in 2013. The income shift at the University of Stellenbosch Business School has also contributed to the percentage increase in income from student and other fees. In adjusting student and accommodation fees, factors such as the recent rise in electricity costs, rates and taxes, and building costs in excess of the normal consumer price index (CPI) had to be taken into account. Despite this, the University still absorbs a large portion of the cost pressure of various services that unavoidably have to be bought in

at price increases often exceeding the inflation rate. The increase in student and other income is also coupled with a growing provision for irrecoverable student fees.

EXPENDITURE

Figure 4 shows total expenditure growth since 2009.

FIGURE 4: TOTAL EXPENDITURE, 2009–2013 (RM)



The composition of the University's expenditure per main component in terms of value and proportion is shown in Table 5 and Figure 5, with comparative figures for previous years.

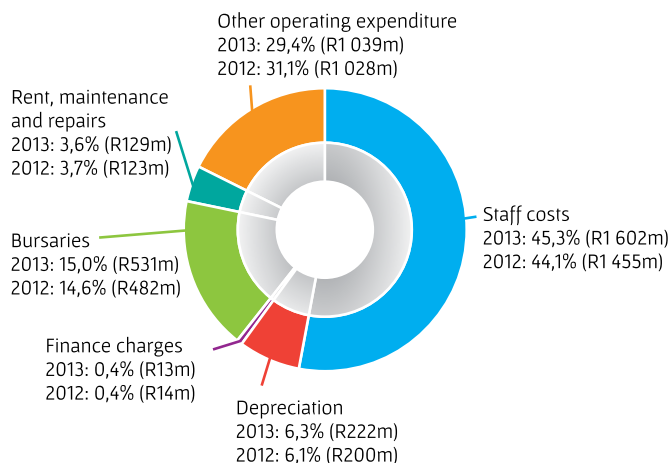
TABLE 5: GROWTH AND COMPOSITION OF EXPENDITURE, 2009–2013

	2009	2010	Increase/ (Decrease) 2009 / 2010 %	2011	Increase/ (Decrease) 2010 / 2011 %	2012	Increase/ (Decrease) 2011 / 2012 %	2013	Increase/ (Decrease) 2012 / 2013 %
Total recurring expenditure, of which:	Rm 2 375	2 718	14,4	2 877	5,9	3 302	14,8	3 536	7,1
Staff costs	Rm 1 012	1 198	18,4	1 302	8,7	1 455	11,8	1 602	10,1
% of expenditure	% 42,6	44,1		45,3		44,1		45,3	
Depreciation	Rm 164	174	6,1	179	2,9	200	11,7	222	11,0
% of expenditure	% 6,9	6,4		6,2		6,1		6,3	
Finance charges	Rm 15	14	(6,7)	13	(7,1)	14	7,7	13	(7,1)
% of expenditure	% 0,6	0,5		0,1		0,4		0,4	
Bursaries	Rm 296	358	20,9	421	17,6	482	14,5	531	10,2
% of expenditure	% 12,5	13,2		14,6		14,6		15,0	
Rent, maintenance and repairs	Rm 78	88	12,8	105	19,3	123	17,1	129	4,9
% of expenditure	% 3,3	3,2		3,6		3,7		3,6	
Other operating expenditure	Rm 810	886	9,4	857	(3,3)	1 028	20,0	1 039	1,1
% van uitgawes	% 34,1	32,6		30,2		31,1		29,4	

³ Other fees include accommodation and membership fees, as well as other expenditure that may be levied against student accounts, as approved by the Student Fees Committee.



FIGURE 5: TOTAL EXPENDITURE PER MAIN COMPONENT (R3 536M)



Total expenditure for 2013 rose by 7,1% (2012: 14,8%) to R3 536 million (2012: R3 302 million). The University's ongoing improvement of budgeting and operational processes is focused on increased cost-effectiveness and enhanced service delivery.

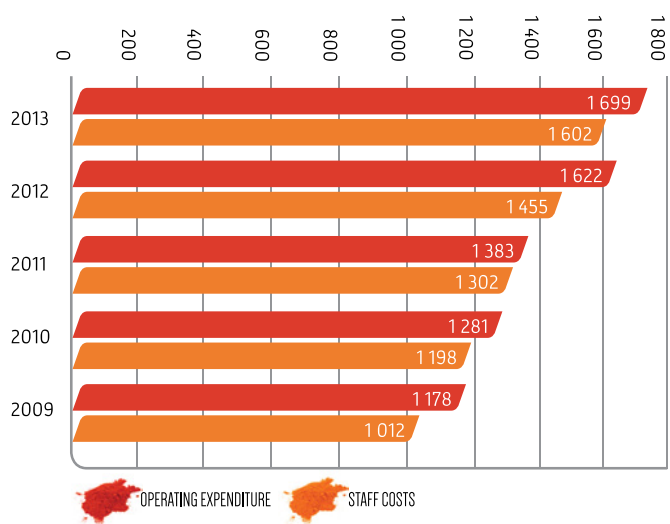
Expenditure growth in respect of unrestricted funds, however, was 6,4%, compared with total expenditure growth of 7,1%. This slightly lower spending may be attributed to more conservative spending against the main budget (mainly funded from subsidy and student fee income) as a result of uncertainties arising from longer-term income expectations for reasons mentioned earlier in this overview.

The increase in staff costs may, among others, be attributed to a 6% salary adjustment in 2013 for all qualifying staff and an average growth of 7% in the number of full-time

permanent staff. Further increases in staff costs may be attributed to an increase in payments to temporary staff, which relates to an increase in third-stream income. In Figure 6 below, growth in staff costs is compared with growth in other operating expenditure, excluding staff costs, finance charges and depreciation, over the past five years.

Bursary expenditure, amounting to 15,0% (2012: 14,6%) of total expenditure, represents bursaries funded from both external and internal resources.

FIGURE 6: COMPARISON OF STAFF COSTS WITH OPERATING EXPENDITURE, 2009–2013 (RM)



AVAILABLE FUNDS

Stellenbosch University manages its funds to ensure that it continues as a going concern. Funds comprise restricted and unrestricted funds. Restricted funds include operating, loan, endowment and fixed-asset funds with specific terms of use. Unrestricted funds are those funds that may be used at the discretion of the Council. The unrestricted funds pool relates to funds that are earmarked for specific purposes and that, as such, may not be utilised for purposes other than that for which these have been earmarked.

Examples include the University's Insurance Reserve Fund that is governed by a separate regulation determining its use, as well as the University's Strategic Fund and the balance funds of environments that are earmarked for strategic and operating objectives under approved environment plans. Table 6 below shows the growth in available funds and long-term investments over the past five years.

TABLE 6: AVAILABLE FUNDS AND LONG-TERM INVESTMENTS, 2009–2013

	2009	2010	Increase/ (Decrease) 2009 / 2010 %	2011	Increase/ (Decrease) 2010 / 2011 %	2012	Increase/ (Decrease) 2011 / 2012 %	2013	Increase/ (Decrease) 2012 / 2013 %
Available funds, of which	Rm 6 736	7 227	7,3	7 711	6,7	8 344	8,2	9 639	15,5
Long-term investments	Rm 2 883	3 217	11,6	3 492	8,6	4 930	41,2	6 067	23,1
as % of available funds	% 42,8	44,5		45,3		59,1		62,9	



The net increase of R1 295 million in *available funds* from 2012 to 2013 represents a decrease of R98 million in unrestricted funds, an increase of R634 million in restricted funds and an increase of R758 million in the fair-value reserve. The decision of the Investment Committee of the Council in 2012 to move an amount of R750 million from the University's short-term cash investment funds (money market) to the University's long-term investment funds, among others, contributed to the growth in the fair-value reserve. Available restricted and unrestricted funds are shown at book value in the statement of financial position.

The market value of available funds, should the fair-value reserve be apportioned, is as follows:

	2013 R'000	2012 R'000
Restricted funds	5 856 418	4 773 279
Unrestricted funds	1 242 810	1 032 124
Earmarked reserves	836 402	515 166
Unearmarked reserves	406 408	516 958
Funds available at market value	7 099 228	5 805 403

The University's available funds and net asset value have increased and are financially sound, but certain risks need to be taken into account. Some of the most important risks identified are the unknown impact of the expected change in the subsidy formula on the University's first-stream income, the impact of poor global economic conditions on

income from grants and research contracts, as well as the inability of students to meet account commitments. The University will address these challenges through its strategic approach to financial planning and management.

LIQUIDITY

Transparent liquidity risk management implies the maintenance of sufficient cash and marketable securities, as well as the availability of credit facilities.

See the percentage of current liabilities to current assets below:

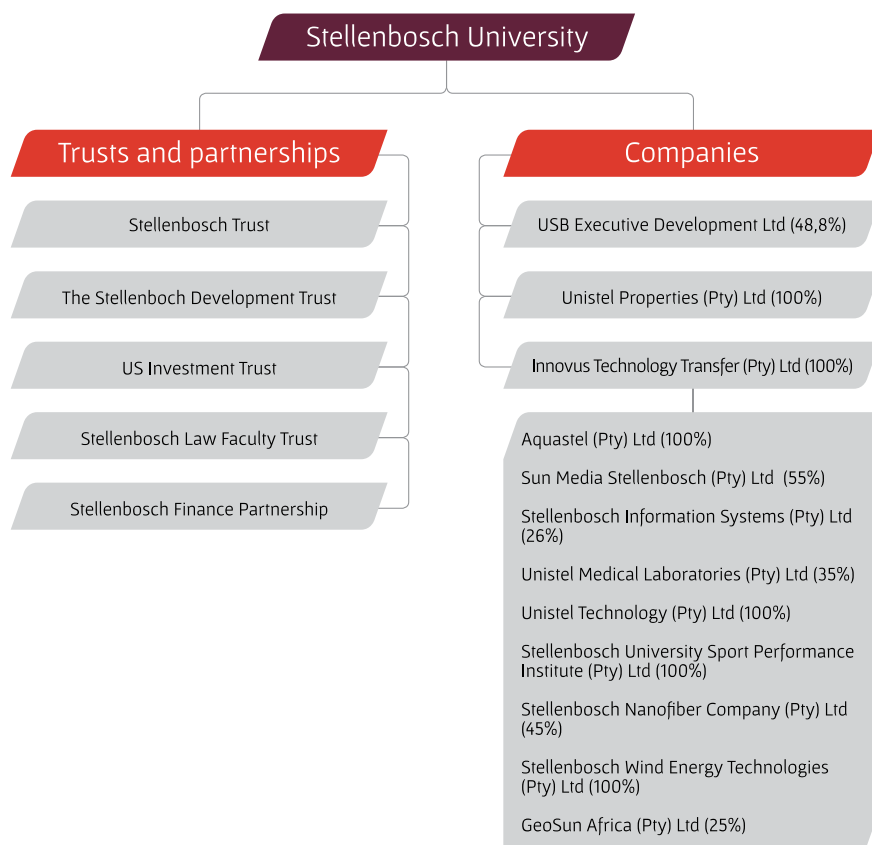
	2013 R'000	2012 R'000
Current assets	508 849	526 190
Current liabilities	757 439	522 843
Percentage of liabilities to assets	0,7	1,0

During 2012 the Investment Committee of the Council moved an amount of R750 million from short-term cash investment funds (money market) to long-term investment funds, which, among others, contributed to a large decrease in the University's current assets.

Included in long-term investments are cash investments amounting to R121 million (2012: R85 million). The University is in a position to realise long-term investments for addressing possible liquidity risks at short notice.

INVESTMENTS IN UNLISTED SUBSIDIARIES AND ASSOCIATE COMPANIES

Below is a diagram of the Stellenbosch University's group structure.





At 31 December 2013 the University held the following investments in unlisted subsidiaries:

Name of trust:	Stellenbosch Trust
Nature of activities:	Fundraising and investment of endowment funds
Loan to trust:	Nil

Name of trust:	The Stellenbosch Development Trust
Nature of activities:	Investment in property for teaching and research activities
Loan to trust:	Nil

Name of trust:	US Investment Trust
Nature of activities:	Application of the knowledge base of the University for investments benefiting the University's objectives
Book value of interest:	
– Investment	R100
– Loan	Nil

Name of trust:	Stellenbosch Law Faculty Trust
Nature of activities:	Advancement of the Law Faculty which is open for all members of the general public
Book value of interest:	
– Investment	R100
– Loan	Nil

Name of trust:	Stellenbosch Finance Partnership
Nature of activities:	Provision of finance in terms of the partnership agreement
Book value of interest:	
– Investment	Nil
– Loan	Nil

At 31 December 2013 the University held the following investments in an associate company:

Name of company:	USB Executive Development Ltd
Nature of activities:	Development and presentation of executive development programmes and provision of consultation services
Effective shareholding:	48,8%
Book value of interest:	
– Investment	R10 293 318
– Loan	Nil

At 31 December 2013 the University held the following investments in unlisted subsidiaries:

Name of company:	Unistel Properties (Pty) Ltd
Nature of activities:	Dormant
Effective shareholding:	100%
Book value of interest:	
– Shares	R1 000
– Loan	Nil

Name of company:	Innovus Tegnologie Oordrag (Edms) Bpk
Nature of activities:	Commercialising of intellectual property and resources of the Stellenbosch University for research, training and community interaction
Effective shareholding:	100%
Book value of interest:	
– Shares	R1 000
– Loan	R2 322 886

At 31 December 2013 Innovus Technology Transfer (Pty) Ltd, a wholly owned subsidiary of the University, held the following investments in unlisted subsidiaries and associate companies:

Name of company:	Aquastel (Pty) Ltd
Nature of activities:	Exploiting aquaculture technology
Effective shareholding:	100%
Book value of interest:	
– Investment	R1 000
– Loan	Nil

Name of company:	Sun Media Stellenbosch (Pty) Ltd
Nature of activities:	Publishing and printing
Effective shareholding:	55%
Book value of interest:	
– Investment	R1 000
– Loan	Nil

Name of company:	Stellenbosch Information Systems (Pty) Ltd (previously Sun Space and Information Systems (Pty) Ltd)
Nature of activities:	Development and manufacture of micro-satellites and satellite subsystems. The company is in the process of business rescue.
Effective shareholding:	26%
Book value of interest:	
– Investment	Nil
– Loan	Nil

Name of company:	Unistel Medical Laboratories (Pty) Ltd
Nature of activities:	Provision of human and animal genetic, diagnostic and testing services
Effective shareholding:	35%
Book value of interest:	
– Investment	R3 302 932
– Loan	Nil

Name of company:	Unistel Technology (Pty) Ltd
Nature of activities:	Development of Hysucat® and Hysuwac® trademarks and water filtration systems
Effective shareholding:	100%
Book value of interest:	
– Investment	R1 000
– Loan	R4 970 143

Name of company:	Stellenbosch University Sport Performance Institute (Pty) Ltd
Nature of activities:	Provision of sport-related services (commercialising of sport assets)
Effective shareholding:	100%
Book value of interest:	
– Investment	R1 000
– Loan	R7 992 356

Name of company:	Stellenbosch Nanofiber Company (Pty) Ltd
Nature of activities:	Commercialising of nanofibre technology
Effective shareholding:	45%
Book value of interest:	
– Investment	Nil
– Loan	Nil

Name of company:	Stellenbosch Wind Energy Technologies (Pty) Ltd
Nature of activities:	Commercialising of wind-energy-generating technology
Effective shareholding:	100%
Book value of interest:	
– Investment	R1 000
– Loan	Nil

Name of company:	GeoSUN Africa (Pty) Ltd
Nature of activities:	Service delivery to solar power industry
Effective shareholding:	25%
Book value of interest:	
– Investment	R187 029
– Loan	Nil



PROF RUSSEL BOTMAN
RECTOR AND VICE-CHANCELLOR



REPORTS OF THE RECTOR'S MANAGEMENT TEAM

Stellenbosch University's institutional management team – commonly known as the Rector's Management Team – consists of the Rector, the Chief Operating Officer and three vice-rectors who each manage a particular overarching Responsibility Centre, namely the Vice-Rector (Learning and Teaching), the Vice-Rector (Research and Innovation) and the Vice-Rector (Community Interaction and Personnel).

The Rector's Office is responsible for strategic positioning as contained in the Institutional Intent and Strategy that directs and integrates the University's core activities – learning and teaching, research and innovation, and community interaction. This integrated whole provides the framework within which the various Responsibility Centres and faculties, in turn, draw up integrated environment plans, according to which, as far as is practically possible, resource allocations are determined.

In this chapter, the Chief Operating Officer and the vice-rectors report on their Responsibility Centres. The reports provide an outline of how their integrated plans – encapsulating the business plans of the various entities that they manage – provide a solid platform for the strategic direction that Stellenbosch University has embarked upon as a 21st century university. The direction is in line with the strategic priorities and themes as set out on page 6.



REPORT OF THE CHIEF OPERATING OFFICER

PROF LEOPOLDT VAN HUYSSTEEN

The varied operational environment managed by the Chief Operating Officer plays a strategically important enabling role – providing the backbone for much of what happens on the University's campuses. In 2013, our divisions of Finance and Facilities Management – along with PROJEktUS, which manages the University's mobility, transport and sustainability initiatives, and Innovus, which is responsible for the commercialisation of the University's intellectual property – supported the University's strategic aims to enhance its societal impact and to provide the infrastructure and resources required for academic excellence.

Given the intense challenges with which the academic and operational leadership of a dynamic institution such as Stellenbosch University is faced, Council approved the appointment of a senior executive operational head to strengthen the Rector's Management Team in April 2013. New responsibilities were added to those of the Executive Director: Operations and Finance, and the position was renamed Chief Operating Officer.

The Chief Operating Officer has the overall responsibility for the coordination, integration and execution of the plans of the faculties and support services divisions.

SHARPENING BUSINESS PROCESSES AND FUNDRAISING FOR FINANCIAL SUSTAINABILITY

A fundamental goal for the period under review was to entrench sound business processes across the University. Another important goal was to establish philanthropic donations as a fourth income stream and to strengthen this stream to ensure the financial sustainability of the institution (see page 102 for an explanation of our income streams). Our Finance Division played a leading role in implementing this goal.

Supporting systemic sustainability and business processes

It is the responsibility of the Finance Division to oversee the University's financial capital and to ensure that optimal funding is available for the functional implementation of institutional goals. As an enabler of the institution's core activities, the Division thus continually aligns funds with tasks which need to be performed. It is here that we contribute to systemic sustainability by supporting faculties and services divisions with strategy-directed and long-term financial planning and budgeting assistance as an integral part of the University's business processes.

While supporting effective decision making and resource allocation in the 2013 reporting year, we took a number of specific steps to realise the University's strategic goal of achieving long-term financial sustainability. We made realistic income and expenditure projections, which included student fee increases amounting to, with a few exceptions, 8,5% for 2013 and 7,5% for 2014. We linked perennial student enrolment planning with income, expenditure and capital planning. Within the 2013 budget, we provided for elements of a Campus Master Plan for physical facilities, a Mobility Master Plan with innovations in respect of parking, shuttle services and access control, and a revised Student Accommodation Plan. We began managing the student accommodation budget in such a way that, over the long term, it would become self-financed – by shifting R1,8 million per year to the main budget over a period of five years till 2015, to eliminate cross-subsidisation of the costs of support and maintenance.

Unlocking new streams of income

By implementing a full-cost strategy for research and research-related contracts in 2013, the Finance Division aims over time to increase third-stream income to desired levels (for a definition of our income streams, please see page 102). To create long-term financial sustainability in future budgets, we also identified various means such as eliminating unnecessary vacant posts and identifying more commercialisation opportunities for third-stream income. In addition to this, we began unlocking a fourth stream of income by focusing on development actions. We made a further provision of an additional R13,2 million for the maintenance of buildings so that a sustainable level of provision may be reached by 2015.



Introducing financial contingency plans and safeguards

What we achieved	2012	2013
Contingency fund as % of budgeted annual income	0,6%	0,6%
Strategic fund as % of budgeted annual income	2%	2%
Outstanding debt as % of total income	7%	5%

The Financial Division earmarked an amount equal to 0,6% of budgeted annual income for a contingency reserve fund for the financing of unforeseen expenditure. Balance funds within faculties and support service environments were also used for unforeseen costs within those specific environments. This meant that savings on the annual budget allocations were carried over to balance funds, thus preventing the wastage of unallocated funds.

Furthermore, we decided to allocate an amount equal to 2,0% of budgeted annual income to a strategic fund. This enables the University Management Team to finance strategic initiatives in line with strategic goals and related environment plans. Projects and activities may however be funded out of this strategic fund for a limited time only and must thereafter be afforded out of the conventional budget.

In the interest of management excellence, we established a debt collection division in 2013 for the purpose of down managing the percentage of outstanding debt. The University's outstanding debt amounts to 5% of total income for 2013.

PROMOTING JUSTICE AND EQUAL OPPORTUNITY

What we achieved	2012	2013
BBBEE requirements for purchasing and tenders		
Bursary support as % of student fees	56%	54%

To further the University's priority of enhancing societal impact through transformation and the promotion of justice and equal opportunity, the operational environment of the Chief Operating Officer has taken decisive steps in several areas of its operations.

Implementing BBBEE prescriptions

Most particularly, the Finance Division in 2013 transformed the management of university-wide purchasing and tendering processes. Here we fully adopted and implemented the government's BBBEE requirements for the public sector for conducting all our purchases and tenders.

Promoting diversity

All the divisions residing under the Office of the Chief Operating Officer are committed to increasing the diversity profile of personnel in alignment with the goal of promoting justice and equal opportunity. In 2013, the Finance Division also installed and used formal, prescribed tender processes to discharge the appointment of insurance brokers, investment consultants, interns, and forensic and external auditors.

The Finance Division contributes indirectly to many strategic priorities of the University by supporting the financial planning processes, and investigating possibilities which can contribute to achieving the goals of the University. In 2013, for instance, the calculation of bursary support, which falls under our jurisdiction, amounted to 54% of the total student and accommodation fees levied, and the total amount for bursaries paid to students increased by 10%. Increased bursary funding broadens access to the University and promotes diversity.

The Facilities Management Division adds value by managing, improving and expanding the manufactured capital of the University in the shape of physical amenities and equipment. As such, our contribution to enhancing the societal impact of the University in 2013 was chiefly done through focusing our minds on justice and equal opportunity for our supporting communities, our staff and our students. In the year under review, we produced value by planning and developing a spatially effective campus and by visibly integrating the campus within the university town of Stellenbosch and in this way developing the community as a whole. We did this by organising Private Students' Wards and University residences into clusters and constructing shared facilities, such as the amaMaties hub and the recently completed Wimbledon hub, providing a 'day home' for commuting students where they have access to mentoring programmes with residence students and learning material via web-based technology.

Managing transparently

In the 2013 reporting year, the Facilities Management Division made a concerted effort to fulfil client expectations, build fair relationships, and focus on justice in general to enhance excellence and societal impact. To achieve this, we drew up a 10-point plan, which is constantly monitored and will be revised annually. The plan includes service-level agreements for Facilities Management staff and contractors. This arrangement encourages greater transparency and openness in our service delivery and customer service.

Beds for more students

Adequate residential accommodation for especially out-of-town students is a prerequisite for better learning conditions for all, and provides a greater opportunity for students to achieve academic success. Having established the need for the expansion of student accommodation to the tune of 2 500 beds by 2015, the Facilities Management Division launched a project in 2013 to deliver and complete 772 beds in that year. The envisaged number of beds was delivered successfully within 2013 through the collaborative effort of our staff, building professionals and contractors. The balance of 1 728 beds will be delivered over the next 24 months.

Equal access for all students

The development and implementation of the Mobility Master Plan by PROJEktUS is tied up with the institutional goal of dispensing justice and equal opportunities to both residential and commuter students. This principle means, broadly, that students should either be able to reside on campus or have the use of commuter services to get to campus. Furthermore, the plan to provide an additional 2 500 beds in student residences by 2015 implies that additional parking is required – unless alternatives can be found for private transport. The Mobility Master Plan

grapples with such knock-on, developmental challenges on a continual basis.

DEVELOPING A CAMPUS MOBILITY PLAN

PROJEKTUS, the relatively new support division residing under the Office of the Chief Operating Officer, manages University systems which aim to improve systemic sustainability. These systems are the Campus Master Plan, including the Mobility Master Plan, the Parking Plan, energy use and various green awareness projects. The approach adopted by PROJEKTUS is to integrate and coordinate the full range of sustainability initiatives on a single matrix grid.

Providing mobility solutions in and around campus

The launch of the Mobility Master Plan in 2013 fulfils our goal of developing a strategy for safe and affordable mobility and transport alternatives for students and staff. The Plan, managed by PROJEKTUS, also aims to diminish the carbon footprint of the University and to move steadily closer to an environmentally friendly, vehicle-free central campus. The plan is future-oriented and comprehensive, and involves establishing a bus service, making use of local taxi services, expanding shuttle services, and developing a new parking system, bicycle initiatives and pedestrian plans. Initially the new parking system was met with resistance from staff members owing to higher and differentiated parking fees based on the location of selected parking zones. Parking areas off the central campus are the cheapest and a shuttle service transports staff and students to and from the central campus. This carefully designed and practical parking system was implemented so successfully during 2013 that earlier parking issues were addressed and staff resistance was turned around. The parking fee increases will be utilised for the further implementation of the Mobility Master Plan.

By implementing the Mobility Master Plan, which is anchored in the University's goal to promote access to the University, we will relieve present congestion problems through the expansion of public transport options. The idea is also to increase the diversity profile of our students by providing easy ways of accessing the campus.

COMMERCIALISING INTELLECTUAL PROPERTY AND CREATING BUSINESS OPPORTUNITIES

What we achieved	2011	2012	2013
Disclosures	62	41	31 ↓
Licence agreements	8	7	20 ↑
Patent cooperation treaty (PCT)	10	11	16 ↑
Spin-out companies	3	1	0 ↓
Launched new project: soccer	–	–	✓
Launched new project: business incubator LaunchLab	–	–	✓
Total number of registered patents in various countries	34	56	29 ↓

Innovus is the university industry interaction and innovation company of Stellenbosch University. This means Innovus is responsible for technology transfer, entrepreneurial support and development, and innovation at the University. We manage the commercialisation of the University's best

ideas and intellectual property portfolio through patenting, licensing and forming spin-out companies. Through our new LaunchLab business incubator, we offer various services and opportunities for entrepreneurs. Our value, therefore, lies in helping to transfer the University's intellectual capital into meaningful applications in industry with the potential to generate financial capital, which we then plough back into our operation. In addition to this, our equity holding in the Innovus group of spin-out companies is a valuable asset for the University. The handling of copyright and the University's Short Courses Division also fall under Innovus.

Benefitting the University and society through enterprise licences

In 2013, Innovus substantially increased our technology transfer activities to external industries. By giving industry greater access to our University's technology and intellectual property, all three strategic priorities of the University were met: not only did the impact of our institution's research output on society become more visible, but access to the University was broadened and the University's momentum of excellence was promoted.

As an example, we increased our new technology licence transactions from a previous annual record of seven, to 20 agreements in 2013. The Innovus Instant Access licence tool introduced in 2012 was a strong contributor to this success, making it quick and easy for industry to enter into a relationship with the University around its technologies.

We also worked closely with the Technology Innovation Agency (TIA) in establishing the recently launched TIA Seed Fund and, through Innovus, Stellenbosch was the first university to utilise this opportunity. The University has already supported 11 early-stage projects with commercial potential through this fund. In addition to the TIA Seed Fund, we have assisted various researchers to gain access to other sources of funding for their projects.

The University's Intellectual Property policy is based on international best practice and conforms with local legislation governing intellectual property rights of publicly financed research and development.

Broadening access in a new and different way

Launching a business incubator was another goal that was achieved when LaunchLab opened its doors in August 2013 to promote and support entrepreneurship on our campus. LaunchLab is a hub that accelerates a community of entrepreneurs to a new level. Through LaunchLab, we provide various services and programmes to the entrepreneurial campus community, but also to entrepreneurs outside the University. These include competitions, training, events, mentorship, access to investors, infrastructure, company set-up services and much more.

The LaunchLab initiative opens up the University to its own staff and students, external entrepreneurs, investors, mentors and other stakeholders – which broadens access to the University in a brand new way. LaunchLab supports the work Innovus does on the technology transfer side as we can now provide a better environment for new start-ups utilising University technology.



STRIVING FOR ENVIRONMENTAL SUSTAINABILITY

What we achieved	2012	2013
Maintenance work orders executed	25 000	32 000 ↑
Building maintenance	R60 m	R81 m ↑
Waste reduction to landfill	18%	65% ↑
Capital projects completed	R69 m	R213 m ↑
Criminal incidents reported on campus	1 342	1 275 ↓
Ops Centre average hold time for calls	20 sec	9 sec ↓
Reactive maintenance work in progress (average per month)	2 130	786 ↓

Another goal of the Office of the Chief Operating Officer is to enhance environmental sustainability. The University's overall strategy on environmental sustainability sets out clear prescriptions. The initial focus is on energy- and water-saving initiatives. New buildings are, for instance, to be as green as possible, while building upgrades are to include as many green elements as possible.

Sustaining the environment

The Facilities Management Division earmarked green projects and cost-saving initiatives for 2013, as specified in the University's environmental sustainability strategy. Green building principles were included in all building specifications and scopes in the year under review. This measure will be applied on an ongoing basis. A cost-efficiency study on contractor and service provider prices was also conducted in 2013, and old light fittings were replaced with new energy-efficient fittings in six buildings.

During the 2013 reporting period, PROJEKTUS had two primary goals focusing on the preservation of the environment, namely to coordinate and make sustainability and related projects visible, and to manage the implementation of the Mobility Master Plan. Both goals are set for the long term, with their respective sub-goals to be phased in over time – on a learning basis – and with the help of various divisions within the University. These projects, which add value to the campus experience in numerous ways, require special oversight as most are environmentally sensitive. We therefore need to manage the systems judiciously, while introducing measures to reduce the University's carbon footprint and to guide our use and treatment of the natural environment to ensure the greatest possible degree of environmental sustainability.

In 2013 certain goals were rolled out. The concept of sustainability was made visible by the establishment of various sustainability workgroups and a recycling awareness campaign. The initial phase of the Mobility Master Plan was implemented and largely comprised the implementation of a new parking management system, as well as the promotion of cycling on campus.

The Facilities Management Division, too, focused effort on sustaining the environment and working sustainably with other stakeholders in the Stellenbosch environment, and in so doing strove to enhance the University's societal impact.

INTEGRATED PLANNING, BUDGETING AND REPORTING

All financial planning and management is fastidiously governed by a set of financial management principles approved by the University Council. These principles stress the importance of responsible financial management in the light of the duty of care imposed when working with the money of taxpayers, students (and their parents and other benefactors), businesses and donors.

Within this framework, our Finance Division has developed a comprehensive set of financial policies, and the value that we deliver lies in our close adherence to these prescriptions on implementation across the institution. Any additions or amendments to such financial policies are scrutinised by the internal auditors and reported to the Audit and Risk Committee of Council. And to comply with the transparency imperative, this information is available on request.

At the same time decentralised financial management is necessary for the advancement of entrepreneurial behaviour and increased effectivity. Managers of University entities therefore have the decentralised power to use their discretion regarding the application of funds and the use of fixed assets. They are committed to responsible reporting and are accountable for the use of money and fixed assets to achieve the University's strategic goals. The execution of managerial responsibilities is supported by the maintenance and continual development of effective accounting and management information systems, in collaboration with the Division of Information Technology, which makes credible and evaluated data available in good time.

We also use the environment plans of the University's three Responsibility Centres, with their rolling six-year terms, to serve as a framework for their annual financial planning and budgeting. The budgeting method for the annual budget allocations to these Responsibility Centres ensures that the application of resources takes place in accordance with the University's strategic priorities and related goals. A set of approved strategic management indicators, which are adjusted and expanded according to needs, is used in environment plans to evaluate performance against planning. The Auditor-General sets further requirements for predetermined goals, external auditing and statutory reporting.





CAMPUS
SECURITY
KEEPING A
WATCHFUL
EYE...



CAM
SEC



REPORT OF THE VICE-RECTOR (LEARNING AND TEACHING)

PROF ARNOLD SCHOONWINKEL

The management, continuous improvement and development of undergraduate and postgraduate teaching is the primary and overarching contribution of the Responsibility Centre for Learning and Teaching to Stellenbosch University. This teaching role both accompanies and supports the maintenance, development and quality assurance of the University's *raison d'être* – its academic offering.

We are acutely aware that our closely linked activities of effective teaching and learning facilitation have as their ultimate intended outcome the creation of valuable human capital for national development. It is, therefore, the measure to which we achieve this aim that determines the value that our Responsibility Centre adds to the University and to society as a whole. The continuous improvement of the learning and teaching offering – through professionalisation of the role of the lecturer, promotion of multilingualism and effective use of information and communication technology – increases the impact that Stellenbosch University graduates will have on society.



The Responsibility Centre adds value by supporting the creation of a diverse student body at the University which will eventually go out and satisfy the skills priorities of the job market. This process begins with enrolment planning and targeted student recruitment drives. The process also involves effective service provision to prospective and enrolled students, staff members and the public. Through various forms of student support and development, we promote student success on a broader front than purely the academic one – for instance through providing financial support, optimising student living and learning environments, cultivating student leadership and offering mentorship support. Finally, the Responsibility Centre rounds off its service by providing academic support to students and academic staff through reliable academic administration, which includes student information systems, as well as planning and quality assurance of our academic offering – based on research.

OUR GOALS FOR LEARNING AND TEACHING

The year 2013 saw massive restructuring, change and innovation in the Responsibility Centre for Learning and Teaching. The emphasis in this period was on sustaining the momentum of excellence that befits a university of long-standing stature and influence and one which hopes to stand the test of time. In a Responsibility Centre entrusted with the priority task of managing the processes of learning and teaching, the interests of students were uppermost: it is therefore to be understood that measures to maintain the student academic success rate and to facilitate the improvement of student diversity ratios were our main focus.

MANAGING ENROLMENT AND DIVERSITY TARGETS

Students	2012	2013	Target set by Council 2013
Total (June)	27 823	28 156	27 980
Postgraduates	9 853	9 753	9 924
Undergraduates	16 932	17 293	17 031
Newcomer first-years	4 139	4 615	4 860
Coloured, black and Indian newcomer first-years %	25,9%	32,4%	27,9%

We led strategic enrolment planning and management activities in line with the University's strategic goal of broadening the access of formerly excluded groups to learning at the University. Our aim was, firstly, to increase the diversity profile of students and to maintain sustainability of student numbers – within the University's physical and staff capacity. Secondly, we strove, as far as practically feasible, to offer students the choice of learning in their language of choice (Afrikaans or English), which immediately resulted in expanding access to coloured, black and Indian race groups. Our enrolment planning was based on the official Higher Education Information Management System (HEMIS) data for undergraduate and postgraduate students (see Table 3, page 16) and numbers per population group (see Table 2, page 15). We formally implemented coordinated recruitment actions between our Responsibility Centre and all the faculties of the University, including the effective use of recruitment and other bursaries. The Vice-Rector (Learning and Teaching) and our Division for Institutional Research and Planning held two rounds of discussion with each dean on enrolment aims, diversity targets and recruitment actions. Our actions

undertaken in 2013 not only met but exceeded the diversity targets set by the University Council (see Figure 1, page 17). By June 2013, the University's official student enrolments were: 28 156 students in total, 9 753 postgraduate, 17 293 undergraduate, and 4 615 newcomer first-year students, of which 32,4% were coloured, black and Indian – figures comparing well with Council's proposed targets of 27 980 students in total, 9 924 postgraduate, 17 031 undergraduate, and 4 860 newcomer first-year students, of which 27,9% had to be coloured, black and Indian.

MAINTAINING STUDY PROGRAMME EXCELLENCE

Maintaining the momentum of excellence, while at the same time improving the success rate of students, is a strategic priority of the University. During the year under review, the Responsibility Centre subscribed wholeheartedly to this goal by introducing no fewer than eight new study programmes (see page 45). To achieve the goals set for 2013, we needed to deepen our institutional insight into reasons for and approaches to programme renewal. Our actions undertaken in 2013 involved developing mechanisms to identify candidate programmes for renewal, in collaboration with experts from the Division of Institutional Research and Planning and the Division of Learning and Teaching Enhancement. Further to this, specialists from the Responsibility Centre and the Vice-Rector (Learning and Teaching) deliberated with the deans of faculties on an integrated strategy for programme renewal. This culminated in the eight new programmes that were introduced in 2013 – all with the built-in value of being able to inculcate attributes that the University deems desirable in its graduates (see Glossary page 102).

PARALLEL-MEDIUM INSTRUCTION AND INTERPRETING TO PROMOTE MULTILINGUALISM

What we achieved

Medium of instruction in Afrikaans and English in separate streams or with interpreting:
– Up to final year in BEng
– Extended to second year in BAcc and BCom (Management Sciences)

Afrikaans teaching offering increased from 61,4% to a guaranteed 62,3% (2014)

English teaching offering increased from 36,5% (2009) to 48,9% (2013)

The Responsibility Centre developed a strategy gradually to increase the Afrikaans and English teaching offering at the University through both parallel-medium instruction and interpreting. The initial plan was to broaden the language offering in at least one study programme. This action supported the University's strategic goal of using parallel-medium instruction and interpreting as elements for the promotion of multilingualism – for the specific purpose of broadening access to Stellenbosch University's programmes for coloured, black and Indian students. As a preliminary, the Centre conducted a review to establish the actual number of modules presented in Afrikaans and in English. It was decided to plan for a complete parallel-medium instruction offering of the BAcc programme by 2016. Interpreting will be introduced on a trial basis in a number of faculties. The required capacity for the training and coordination of interpreters must be established. The resources to be employed are the programme coordinators

in the Faculty of Economics and Management Sciences and Faculty of Engineering, among others, as well as the Language Centre and Department of Afrikaans and Dutch. During the year under review, the goals achieved included the introduction of interpreting and full parallel-medium instruction up to the final year in Engineering; and parallel-medium instruction was extended to second-year level in BAcc and BCom (Management Sciences). The total Afrikaans teaching offering was nudged from its lowest turning point of 61,4% to a guaranteed offering of 62,3% in 2014. At the same time, the English teaching offering was increased from 36,5% in 2009 to 48,9% in 2013.

REVIEW OF ICT IN LEARNING AND TEACHING

The Responsibility Centre reviewed the use of information and communication technology (ICT) in its teaching and learning activities with a view to aligning these practices with the University's strategic priorities of maintaining the momentum of excellence, as well as broadening access to students and increasing student success rate. After establishing the percentage of modules in which e-learning is used per blended learning mechanism, as well as the present rate of student success, goals were set to establish a focused centre for support of ICT in learning and teaching, within a strategic plan. During the year under review, a task team was set up to develop an ICT strategy specifically for learning and teaching. Detailed planning was done with all the faculties and the Information Technology Division for the implementation. In April 2013, the ICT strategy was presented to the Rector's Management Team. The refined strategy with action plans and budget are to be submitted to the University Council early in 2014.

RESTRUCTURING OF RESPONSIBILITY CENTRE

The restructuring of the Responsibility Centre for Learning and Teaching was seen as a necessary action to bring the learning and teaching support services environment into alignment with the University's Institutional Intent and Strategy 2013–2018. This vast plan of action was adopted with a view to sustaining the University's momentum of excellence. The process was preceded by an external evaluation of all the divisions and operations of the Responsibility Centre, in consultation with all internal University stakeholders. Statistics, such as student success, selected strategic management indicators and student diversity numbers, were also taken into account. In 2013, we followed formal restructuring processes with wide-ranging consultation, using internal Human Resources specialists, divisional managers and external consultants, as well as our own reserve funds for restructuring actions. After due recruitment processes, we made additional appointments of key strategic staff. We took care to communicate our progress and the goals of our new structure to the University Council, Senate, faculties and students. During the 2013 reporting period, we established the new organisational structure, consisting of one-stop service divisions for current and prospective students; focused and consolidated divisions for student administration, the Division of Institutional Research and Planning; and the new Division for Learning and Teaching Enhancement. The appointment of all managers was completed, with improved staff diversity also at management level.



COMPOSITION OF STUDENT CORPS ACCORDING TO FIELDS OF STUDY AND LEVELS, 2013

Levels per faculty	Number of students
AgriSciences	1 745
Undergraduate students	1 268
Postgraduate students	441
Occasional students	36
Arts and Social Sciences	5 019
Undergraduate students	3 266
Postgraduate students	1 453
Occasional students	300
Economic and Management Sciences	7 477
Undergraduate students	4 231
Postgraduate students	2 957
Occasional students	289
Education	1 804
Undergraduate students	850
Postgraduate students	942
Occasional students	12
Engineering	3 442
Undergraduate students	2 578
Postgraduate students	810
Occasional students	54
Medicine and Health Sciences	4 027
Undergraduate students	2 150
Postgraduate students	1 585
Occasional students	292
Law	798
Undergraduate students	407
Postgraduate students	378
Occasional students	13
Military Science	464
Undergraduate students	399
Postgraduate students	48
Occasional students	17
Science	2 883
Undergraduate students	1 998
Postgraduate students	796
Occasional students	89
Theology	497
Undergraduate students	146
Postgraduate students	343
Occasional students	8
Total	28 156

QUALIFICATIONS AWARDED BY TYPE, 2013

Type of qualification	Number awarded	%
Undergraduate diplomas and certificates	30	0,4
General first bachelor's degrees	2 295	30,2
Professional first bachelor's degrees	1 320	17,4
Postgraduate bachelor's degrees	82	1,1
Postgraduate diplomas and certificates	1 172	15,4
Honours degrees	1 228	16,2
Master's degrees	1 301	17,1
Doctoral degrees	225	3,0
Total	7 653	100

COMPOSITION AND SIZE OF STUDENT CORPS BY GENDER, 2013

Gender	Number of students	%
Male	13 692	48,6
Female	14 464	51,4
Total	28 156	100

COMPOSITION AND SIZE OF STUDENT CORPS BY RACE, 2013

Race	Number of students	%
Coloured	4 492	16,0
Black	4 597	16,3
Indian	643	2,3
White	18 424	65,4
Total	28 156	100

COMPOSITION AND SIZE OF STUDENT CORPS BY HOME LANGUAGE, 2013

Home language	Number of students	%
Afrikaans	13 399	47,6
English	10 638	37,0
Afrikaans/English	539	1,9
Xhosa	835	3,0
Other official SA languages	1 395	5,0
Other languages	1 350	4,8
Total	28 156	100

COMPOSITION AND SIZE OF STUDENT CORPS BY GEOGRAPHIC ORIGIN, 2013

Geographic origin	%	Number of students	%
South Africa	91,3	25 720	
Western Cape		18 059	70,2
Northern Cape		615	2,4
Eastern Cape		1 434	6,2
Free State		384	1,5
KwaZulu-Natal		1 339	5,2
Mpumalanga		444	1,7
Limpopo		380	1,5
Gauteng		2 856	11,1
North West		209	0,8
Total			100
Other countries	8,7	2 436	
Botswana		34	1,4
Lesotho		13	0,5
Namibia		356	14,6
Swaziland		21	0,9
Zimbabwe		88	3,6
Elsewhere		1 924	79,0
Total			100
Total	100	28 156	

INTERPRETING
CROSSING THE
LANGUAGE
BARRIER





REPORT OF THE VICE-RECTOR (RESEARCH AND INNOVATION)

PROF EUGENE CLOETE

The Responsibility Centre for Research and Innovation directly supports the strategic priorities of the University through our efforts to sustain the University's excellence in research, to broaden access to the University, and to enhance societal impact. Central to these endeavours is the need for the University to be socially relevant in continually changing contexts and to focus on unlocking new knowledge for the express purpose of bettering society.

The Responsibility Centre unites a number of environments, namely the Division for Research Development, the Library and Information Services, the Postgraduate and International Office, Telematic Services and Information Technology. Within all these varied environments, activities are aimed at achieving the University's strategic goals by supporting research output and innovation – to ensure that the institution continues to build on its frontrunner status over the long term.



APPOINTING YOUNG ACADEMIC STARS

What we achieved	2012	2013
Postdoctoral research fellows	168	171
Mellon Early Research Career Programme student intake	60	60

Our Responsibility Centre is strongly focused on the promotion of research excellence. The number of our researchers who have achieved National Research Foundation evaluation now stands at 316. To sustain our performance over the long term, we have during the past year set out to attract young and diverse academics to our staff, by consciously seeking out young talent with 'academic star quality'. This initiative to develop the University's human capital for the future has led to the preferential appointment of young staff, focusing on their promotion and advancement potential.

To support the University's research excellence and to build the profile of our academic staff, the Communication and Liaison Division proactively facilitates the publication of a series of thought leadership editorials. These articles are based on the academics' respective fields of expertise and are often related to international and national days, current affairs and matters of general interest to the media and the public. The Division assists academics to rewrite academic topics in a more popular format, for publication in the daily and weekly media and online media, often resulting in follow-up radio interviews. During 2013 a total of 385 thought leader articles across 71 different topics was published in a variety of media with an advertising value equivalent to R30 million. This media liaison effort landed the University a Gold Award at the annual PRISM Awards made by the Public Relations Institute of Southern Africa (PRISA).

As part of the University's research goals we are building a stronger postdoctoral cohort. The number of postdoctoral fellows currently stands at 171. In 2013 we launched a Postdoctoral Fellowship Programme aimed at coloured, black and Indian doctoral graduates. A further purpose of this Programme is the development of the next generation of academics who will be productive in the field of research and who will be more representative of our country's demographics. To this end, the Mellon Early Research Career (MERC) Programme was continued in 2013, where 60 young researchers were connected with dedicated and experienced research mentors.

By developing a new generation of academics and increasing the number of postgraduate students from all South Africa's race groups, we strive to make a valuable contribution to the realisation of the University's transformation and diversity goals.

PROMOTING RESEARCH OUTPUTS




What we achieved	2012	2013
Weighted research output per full-time staff member (2012 data reported in 2013)	2.37	3.08 (first in SA)
Publication output per capita (2012 data reported in 2013)	1.22	1.36 (first in SA)
Incentives awarded to top research publishers	–	50
QS World University Rankings	401–450	387

The 2012 report of the Department of Higher Education and Training confirms the status of the University as the academic institution displaying the greatest productivity in terms of research output on national level, with weighted research outputs per full-time academic staff member (publications and postgraduate students) of 3.08 and with a figure of 1.36 per capita publication output shifting up to the first place. The Responsibility Centre awarded a research incentive of R50 000 for the first time in 2013. In this way recognition was given to 50 of the University's researchers according to two categories: 25 awards to researchers who made the greatest contribution in respect of the publication unit of the Department of Higher Education and Training and 25 awards to researchers who produced the greatest number of accredited research publications in collaboration with their national and international research colleagues and students. Our aim is to extend and support not only local research, but world-class research and to ensure that the University maintains and improves its present position among the top 500 universities in the world. In 2013 the University appeared in position 387 on the QS World University Rankings. This is a significant improvement from our position which lay between 401 and 450 on this rankings list in 2012.

EXTENDING RESEARCH INNOVATION

Our aim to extend research innovation is crucial because research leads to the creation of new products and services which can bring about economic and social improvement to South Africa. Innovation forms the core of our University's research success. This ultimately positions the University as a place of opportunity which will attract the best researchers and students from all corners of Africa and the world in general. Already the University is one of the top earners in the Department of Trade and Industry Technology and Human Resources for Industry (THRIP) programme, confirming Stellenbosch University's status as a preferred research partner for industries. The number of new patent cooperation treaties (PCTs) emanating from our research in 2013 was 16, placing the University in a leading position countrywide.

ESTABLISHING RESEARCH FOCUS AREAS

What we achieved	2012	2013
NRF A-rated researchers	11	13 
SARChI research chairs	12	18 
Centres of excellence	6	6 

The University has established a number of new research entities and research chairs which focus on addressing research questions that transcend traditional disciplinary boundaries and where this University is uniquely placed to make a significant research contribution. These entities

serve to support the objectives of South Africa's National Development Plan and, more broadly, the achievement of the United Nation's development goals. These initiatives are largely made possible by academic and industry stakeholder networking, which is one of the enabling strengths of Stellenbosch University in the face of dwindling government support for tertiary education institutions.

During 2013, two new institutes opened their doors. The African Cancer Institute is a multidisciplinary institute which extends over various faculties and concentrates on early diagnosis, prevention and the treatment of cancer. This Institute will make a contribution to the goals of the National Development Plan to improve the nation's health and well-being. It also supports the international development goals focused on the improvement of health, and in particular non-communicable diseases. The Institute for Viticulture and Oenology, on the other hand, deals with the research needs and priorities of South Africa's competitive and economically important wine industry, focusing strongly on teaching, research and technology transfer. Strengthening the wine industry in the Western Cape makes a significant contribution to the country's economy, which is aligned with the goals of the National Development Plan as well as the international development goals focused on developing competitive industries and a sustainable environment.

Six new research chairs were introduced in 2013 by the South African Research Chairs Initiative (SARChI), bringing the total of specialist SARChI chairs at the University to 18. The focus areas of these new research chairs are biomedical tuberculosis, wine biotechnology, animal sciences and mathematical biosciences. Furthermore, the University along with the University of Venda houses the new joint SARChI research chair in the field of invader biology, and a joint chair with the University of Fort Hare in animal sciences. Applications to host these chairs were in response to the Department of Science and Technology, which issued specific, directed calls to support the strategic goals of the country as highlighted in the National Development Plan. The chairs at the University contribute broadly to the areas of health, competitive industries, and food security, which are all areas of great national need.

Research development may also take place via the avenue of constructive academic networking. The Faculty of Medicine and Health Sciences in 2013, for instance, competed successfully for three flagship projects of the Medical Research Council. Meanwhile industry networking has also resulted in the introduction of a new research chair at the Stellenbosch University Water Institute by the East Rand Water Care Company (ERWAT).



GENERATING RESEARCH INCOME THROUGH RESEARCH PARTNERSHIPS

What we achieved	2013
Research contracts	R680 m ↑
THRIP	R24 m ↑
NRF	R204,4 m ↑
Successful applications to the FP 7 European Union projects	28 ↑
Philanthropic donations	R196,5 m ↑

Financial sustainability is crucial if Stellenbosch University is to continue to position itself as the leading research institution in Africa. Research income is better applied by creating new multidisciplinary research entities, such as institutes, while strategic research partnerships help the University to be financially sustainable. It is the Responsibility Centre's contention that the University will remain financially sustainable largely through third-stream income, via contract research, and fourth-stream income, via philanthropic donations.

Altogether 765 research contracts worth R680 million were processed during 2013 and were supplemented by additional income from the Technology and Human Resources for Industry Programme (THRIP). The total research grant income from the National Research Foundation for 2013 was R204,4 million.

To date Stellenbosch University has been successful in 28 European Union FP 7 Framework projects, of which seven were awarded during 2013. Other successful programmes related to the European Union (Cost Actions, Erasmus Mundus Action 2, EuropeAids, Edulink II, Intra-ACP Mobility Scheme) amount to 40 projects, of which 11 were awarded during 2013. This represents research collaboration with around 210 international partners from 60 different countries. Philanthropic donations in 2013 amounted to R196,5 million.

MAINTAINING POSTGRADUATE STUDENT SUCCESS RATE

What we achieved	2013
Coloured, black and Indian postgraduate students	46% ←
Non-SA postgraduate students	18,3% ↑
PhDs awarded	225 ↑
Master's degrees awarded	1 301 ↑

To support the University's momentum of excellence in a meaningful way, the Responsibility Centre pays particular attention to postgraduate student education, with the view to increasing the number of postgraduate students from all

race groups in South Africa and ensuring the success of all postgraduate students through adequate levels of support:

- Significant headway was made over the 2013 reporting period, with the demographics of our postgraduate cohort being 46% coloured, black and Indian students and 54% white.
- Of the 2013 postgraduate cohort, 18,3% (1 856) were non-SA citizens, of which 79% (1 468) were from other African countries.
- In the 2013–2014 period, 225 PhDs and 1 301 master's degrees were awarded.
- The postgraduate skills development programme hosted 55 workshops attended by 1 692 students. To support the supervision process this programme is accompanied by the *on.track* planner, an online project management tool for postgraduate students, and by *keep.track*, an online progress-tracking tool.



SPECIAL
NEEDS
TACTILE PAVING
FOR EASIER
MOVEMENT



REPORT OF THE VICE-RECTOR (COMMUNITY INTERACTION AND PERSONNEL)

PROF JULIAN SMITH

During the 2013 reporting period, the initiatives of the Responsibility Centre for Community Interaction and Personnel required the strategic combination of our highly divergent academic and service divisions, each with complex responsibilities. We are able to report that we have made significant contributions in the areas of community interaction, human resource management, and sport; and that our campus health services and legal services greatly extended their reach, while our museum has found its niche as an active contributor to University goals. It is also with great anticipation that we have welcomed within our domain of responsibility the Centre for Inclusivity (see page 17), which was founded to advance transformation at the University.

Our Responsibility Centre once again supported the institutional strategic priorities and goals of the University, with a strong measure of innovation. Our efforts concentrated on broadening access to the University to increase student diversity; managing knowledge partnerships; promoting the scholarship of engagement; and enhancing the profile of personnel.

A closer look at the activities of the various divisions of our Responsibility Centre reveals the value we have generated during 2013 in line with selected strategic goals of the University.



BROADENING ACCESS TO INCREASE STUDENT DIVERSITY

Welcoming formerly excluded race groups and facilitating their access to the University lies high on the agenda of our Responsibility Centre.

The Community Interaction Division is proud to provide a hospitable entry point for all local communities into the University. To smooth the way for broadening access and increasing diversity, the Division has made staunch efforts to build the capacity of teaching staff, students and community partners through short courses and other interactive interventions, while at the same time providing support in the form of finance, knowledge, networking opportunities and incentives. We have also played an intermediary role in facilitating general communication between academics, students, management, support staff and community partners.

In the past year, the Division has set in place a dynamic policy framework, quality control mechanisms and a comprehensive database for community interaction activities. Our pragmatic functions have also added value by enabling the coordination of community interaction projects. These functions involve a database, communities of practice, school forums and community surveys and the application of quality control through the provision of guidelines, systems and external evaluations.

All student sport, both recreational and competitive, is coordinated by this Responsibility Centre, through its Maties Sport Division. This Division furthers the goal of increasing the diversity profile of students at the University by actively recruiting students from the coloured, black and Indian groups through community interaction sports projects such as rugby, hockey and soccer. We also promote sport for persons with disabilities. Participation in sport undoubtedly plays a role in producing well-rounded, healthy and successful students that can work together.

To support the institutional priority to broaden access to the University and to encourage student diversity, our Office for Institutional HIV Coordination trains students and staff in the values of respect, acceptance and support of diversity and the rejection of discrimination and stigmatisation. The Office promotes, on an ongoing basis, institutional social justice and inclusivity through gender equality, diversity and non-discrimination as agents of HIV prevention, health and wellness. We achieve this through the development and use of technology, new modes of health communication, and the social media. In 2013, we used various social media such as Twitter and Facebook, as well as interventions such as Stellenbosch Exposed. Our Office presented social justice facilitation courses, as well as a staff transformation leadership course, covering transformation, gender, HIV and special learning, twice during the course of 2013.

The value of the Stellenbosch University Museum lies in its recent full alignment and integration into the University's academic activities. This has enabled the Museum, over the 2013 reporting period, to contribute to achieving the University's strategic goals by its visible presence and involvement in community activities. As such, the Museum has contributed to broadening access to the offerings of the University. Two noteworthy events on the Museum's 2013 calendar may be named as examples: the co-hosting of the international Ballad Conference of the *Kommission für Volksdichtung*, and the KickstART Outreach Programme to awaken local youth to the potential of careers in the arts and creative industries.

MANAGING KNOWLEDGE AND OTHER PARTNERSHIPS

The Community Interaction Division strives to make an impact on society by fostering mutually beneficial partnerships. During 2013 we managed various partnerships on local, regional, national and international level. Relationships ranged from those with municipalities and non-governmental organisations, other universities, provincial government, and domestic and overseas educational organisations. Examples include the South African Higher Education Community Engagement Forum, the Talloires Network, the Departments of Health and Defence, five municipalities and many schools.

Maties Sport also strove to enhance the University's impact on society by setting up strategic relationships, the most prominent one being the soccer project in collaboration with Innovus. This project has involved the local football association, schools and overseas partners; and exciting competitions and intensive coaching have ensued.

For our Campus Health Service, partnerships are also vital. Stellenbosch University's Campus Health Service recently concluded two international networking agreements, namely with FIMS (International Organisation of Sports Medicine) and EIM (Exercise is Medicine). Our Campus Health Service is now a joint Centre for Sport Medicine of FIMS, one of only three in Southern Africa. Further, our membership of the EIM network makes Stellenbosch University the first university in South Africa to have officially joined this network. In 2013 the Health Service created value not only by providing a safe environment for students and staff to perform optimally in academia and sport, but also via internal research and training programmes conducted in collaboration with relevant departments, and by supporting community interaction projects.

There can be no doubt about the value of ensuring an enabling campus where the physical and social impact of HIV does not threaten student and staff success. During the

course of 2013, the Office for Institutional HIV Coordination equipped students by means of training, both on a personal and professional level, to handle HIV-related issues – within a framework of social justice in South Africa and the rest of Africa. To this end, the Office served as a partner or strategic link with other higher education institutions, and national and international HIV organisations. This continent-wide liaison accords with the strategic goal espoused by the University to position itself as a committed and visionary leader.

The University's Legal Services Division contributes to ensuring that partnerships and relationships with external parties are properly considered and are placed on record in appropriate written agreements. In line with the core functions of the University, Legal Services lends direct support to internal divisions in three main areas of responsibility, namely legal advice and support, statutory compliance and student discipline. The Division supports the University's relationship with students (and their parents) in matters of student discipline by ensuring the fair application of the student disciplinary policy and procedure and by providing leadership at those stages when students may be vulnerable. Legal compliance is a core control measure which is becoming increasingly important for universities in the development and expansion of their risk management policies and frameworks.

PROMOTING SCHOLARSHIP OF ENGAGEMENT

The Community Interaction Division supported the University's goal to sustain its momentum of excellence by engaging with knowledge partners, fulfilling the need of such community partners for research and academic knowledge, and providing practical training opportunities for students. We achieved this goal in 2013 by presenting an annual in-house symposium, conducting six interdisciplinary academic discourses and a public lecture, offering a formal capacity-building opportunity, publishing six academic articles, supervising three PhD dissertations, examining three master's theses, presenting a short course in Service Learning jointly for the staff of three tertiary institutions, and hosting the 5th International Conference on Service-Learning.

The University's goal to sustain excellence through knowledge partnerships was supported by our Campus Health Service by providing practical training opportunities for students and by fulfilling the community's need for research and academic information. Over the 2013 reporting period, we focused on research in collaboration with the Faculty of Science, published one academic article, undertook two ethically approved research projects, supervised two master's theses, read papers at four



conferences, presented an international postgraduate short course in exercise and sports medicine, and awarded continued professional development (CPD) accreditations to 18 students.

ENHANCING THE PROFILE OF PERSONNEL

It lies within the power of the Human Resources Division to add immense value to the University through its control over the main asset of the institution, namely its people. We have been tasked to interpret the strategic goals of the University and to ensure that the number, composition, levels, expertise and diversity of staff are of such a nature that the institutional goals of the University may be achieved.

In 2013 the Division took decisive steps to enhance the profile of the personnel in a number of ways to benefit the University as a whole. We did this by implementing strategic staff recruitment practices across the board; by ensuring competitive levels of remuneration for all staff through benchmarking with the external market; by offering our staff targeted training and development opportunities; and by safeguarding the systemic wellness of all staff, as described later.

Accelerating staff diversity

To ensure credibility, relevance and quality, it is important that the personnel of the University are sufficiently diverse. Over the past year, the Human Resources Division therefore played a key role in increasing the diversity profile of both academic and support staff of the University. We introduced a comprehensive Personnel Plan for the University which wholeheartedly supports the institutional priority of broadening access for formerly excluded race groups. The process involved implementing a management practice code consistently in the case of all appointments. We also applied our Legacy Programme to support diversification at senior levels and made a process of strategic recruitment applicable to all senior appointments, with the view to recruiting candidates especially from underrepresented groups. We also made mentorship programmes available.

Ensuring a competitive employee value proposition

The University aims to be a preferred employer and to ensure that its employee value proposition is competitive so that it may attract and retain the best talent. To achieve this, the Human Resources Division totally revised the University's remuneration offering to improve its market-relatedness. We expanded the incentive scheme for exceptional performance, and revised and extended the system of performance bonuses. We also introduced

innovations during the 2013 reporting period, namely the Chancellor's Awards for Outstanding Achievement and further promotion opportunities for professors who consistently deliver exceptional performance.

Upgrading the skills and competency of staff

To ensure the University's momentum of excellence, the skills and competency levels of all staff need to be upgraded on a continuous basis. For this purpose, the Human Resources Division made relevant and purpose-driven training and development programmes available to staff. Over the 2013 reporting period, we offered a comprehensive portfolio of programmes. While we presented the Plus Programme designed to sharpen the skills and enhance the promotability of especially junior staff, we introduced a custom-designed training and development programme for line managers of the University. Staff training is mainly funded from SETA (Sector Education and Training Authority) funds.

Striving for systemic wellness of staff

The University is aware that its personnel are its prime asset. To promote the momentum of performance excellence, emphasis is placed on the systemic wellness of all staff members. Various programmes were put in place to ensure wellness of both individuals and groups on all the University's campuses, while special projects were introduced to take care of the wellness of staff who work and are accommodated on research stations. Examples of programmes are annual health days involving screening to assess the health status of staff (used as a benchmark for ongoing future interventions); physical and social well-being activities, such as an annual sports day; a staff advisory and support service, including the Employee Assistance Programme which provides a counselling service for staff; and personal development programmes offering life skills training workshops on stress management, financial wellness and relationship building.



REPORT ON RISK EXPOSURE, EVALUATION AND MANAGEMENT

The University is committed to a comprehensive and structured risk management programme, which supports its institutional strategic management processes. Risk management is anchored in all divisions to be able to identify risks and to manage them, as far as possible, at their source.

We follow this programme – which has been refined annually since 2008 – so as increasingly to establish strategic management processes on a risk management basis, and to implement the reporting prescriptions of the Department of Higher Education and Training. Refinement takes place via the formalised interaction between the Risk Management Committee, and the Audit and Risk Committee of Council.

Risk management serves as a pillar of support for the institutional management processes, as operational risks are captured on a continual basis on the University's electronic risk register for record keeping and management oversight purposes. Risks which require institutional management oversight are referred to the Risk Management Committee and thereafter to the Rector's Management Team. The risk register then serves as a supplement to the Rector's institutional risk report, which is submitted to the Audit and Risk Committee. Operational risks are linked, as far as is sensibly possible, to the overarching strategic focuses in order to promote a risk management programme which supports strategy. This link also advances the matrix risk management dynamic which exists between the Chief Operating Officer and the Vice-Rectors of the three Responsibility Centres, namely Learning and Teaching, Research and Innovation, and Community Interaction and Personnel. In this way risk management is conducted in an integrated way and the most appropriate risk owner is identified.

We pay continual attention to the formulation of suitable policies to protect the University from exposure to risk. Before a policy recommended by the Audit and Risk Committee is accepted by Council, the Institutional Forum is given an opportunity to comment on it (see page 58). In the reporting year, the Residence Placement Policy was revised, adopted and implemented to promote diversity in residences. Various policies such as Responsible Research Behaviour at Stellenbosch University (revised); Delegation Framework (revised); and Indirect Cost Recovery Rate in respect of Third-stream Income (new) were also adopted and implemented.

Thanks to our effective risk management processes which enable, among others, the early detection of potential risks and immediate reporting thereof, the Management Team was able to take speedy corrective steps on being alerted to financial irregularities, especially those which might give rise to reputation risks. The University places a high premium on good corporate governance. Any irregularities or instances of non-compliance with procedures are seen in a serious light and are dealt with as a matter of urgency. Therefore, wherever risks or shortcomings in the system came to light during the reporting year, control measures were sharpened up immediately.

We have made progress with a considerable number of risks on the risk register of the Audit and Risk Committee.

Higher magnitude risks which have been dealt with by the Risk Management Committee and Audit and Risk Committee are set out below. Financial risk management is dealt with in our Financial Report note 26, page 94.

MANAGING THE MOST SERIOUS RISKS

The University applied the measures listed below to manage the higher magnitude risks.

Slow pace of transformation

Task groups established in 2012 to address transformation continued with their mandate. In this regard, the following was achieved in 2013:

- Continuation of enrolment management (page 33);
- Implementation of revised residential placement policy (page 7);
- Unlocking of new markets through greater use of information and communication technology (ICT) (page 34);
- Founding of the Centre for Inclusivity (page 17);
- Introduction of an annual week of diversity celebrations;
- Expansion of teaching in English (page 34);
- Appointment and development of young academics from the coloured, black and Indian race groups (page 37);
- Facilitating access to the University for formerly excluded race groups (page 41);
- Intensified and focused recruitment and relationship-building activities directed at the coloured, black and Indian markets by the Centre for Student Recruitment and the faculties, such as the recruitment bursary project, information evenings for learners and parents, school visits, campus visits, Day-in-the-life-of-a-Matie, Hope@Maties, faculty outreach programmes on campus, and a media campaign (page 18); and
- Recruitment of students from the coloured, black and Indian groups through Community Interaction sport projects (page 42).

Insufficient bursaries and funds for needy students

- Revision of the Recruitment Bursary Scheme with upward adjustment of allocations (page 29); and
- Funding for needy newcomer first-year students obtained from the National Student Financial Aid Scheme.

Maintenance backlogs in respect of physical facilities

Projects completed to reduce maintenance backlogs to the tune of over R2 million include:

- Most essential safety maintenance in the dilapidated HB Thom Theatre (funded from the maintenance budget);
- Replacement of the cracked outdoor swimming pool of the Department of Sport Sciences;
- Upgrading of the lifts in the Engineering buildings;
- Repairing of the structural defects at STIAS and the roof of the JS Gerike Library; and
- Maintenance of the wine cellar, the Fisser Hall lighting in the Konservatorium, and four lecture halls in the Arts and Social Sciences Building.

PROF LEOPOLDT VAN HUYSSTEEN
CHIEF OPERATING OFFICER



SENATE REPORT TO COUNCIL

Senate, as a statutory body, made an important contribution to the positioning of Stellenbosch University as a fully-fledged 21st century university in the year under review. Contributions by the various committees of Senate, namely the faculty boards, the Executive Committee of Senate, the Appointments Committee, Academic Planning Committee, Library Committee, Honorary Degrees Committee, Community Interaction Committee, Research Committee and Committee for Learning and Teaching, were discussed at the four Senate meetings held during the year. Thereafter specific recommendations were made to Council.

Matters that received attention in the Senate meetings included the recommendation of a number of new academic programmes for approval by Council, the approval of doctoral topics for research, the recommendation of a number of policies to Council, and the discussion of both teaching and community activities related to academia.

The following postgraduate programmes were approved by the Department of Higher Education and Training and accredited by the Council on Higher Education in 2013:

- PhD in Military Science;
- MSc in Sustainable Agriculture;
- MPhil in Endocrinology;
- MPhil in Gastroenterology and Hepatology;
- MPhil in Haematology;
- MPhil in Health Systems and Services Research;
- MPhil in Infectious Diseases; and
- MPhil in Nephrology.

THE SENATE OF STELLENBOSCH UNIVERSITY CONSISTS OF:

- the Rector and Vice-Chancellor (chair);
- the three vice-rectors;
- the Chief Operating Officer;

- two members of Council (elected by the Council);
- the Registrar (secretary);
- all the full professors of the University;
- all departmental chairs who are not full professors;
- five associate professors;
- four members of the Students' Representative Council;
- two members of the academic staff who are not professors or associate professors;
- two members of the administrative staff;
- two members of the technical staff;
- deans and vice-deans who are not full professors; and
- additional persons declared by Council to be members of Senate: the Chief Director: Strategic Initiatives and Human Resources; Chief Director: Finance; Chief Director: Facilities Management; Senior Director: Information Technology; Senior Director: Student Affairs; Senior Director: Institutional Research and Planning; Senior Director: Library and Information Services; Senior Director: Research; Senior Director: Postgraduate and International Office; and Director: Centre for Teaching and Learning.

Finally, it can rightfully be said that the Senate delivered a comprehensive and expert contribution to the portfolios of learning and teaching, research and innovation, and community interaction and personnel in the period under review.

PROF RUSSEL BOTMAN
CHAIR OF SENATE



RESIDENCES
MOULDING
NEW
TRADITIONS

FACULTY REPORTS

The core business of Stellenbosch University is carried out by our ten faculties. Collectively, this core business comprises learning and teaching, research and innovation, and community interaction. Our core business produces beneficial outputs as follows: the business of learning and teaching delivers academically qualified students equipped for the world of work; the business of research and innovation generates new knowledge essential for the advancement of humankind; and, finally, the business of community interaction enables the practical two-way sharing of knowledge with society.

Eight of our University's ten faculties are situated on our main campus at Stellenbosch, namely AgriSciences, Arts and Social Sciences, Education, Engineering, Law, Science, Theology and the larger part of Economic and Management Sciences. The rest of the Economic and Management Sciences Faculty is situated on the Bellville Park Campus in the form of the University of Stellenbosch Business School and USB Executive Development Ltd. The last two faculties are the Faculty of Medicine and Health Sciences at the Tygerberg Campus and the Faculty of Military Science at the coastal town of Saldanha Bay.

Details about these faculties may be obtained on the University's website at www.sun.ac.za.



FACULTY OF AGRISCIENCES

PROF MOHAMMAD KARAAN
DEAN: FACULTY OF AGRISCIENCES

In 2013 the Faculty of AgriSciences performed well on most of the University's strategic management indicators. Our emphasis remained on quality teaching and applied research in agricultural sciences and related domains, and on maintaining financial sustainability. In addition, we made important contributions to South Africa's economic growth and human development through the Stellenbosch University Food Security Initiative and the Standard Bank Centre for Agribusiness Leadership and Mentorship Development.



Our research profile is progressing steadily, as we are benefitting from our relations with industry bodies and government. The faculty was awarded two chairs as part of the South African Research Chairs Initiative (SARChI) – namely Meat Science and Integrated Wine Sciences – bringing our government-funded chairs to four, along with the chairs in Postharvest Technology and Plant Biotechnology. Our accelerated outputs achieved in conservation ecology, food science, animal sciences and plant pathology are testimony to our advances in both traditional and emerging fields of study.

We continue to maintain productive relations with the public sector and the agribusiness sector, which generously fund research programmes or match state funding through the highly beneficial Technology and Human Resources for Industry Programme (THRIP). Our strategic association with the Cape Institute for Agricultural Training: Elsenburg has continued to improve and the Faculty has two representatives on the Elsenburg Council. We have thus grown into the role of advancing academic quality through various forms of academic and professional exchanges without affecting the autonomy of the Institute. Our collaboration with the Western Cape Department of Agriculture remains a priority.

Our diversity profile in 2013 showed a gradual improvement among students and academic staff. Coloured, black and Indian students now constitute more than 20% of undergraduate numbers and more than 30% of postgraduates. Staff appointments from the designated groups also enhanced our diversity profile, but more should be achieved at senior levels. Postgraduate students from other African countries have become a significant component of our student body and serve to extend our African footprint.

The Faculty of AgriSciences is committed to the developmental challenges of our times and pays considerable attention to community interaction initiatives. These relate to poverty alleviation, food security, biodiversity, sustainability, the rural economy, postharvest technology, pests and diseases, water management,

food processing, rural development and the agribusiness complex. Our marketing efforts in the year under review included industry liaisons, a dynamic first-year welcoming programme, schools programmes, recruitment drives, dedicated bursaries, fundraising events, alumni events, student achievement ceremonies, and an annual staff day for all our valued employees.

The Faculty has extended its global network of collaboration which has greatly benefitted our staff and students. Staff and students remain our greatest assets. Many of our senior staff play strategic and pivotal roles in providing thought leadership to agricultural industries and the public sector, aimed at pushing knowledge and social frontiers. Our students are encouraged to join this tradition.



FACULTY OF ARTS AND SOCIAL SCIENCES

PROF JOHAN HATTINGH
DEAN: FACULTY OF ARTS AND SOCIAL SCIENCES

The Faculty of Arts and Social Sciences is, by its very nature, uniquely positioned to make a contribution to realising the University's institutional intent to produce thought leaders by being more inclusive, more innovative and more future-oriented. Its research, learning and teaching, and community interaction focus on the challenges of being human in a rapidly globalising world. The Faculty has therefore taken upon itself the responsibility of unlocking the critical insights, analytical skills and problem-solving tools we need to promote and safeguard the core values that we have adopted in our country's Constitution, for example human dignity, justice, peace and security in South Africa.

One of the ways in which the Faculty promoted the University's strategic priority of sustaining its momentum of excellence in 2013 was by building on the successes of the Graduate School, a school for fully-funded full-time PhD study. Last year marked the second consecutive year that the Faculty delivered over 50 PhD graduates: 56 in 2012 and 52 in 2013, with the latter figure representing the highest contribution by a faculty to the University's PhD output. In the 2013 academic year, 21 were enrolled via the Graduate School programme, while 19 were enrolled in this way in 2012.

The Graduate School was recently established as a formal centre within the Faculty. Contributing greatly to its success were the development of new recruitment, administrative and academic support systems, as well as new modes of supervision, funding models and networks. The standard supervisor-student model (based on individual interaction) was adapted to form a new model based on scholarship communities where student research groups interact regularly with each other, and exchange and generate knowledge among each other. In this way the Faculty has created spaces where students may interact not only with their peers and supervisors, but also with other faculty members and experts in their field.

The Graduate School has helped us to foster new partnerships with universities across Africa, to strengthen our research programmes and to place our Faculty and the University more prominently on the map of prestigious postgraduate schools. Our students now have an opportunity to do full-time, funded study, with access to world-class facilities and supervisors in a nurturing space conducive to intellectual development – an innovation not easily found elsewhere on the continent.

Realising that transformation of the Faculty requires a long, hard look at our past, we started an important conversation about the history of our Faculty and the disciplines practised here. This ongoing project entails a research-driven, critical look at the modes of knowledge production and dissemination that characterised the Faculty. The project has already had a transformative effect. New collaborative endeavours are developing between

departments and with other faculties – revitalising research, generating new teaching programmes, and opening up new opportunities for community interaction.

Another significant initiative was a faculty-wide conversation on the transformation of the Faculty and the University. This was done to formulate our understanding of transformation, and the kinds of contributions we can make to such transformation within our core activities of research, learning and teaching, and community interaction. While measurable aspects such as staff and student equity are important, transformation issues like becoming more relevant and making teaching and research more responsive and accessible to society are perhaps even more important.

Our staff excelled on various levels in 2013:

- Dr Elmarie Costandius from the Visual Arts Department was chosen as one of five lecturers in South Africa to receive the Excellence in Teaching and Learning Award from the Higher Education Learning and Teaching Association of Southern Africa.
- Dr Ernst van der Wal of the Visual Arts Department and Dr Mandisa Mbali of the Sociology and Social Anthropology Department were elected as members of the South African Young Academy of Science, an organisation that helps young scientists in South Africa to participate fully in local and internationally relevant research and development goals.
- Profs Ashraf Kagee, Lesley Swartz, Lizette Rabe and Scarlett Cornelissen, and Dr Mathilda Slabbert were recognised among the 50 top researchers at our institution.

While we had much to celebrate in 2013, we will be confronted with many challenges in 2014, such as the sustainability and financial viability of our well-established practice of teaching small classes and making use of tutorials.



FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

PROF JOHANN DE VILLIERS
DEAN: FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

The Faculty of Economic and Management Sciences, the largest faculty of the University, adds value through the teaching of large classes by a few lecturers. This cost-effective measure provides the University with considerable income with which Management can advance the strategic goals of the University.



The business model (making money by using a few lecturers to teach large groups of students), however, presents enormous challenges to staff of the Faculty. In this situation of high student to lecturer ratios, lecturers need to teach in such a way that our outstanding students are stimulated intellectually and our weaker students are supported to enable them to perform well, while the lecturers themselves must have the opportunity to develop academically and contribute new knowledge to our fields of study. With few resources, we must structure our offering in such a way as to offer students, their parents, sponsors and the taxpayer value for money. We must continually see to it that we pass out well-rounded students who will be able to make a positive contribution, as responsible citizens, to the economy of our country.

The Faculty is committed to the strategic themes and goals (see page 6) as set out in the *Stellenbosch University Institutional Intent and Strategy 2013–2018* document. Various initiatives have been developed to achieve these goals.

To promote access to new knowledge markets (theme 1), the possibility of introducing a new BCom in International Business has been investigated. Students who enrol for this programme will, among other things, be given the opportunity to study abroad for a semester. We are presently also investigating the presentation of undergraduate diplomas and new short courses. The programme planning which has progressed furthest is that of the Diploma in Public Accountability, a prospect of the School of Public Leadership.

To increase the diversity profile of our students and staff (theme 2), the Faculty wants to broaden access to learning to include potential students who are not presently able to study with us. We therefore envisage presenting as many of our programmes as possible in the preferred language of prospective students, whether Afrikaans or English. From 2014, the BCom in Management Sciences programme is being offered fully in both Afrikaans and English. The parallel-medium teaching (in both Afrikaans and English) of the Bachelor of Accounting programme will be phased in – during the second year from 2014, the third year from 2015, and the Bachelor of Accounting Honours programme from 2016. In other programmes we will make use of parallel-medium teaching or interpreting in order to make teaching accessible

to students who prefer to learn in Afrikaans or English.

Our high study fees are an obstacle for many aspiring students. The Dean's Bursary Fund for undergraduate students was therefore introduced with an initial contribution of R3 million from faculty funds. In this way we wish to supplement the recruitment bursaries of the University and give more students the opportunity to study here.

We also want to make our teaching more accessible to students who are already employed. To achieve this, we want to present an increasing number of our postgraduate diploma programmes according to the mixed learning model. This involves offering study sessions in blocks – for which students need to put in leave from work. Between study sessions we want to support students with modern communication technology so that they can study independently.

The greatest challenge of the Faculty is to contribute to the positioning of the University as the leading research institution in Africa (theme 3). Our most important new initiative in this regard is the establishment in 2014 of a graduate school for full-time PhD training in the Faculty.

The contribution of the Faculty to maintaining the student success rate (theme 4) lies therein that we continually try to improve the teaching that we offer. The most important initiative is the Faculty's module-mentor programme, through which we support more than 1 500 students who need additional help. Because of the success of this programme, we want to roll it out further. Another important initiative is the enriching of our teaching through the use of information and communication technology. Our inputs into the programme for the development of the attributes of graduates (see Glossary, page 102) are presently being examined in order to rectify shortcomings. We are also considering the rationalisation of undergraduate modules so that we can concentrate the energy of lecturers where it can have the most impact.

The Faculty looks forward to creating an intellectual space through these initiatives in the coming year so that we can offer outstanding teaching to our students, can make contributions to the development of new knowledge, and can apply our knowledge to the benefit of the wider community.



FACULTY OF EDUCATION

PROF MAUREEN ROBINSON
DEAN: FACULTY OF EDUCATION

The Faculty of Education takes pride in aligning its endeavours not only with institutional, but also with national and global education priorities. While our Faculty's central focus supports the United Nation's Millennium Development Goal of expanding the quality and quantity of education, we are deeply committed to contributing to the Education and Skills Development component of South Africa's National Development Plan.

To advance national goals, we promote early childhood development by offering the Bachelor of Education (Foundation Phase) programme. We increase the output of qualified teachers at the rate of almost 400 per year through our Bachelor of Education and Postgraduate Certificate in Education programmes; and we improve teachers' subject knowledge through professional development programmes, particularly in Mathematics and Science. We enhance the leadership and management of schools by offering the Advanced Certificate in Education to school leaders across the country. We also support the building of strong Further Education and Training (FET) colleges, via our Centre for Higher and Adult Education, which provides leadership training and postgraduate qualifications to college lecturers.

Within the University context, the Faculty of Education subscribes to the institutional strategic priorities, and has succeeded in furthering a number of these goals during 2013.

The first goal – to broaden access so as to increase student diversity – is given shape through our highly successful Hope@Maties and SciMathUS projects, both of which work with promising school leavers to improve their results and thus their chances of gaining access to university. Student support is a high priority, with at-risk students being assisted through mentors and tutors. Multilingualism and interpreting services have also been introduced into classrooms and will be further developed. Technology has been given priority as a tool to promote learning and facilitate teaching, with regular student and staff workshops.

To adhere to national qualifications policy, all undergraduate and postgraduate programmes were revised, bringing them into alignment with the Minimum Requirements for Teacher Education Qualifications framework, and will be introduced in 2015. As part of our ongoing programme renewal exercise, we included elements to foster the University's intended attributes of graduates (see Glossary, page 102).

The Faculty sustains the University's momentum of excellence through offering quality programmes, and yet maintaining an undergraduate pass rate of over 90%. Our scholarship of engagement was also given a boost with the launch of the Centre for Pedagogy, which combines school-based interventions, professional development of teachers, and university preparation programmes.

Our contribution to positioning the University as a research leader in Africa was considerably enhanced when five of our staff members received Mellon funding to further their doctoral studies, while ten staff members received institutional research funding. Three staff members retained or improved their National Research Foundation ratings. Our Faculty also organised an education research conference for postgraduate students, and an international conference on postgraduate supervision.

The academic profile of our staff remains high. During 2013, staff members were appointed to the executive committees of professional bodies (e.g. African Association for Sport Psychology; South African Education Research Association; International Association for the Advancement of Curriculum Studies; Biokinetics Association), and to the editorial boards of journals (*Asia Pacific Journal of Teacher Education*, *Ethics and Education*; *GAZI Journal of Education*). Staff members gave national and international public talks (e.g. at the Festival for Afrikaans, The Hague). The Faculty hosts five accredited journals, through which research is shared and a scholarly discourse on education is promoted.

Besides our involvement in a number of community projects, we strive to enhance our societal impact by producing excellent teachers and researchers, and by offering professional leadership training to practising teachers and managers in schools and colleges. In 2013 we expanded our rural platform by placing student teachers in the Worcester area for their teaching practice. Excellent links were forged with the schools and the Western Cape Education Department in this region.

Future plans include the finalisation of the revised Bachelor of Education, Bachelor of Education Honours, Postgraduate Certificate in Education, and Advanced Diploma in Education. An exciting innovation is the envisaged offering of the Bachelor of Education Honours via blended learning, which gives students more flexibility in their learning. The new Postgraduate Diploma in Higher Education (Teaching and Learning), which aims at advancing lecturers' teaching capacities, will be offered through the Faculty in 2014. This programme, based in the University's Centre for Teaching and Learning, is presented in collaboration with CPUT and UWC.



FACULTY OF ENGINEERING

PROF HANSIE KNOETZE DEAN: FACULTY OF ENGINEERING

In 2013 the Faculty of Engineering made significant contributions to all three strategic priorities of the University's Institutional Intent and Strategy for 2013–2018, often enthusiastically taking the lead with new initiatives of the University. The Faculty excels itself in many respects within the University and therefore adds unique value.



In respect of the first strategic priority, the broadening of access, the Engineering Faculty was the frontrunner within the University in introducing full parallel-medium classes in the first two years of BEng. In 2011 the Faculty led the way with the introduction of interpreting. This interpreting facility, which has since been systematically extended, progressed so well in 2013 that it covered, up to the third-year level, all lectures not presented in parallel-medium. From 2014 all compulsory undergraduate lectures in the Faculty will be available in either parallel-medium or via real-time interpreting in both Afrikaans and English. Language is thus no longer a stumbling block in engineering studies.

The Faculty's resolve to recruit quality students and to broaden access may be clearly seen in the comprehensive, targeted undergraduate and postgraduate recruitment drive by our own marketers in the Dean's division, in collaboration with the Faculty management and departments. Our most important annual marketing initiatives, namely our well-attended Open Day and the Engineering Winter Week, have been supplemented over the years with outreaches focused specifically on the recruitment of top performers, especially from the coloured, black and Indian communities, as well as women from all communities. These successful efforts have improved the diversity profile of our students.

In order to accelerate the coloured, black and Indian student intake, the Faculty has also offered 100 supplementary bursaries annually in addition to general recruitment bursaries, and about 40 prospective students from the designated groups are sponsored annually by the Dean to attend the Winter Week. The intake of the Extended Degree Programme – which offers students with inadequate school backgrounds an alternative means of entry to the BEng programme – is also increased annually so that more aspirant students from these groups may have access to Engineering.

In 2013 the Faculty's momentum of excellence was sustained by keeping our knowledge base and student success at a high level:

- The percentage of permanent staff with doctorates and with National Research Foundation evaluations was greater than the University averages (see Table 1, page 14).
- Since 2008 the research output continued to increase despite the higher teaching load on lecturers.

- The Faculty's innovation culminates in spin-out companies and patents from time to time.
- The growth in the Faculty's postgraduate projections was the highest at the University.
- The undergraduate module pass rate continued to be higher than the University average.

Beyond its five best researchers who were honoured by the University, the Faculty honoured five of its researchers with research awards, as a special incentive.

Another of the University's strategic priorities is the enhancement of societal impact through the development of visionary leaders. The Faculty offers a Philosophy and Ethics module, which requires all BEng students to do compulsory service-learning at schools in the vicinity by helping with Mathematics tutoring. The Faculty however experiences problems in involving all students meaningfully in tutoring owing to the constraints of distance, time and costs. To overcome these and to promote leadership among engineering students, negotiations have already taken place with the Frederik van Zyl Slabbert Institute to introduce a leadership sub-module as part of service-learning. This will empower engineering students to fill leadership positions in society when they leave the University.

In respect of sustainability, our Faculty is in a good position in that it receives one of the highest third-stream incomes at the University. This is the result of the dedication of our academics and researchers and an exceptionally good relationship between our Faculty and industry. The Faculty's centres and institutes responsible for contract research for industry are financially sound and bring in significant extra income which can fund expensive applied research programmes.

In 2013 the Faculty received its five-yearly accreditation visit from the Engineering Council of South Africa (ECSA) and all our BEng programmes were re-accredited, which means that Stellenbosch University's BEng programmes enjoy international recognition via the Washington Accord. Matie engineers continue to be considered among the best in the country by industry and the Faculty of Engineering aims to keep it this way. In its future view our Faculty is therefore determined to build on its successes through innovative and practicable plans and to continue creating value for the University.



FACULTY OF LAW

PROF SONIA HUMAN
DEAN: FACULTY OF LAW

It is the aim of the Faculty of Law to respect and manage the firm relationship between world-class research and teaching in this environment. The three strategic priorities of the University provide the framework within which the Faculty strives to achieve this aim.

The positioning of the University as the leading research institution in Africa entails, among other things, the raising and maintenance of the level of research output. The HF Oppenheimer Chair in Human Rights, the Chair in Business Law and the Anton Mostert Chair in Intellectual Property Law deserve mention for their substantial contribution to the Faculty's research outputs. We would like to increase the research output of the Faculty; however, though the staff are doing their best, they are over-extended by the demands of their teaching programmes. The building of our knowledge capital is based on a staff strategy aimed at giving colleagues the opportunity to realise their potential. Drs Franziska Myburgh and Sadulla Karjiker received their doctorates and two young, talented academics were recruited.

We promote student success by expanding existing support mechanisms to first-year students and by helping students through tutoring, and curriculum and teaching innovation. The Faculty's plan for the development of writing and research skills was extended significantly in 2013. Much success has already been achieved in five compulsory modules which are writing-intensive. We refine our support programme on a continual basis and a significant number of first-year students have benefitted greatly from this programme. As part of our endeavour to increase student success, we allow enough space for innovative teaching practices, which include, among others, the use of technology.

The strategic priority to increase diversity is still a challenge for the Faculty. Vacant posts are limited, which makes it very difficult to reach diversity targets. Moreover, candidates from the coloured, black and Indian groups have strong bargaining power because of their limited pool. At the end of 2013, the Faculty lost an academic from a designated group, but succeeded in again making an appointment from a designated group.

In general, enrolment targets for new first-year students are easily achieved, but with cognizance that enrolment management by means of a selection system does not deliver precisely predictable results in the law environment.

The introduction of recruitment bursaries, as well as the Stonehage first-year bursary scheme, certainly plays a positive role by allowing us to identify and admit promising candidates. To capture the limited offer of students who are interested in and qualify for postgraduate study – in this country and internationally – we need aggressive recruitment backed by sustainable bursaries. The level of diversity among postgraduate students unfortunately declined during 2013. This may be attributed to the lack of sustainable bursaries, among other things. It must be emphasised that the bequest of the Ciucci family, though generous, along with the Dean's Fund, makes it possible to fund a limited number of students only.

The financial sustainability of the Faculty is closely interwoven with the overarching academic project of the University, since academic activities are funded by subsidies paid by the state for enrolled and graduate students and for research outputs, and by class fees payable by students. It is uncertain what the financial impact of the drop in postgraduate students in 2013 and a relatively small number of graduates will be. The Legal Services Clinic was funded largely by fourth-stream income from donations till end-December 2013. It is encouraging that the Legal Services Clinic will be funded more sustainably from 2014, since this will ensure work security at the Clinic.

In 2013, researchers Profs André van der Walt and Cornie van der Merwe received an A grading and Prof Jacques du Plessis a B1 grading from the National Research Foundation. Profs Geo Quinot and Juanita Pienaar were named as two of the 50 most prolific publishers of research at the University. Ms Ebrezia Johnson was named the most inspiring lecturer by the best first-year LLB student.

The Faculty will conduct focused discussions during 2014, which will serve as the foundation of faculty-specific strategies aimed at enhancing teaching, research and community interaction. In 2014, language interpreting will take place in two modules on an experimental basis.



FACULTY OF MEDICINE AND HEALTH SCIENCES

PROF JIMMY VOLMINK
DEAN: FACULTY OF MEDICINE AND HEALTH SCIENCES

The Faculty of Medicine and Health Sciences has continued to take great strides towards achieving the goals outlined in its Strategic Plan for 2013–2018. In this Plan we underscore the importance of innovation in addressing the complex healthcare challenges in South Africa and the world. We believe that we are uniquely positioned as a faculty to contribute significantly to our country's development and future, and we continue to move forward with this in mind.



We are at various stages of implementing forward-looking research and internationalisation programmes, transformative learning initiatives, a wellness plan for staff and students, and a 'green' blueprint. Our strategy for the advancement of inclusivity and transformation continues to pay dividends. In addition, we are reviewing our current approach to marketing and communication with a view to ensuring that our successes and achievements are shared and celebrated with all our stakeholders.

We are confident that these initiatives will secure the continued growth of a faculty that, since its inception in 1956, has done the University proud.

With some 1 430 staff members and 3 950 students (50% of whom are postgraduate), the Faculty is increasingly becoming what a world-class academic institution can and should be – a kaleidoscope of social and cultural diversity, a model of inclusivity, a champion of human rights, a place of learning and reflection, and a centre of excellence in scholarship, research and service.

Among our achievements in 2013 were the following:

- The Faculty launched the African Cancer Institute, which aims to position the University as an internationally recognised comprehensive centre of excellence in cancer research and training (see page 18).
- Five research projects, either within or associated with the Faculty, were awarded prestigious Flagship Project grants from the South African Medical Research Council.
- A record number of PhD students graduated from the Faculty.
- The Faculty outdid itself with a record number of graduates and publication outputs.
- Eight staff members were among the 50 researchers recognised by the University for making the biggest contribution to publications accredited by the Department of Higher Education and Training in 2011.
- The United States National Cancer Institute selected the Faculty as the site for its first AIDS Malignancy Consortium sub-Saharan Africa biorepository, which will dovetail with our existing H3Africa-funded biorepository.
- The Faculty received an award from the United States

National Institute of Allergy and Infectious Disease to establish the Stellenbosch University Clinical Trials Unit.

- Several agreements were signed with prestigious international institutions, including the Karolinska Institute in Sweden, Makerere University in Uganda and the MD Anderson Cancer Center at the University of Texas in the United States.
- Individual faculty members received recognition for excellence through awards such as the Humboldt Research Award in Memory of Neville Alexander; the Distinguished Women in Science Award from the SA Department of Science and Technology; the Lifetime Achievement Award for Contributions to Medical Research from the SA Medical Research Council; and the Dr Rana International Parkinson's Service Award from the World Parkinson's Program.
- Our students featured strongly at the annual Rector's Awards Ceremony, receiving recognition in all categories, and picking up all four awards in the Succeeding against the Odds category, while our top performer in the MB, ChB programme received the coveted Chancellor's Medal for outstanding achievement on completing his medical studies (see page 61).
- The Faculty introduced a unique longitudinal model of health professional training in rural areas and the creative use of information and communication technology in education, for example podcasting of more than 2 000 lectures in the MB, ChB programme.
- A research society for undergraduate students, named Q, was established.
- The Faculty received wide international recognition for our Inter-professional Education and Graduate Attributes work.
- Our Faculty staged its first-ever gala concert, an event held to celebrate our diversity of talent, which saw more than 120 students and staff members entertain an appreciative audience.

We celebrate these outstanding achievements, while remaining cognisant of the need for further improvement. With the ongoing support of our alumni, partners and friends we are confident about our ability to reach even higher levels of excellence in the years ahead.



FACULTY OF MILITARY SCIENCE

PROF SAM TSHEHLA
DEAN: FACULTY OF MILITARY SCIENCE

During 2013 the Faculty of Military Science actively created and cemented relationships with national and international role players, provided research opportunities, delivered record research outputs, and participated in knowledge exchange initiatives in the security arena.

The academic spectrum of the Faculty is represented by five schools, with teaching and research goals that encompass the socioeconomic, financial, technological, political and legislative aspects that affect and influence national security. Our core business is projecting our expertise in these areas to relevant South African, greater African and international stakeholders.

Our vision is to produce leaders imbued with the confidence and knowledge to lead globally and deal successfully with change and conflict-related challenges. In 2013 we collaborated with the University of Dar es Salaam and the Royal Danish Defence College to present the International Conference on Maritime Security on the issue of good order at sea, focusing on post-piracy and post-conflict reconstruction. More than a hundred academics, military personnel and private security firms from all over the world, and particularly the African East Coast countries where piracy is rife, attended the event.

Our contributions to the operations of the South African Police Services (SAPS) Academy and the Namibian Defence Force Academy (NDFA) are examples of our interaction with other entities in the military industry and our leadership role. The SAPS Academy, which opened its doors with 120 students in 2014, modelled its structure and programmes on those of our Military Academy, while the NDFA instituted the military programmes recommended by our Faculty.

The Faculty continued to provide expertise to its main client, the South African National Defence Force (SANDF). For the second year, our lecturers presented the Senior Military Management Programme of the SANDF War College, and the officers' success rate increased to 76%. We participated in the Executive National Security Programme, an internationally acclaimed course attended by high-ranking military and government personnel. In 2013 it attracted delegates from Pakistan, Uganda, Tanzania, Congo Brazzaville and Malawi.

In support of the institutional strategic goal to harness the advantages of telematics learning and to extend access to a geographically scattered student population, the Faculty has embraced interactive telematics education. Members of the Department of Defence who wish to study on a part-time basis may do so by using a technology platform which integrates

satellite, cell phone and video conferencing technology for lectures and the submission of assignments. This platform can provide an opportunity for the Faculty to use global connectivity to access new student markets.

We strive to sustain the University's momentum of excellence by maintaining our student success rate and creating opportunities for research. As academic training for officers is a primary undertaking, we constantly seek to cultivate our knowledge base and improve the quality of learning and teaching. To facilitate this, we acquired the services of seven lecturers with master's and PhD qualifications, and a University grant has boosted our junior lecturer development efforts. Our lecturers have also excelled, with Ms Noëlle van der Waag-Cowling obtaining her master's degree *cum laude* and Drs Justin van der Merwe and Funkie Monama their PhD degrees.

Student enrolment increased by 9% from 424 to 464 in 2013, and 90% of our undergraduates passed their final year. Six students received honours degrees and two master's degrees were awarded – both *cum laude*. Lieutenant Babitsanang Lekhuleng received the Rector's Award for Academic Excellence.

Research opportunities were generated through our affiliations with national and international security and defence institutes, international student exchange programmes, participation in conferences, and joint projects with international and national peers. During 2013 the Faculty increased research output by 113%, a university-wide faculty record. This surge in academic endeavour includes the authorship of six books – a record for our Faculty. Among the books produced is a history of the South West African/Namibian Border War by Lieutenant Colonel (Prof) Lodewikus Jansen van Rensburg. The staff and student exchange programme was also expanded, with four lecturers teaching or conducting research at Coventry University and the Kader Has University in Istanbul. The first postgraduate students will leave for St Cyr, France, during 2014 for a three-month exchange.

Our academic pinnacle was the launch of our PhD programme. After years of ardent planning, the Faculty has finally come of age, so to speak, and is eminently ready not only to offer this level of advanced learning from 2014, but to capture and develop a new continental market.



FACULTY OF SCIENCE

PROF DOUG RAWLINGS (ACTING) DEAN: FACULTY OF SCIENCE

In line with Stellenbosch University's Vision 2030 and the National Development Plan, the Faculty of Science is committed to positioning the University as a research-focused academic institution of excellence and a respected knowledge partner. Indeed, it is in the area of quality research outputs that the Faculty contributes towards building the scientific, technological and intellectual capacity of Africa and is playing an active role in South Africa's development.



During 2013 the Faculty of Science achieved a record with 100 of its staff members holding National Research Foundation ratings. The number of publication subsidy units based on the audited figures for 2012 reached an all-time high of 248.81 units (2011: 238.97 units). The faculty produced a significant number of doctorates, with 50 students graduating in 2013.

An important strategic objective is to ensure high levels of undergraduate and postgraduate student success, while adapting to various challenges to achieve this. These include dealing with the different education backgrounds of a diverse student body and integrating new teaching and learning methods.

To ensure the undergraduate success rate, we established initiatives such as differentiated tutor support (to cater for struggling and outstanding students), parallel-medium instruction and interpreting services. Other initiatives, such as the increased integration of information and communication technology into teaching and learning, were facilitated through a Teaching and Learning Forum established by the Vice-Dean, Prof Ingrid Rewitzky, in 2012.

It is a significant challenge to ensure the success of especially those students from poor schooling backgrounds at the undergraduate level. In order to recruit more students from the small pool of historically disadvantaged applicants with suitable school-leaving results, we increased the number of recruitment bursaries from 50 to 150 in 2013. This brought the overall percentage of coloured, black and Indian undergraduates to 32%. Our diversity target for 2018 is 40,6% (see page 17).

The Faculty of Science employs excellent academics, many of whom enjoy national and international acclaim in their fields of expertise. Over 90% of the permanent academic staff have doctoral degrees. However, our staff diversity profile remains a challenge. A major challenge is the scarcity of candidates in many of the scientific disciplines, especially computer science and earth sciences.

The Faculty endeavours to make a substantial contribution

to the National Development Plan's vision to increase the number of PhD graduates from the current 28 to 100 per million per year by 2030. We have set a new target of 60 PhDs per annum. To achieve this requires a sufficiently large pipeline and throughput – from BScHons through MSc to PhD. To this end, a bursary scheme was implemented to enable deserving students to continue with their studies. There is an early completion incentive in place for PhD students to complete their studies in three years.

Two leading scientists recognised internationally in the field of nanostructure materials and polymer sciences have received the highest accolades from the South African Chemical Institute (SACI). Prof Bert Klumperman was awarded the Gold Medal for his exceptional contributions to the field, while Prof Len Barbour was awarded the SASOL Chemistry Innovator of the Year Medal. Prof Erick Strauss and two postgraduate students, Ms Helene Wahl and Ms Nicola Steyn, also received SACI medals.

Prof Dave Richardson, director of the DST/NRF Centre of Excellence for Invasion Biology, received the Havgenga Prize for Life Sciences from the *Suid-Afrikaanse Akademie vir Wetenskap en Kuns*. Four researchers were recognised by the University for their outstanding research output: Prof André de Villiers, Prof Helmut Proding, Prof Terry Robinson and Prof Stephan Wagner. Several of our researchers featured in *200 Young South Africans*, an annual supplement of the *Mail & Guardian*.

Measures to expand our knowledge base include the filling of the SARCHI Chair in Epidemiological Modelling and Analysis by Prof Jackie Snoep, the appointment of Prof Cang Hui to the Research Chair in Mathematical and Theoretical Physical Biosciences, while Prof Gideon Wolfærdt will return to South Africa from Canada in 2014 to take up the ERWAT Chair in Wastewater Management, sponsored by the East Rand Water Care Company.

The Faculty of Science is committed to promoting science and technology among the youth through involvement with various outreach activities.



FACULTY OF THEOLOGY

PROF NICO KOOPMAN
DEAN: FACULTY OF THEOLOGY

As one of the ten faculties of Stellenbosch University, the Faculty of Theology endeavours to contribute in terms of its distinctive character to the value generated and shared by the University in local and global contexts. As the only faculty for theology in the southern provinces of South Africa, it makes unique contributions to the University's overall offering to communities in these provinces, but also in greater Africa. In a country and on a continent where religious faith is growing and where its influence on people's values, choices and practices is decisive, the scientific study of religious faith is of special significance and value.

The Faculty is guided by the areas in which the University wishes to generate and share value. Through its core functions – research, learning and teaching, and community interaction – the Faculty is active in the fostering of human dignity and human rights, in the fight against poverty and related conditions, in the deepening of democracy and a human rights culture, and in the creation of human and comprehensive security, peace and sustainability.

The strategic priorities and goals of the Faculty add value to the overall University offering in especially the following areas: the fostering of excellence, the cultivation of student success, the broadening of diversity and the establishment of an ethos and practices of comprehensive sustainability.

The fostering of excellence in a university context depends first and foremost on research of consistently sound quality. In the course of 2013 the Faculty held several high-quality local and international conferences. Lecturers were responsible for a list of outstanding local and international publications. The Faculty invested amply in the development and strengthening of the research capacity of especially younger staff members.

Dr Len Hansen, appointed two years ago as the full-time coordinator of the Faculty's research development programmes, has played an enormous part in the success of our postgraduate students. His work moreover requires ever-greater collaboration with the University's African Doctoral Academy.

Student success is the second priority of the Faculty. We are working hard to boost the success of undergraduate students. We invest in the use of tutors and mentors, in one-on-one guidance for especially first-year students, in workshops for lecturers on learning and teaching, in the comprehensive support of the First-year Academy, and in the effective implementation of the Extended Degree Programme. The expansion of information and communication technology by, among other things, the issuing of new laptop computers to virtually all our lecturers in 2013 will also benefit student success.

The Faculty's pursuit of diversity reinforces the broader University's endeavours in this regard. Our diversity is growing in relation to the ethnic, socioeconomic, gender, age and denominational composition of both the student and the lecturer corps. This process of comprehensive diversification is conducted in the conviction that greater diversity makes for an increase in our excellence.

In 2013 the Faculty continued to participate in, and added value to, the university-wide pursuit of overall sustainability. Social sustainability was served through the emphasis on staff wellness, which included the appointment of three full-time academic staff members and a full-time teaching assistant, a quest for fair workloads and task outlines, and the honouring of staff members' sabbatical leave. Physical sustainability is served through the extension and sound upkeep of the Faculty's physical infrastructure. Through the frugal application of natural resources and the focus on ecological themes in the curriculum, ecological sustainability is served. Financial sustainability poses a constant challenge, which the Faculty addresses by making sure that it delivers in the areas that generate funds.

Two centres of the Faculty, Ekklesia and the Unit for Religion and Development Research, were given flagship status this year by the University's Division of Community Interaction. Profs Johan Cilliers, Ian Nell and Jeremy Punt, and Dr Mary-Anne Plaatjies-Van Huffel received awards from the Vice-Rector (Research and Innovation) for their accredited research outputs in 2011. Dr Plaatjies-Van Huffel was elected Africa president in the World Council of Churches. Prof Dirkie Smit was elected as a member of the Academy of Science of South Africa.

The Faculty's positioning for the future is firmly in line with the new Institutional Intent and Strategy of the University.

TELEMATIC STUDIO

TEACHING
WHERE THE
STUDENTS LIVE





REPORT OF THE INSTITUTIONAL FORUM

MR LE ROUX BURROWS

The Institutional Forum is an advisory body that, in terms of the Higher Education Act (section 31(1) of Act 101 of 1997), advises the University Council on policy matters, including the execution of the provisions of the Act and national policy on higher education.

The activities of the Forum consist of meetings where our responses and advice to Council are considered, and discussions are held between the Forum's Executive Committee and the Rector's Management Team. From time to time, the Forum makes use of three task groups which focus on diversity and equity, institutional planning, and institutional culture in order to expedite our business. Members serve voluntarily in the task groups of their choice. When necessary, the task groups are expanded to include ad hoc groups. These task groups have the competency to investigate thoroughly those matters that are assigned to them. They then report back to the Forum so that it can give well-considered advice to Council.

COMPOSITION

The Statute of the University stipulates the number of Institutional Forum members. The Forum comprises 32 members, with eight from each of the following four sectors: the governance sector, the staff sector, the student sector and the community sector. The composition of each group is also prescribed.

ACTIVITIES

The Forum carries out its allotted duties of advising the University Council on policy documents and commenting on the University management's implementation of the Higher Education Act. Further to this, the Forum has attempted over the past year not to focus so strictly on its legally prescribed duties and responsibilities alone, but also to attend to other specific matters, as determined from time to time, with the aim of offering Council proactive advice for their consideration and further investigation.

PROPOSED POLICIES

During 2013, the Institutional Forum advised primarily on new policies, by way of formal reports. University policies that were at issue were:

- the Policy on Conflict of Interests;
- the Policy for Placement in Residences, and in Listening, Learning and Living Houses, as well as Allocation to PSO Wards and Clusters (revision of the previous residential placement policy);
- the Framework Policy for Responsible Research Conduct at Stellenbosch University;
- the Policy on a Delegation Framework for Stellenbosch University; and

- the Policy in respect of the Indirect Cost Recovery Rate (ICRR) with regard to Third-stream Income at Stellenbosch University.

FORUM COMMENTARY ON POLICIES AND FORMAL REQUESTS

The Forum supports the overarching intention of the policies on placement of students in residences, conflict of interests, and research conduct. We however proposed certain amendments regarding the Policy in respect of the Indirect Cost Recovery Rate with regard to Third-stream Income in order to ensure that non-academic projects (such as career guidance and broadening of access) that are of strategic importance and generate a third-stream income are also included. Although the Forum sees the necessity of the Policy for a Delegation Framework, we are of the opinion that a two-yearly revision horizon is too short and therefore recommend that revision be done every three years.

FORUM COMMENTARY ON OTHER MATTERS

The Forum submitted commentary and requests for consideration to Council concerning various other matters.

The Forum requested Council to give attention to drafting a comprehensive wellness policy for staff. The Forum also requested that Council in future informs this body when amendments are made to the regulations of policy and management documents, and also to the Vision and Mission of the University.

In order to remove any uncertainty about the scope of our statutory duties in terms of article 31(1)(a)(iii) of the Higher Education Act 101 of 1997 (as amended), the Forum decided it would enter into discussion with Council about the selection of candidates for senior management positions. This discussion is ongoing.

Lastly, the Forum decided to draw up a code of conduct that will be aligned with the code of conduct of the University Council.

MR LE ROUX BURROWS
CHAIR: INSTITUTIONAL FORUM



SPORT
ENRICHING
THE STUDENT
EXPERIENCE



THE UNIVERSITY ACKNOWLEDGES EXCELLENCE

HONORARY DEGREES

The University awarded honorary degrees to (from left) Prof Reimund Neugebauer and Dr Naledi Pandor in December 2013; and to Profs Andreas van Wyk and Wolfgang Huber, and Drs Edwin Hertzog and David Kramer, who appear with Rector and Vice-Chancellor Prof Russel Botman (middle), in April 2014.



Prof Reimund Neugebauer forged bonds between Germany and South Africa in the crucially important field of resource and energy-efficient production engineering. He continues to broaden the knowledge base about resource efficiency in the use of raw materials, technologies for effective production, and the reduction of energy consumption during the life cycle of products. Through his work, international communities, especially in developing economies, are better placed to succeed in distributing their goods and services to a greater proportion of the world population.

Dr Naledi Pandor, as national minister of three portfolios and also chair of the National Council of Provinces, contributed significantly to the public sector. She served as minister of Education from 2004 to 2009, of Science and Technology till 2012 and, since then, of Internal Affairs. Dr Pandor advanced education reform, drove the establishment of the directorate for space activities of the South African National Space Agency (SANS), and helped to negotiate for the greatest part of the Square Kilometre Array (SKA) radio telescope project for South Africa.

Prof Andreas van Wyk, as brilliant academic and legal scholar, made a considerable contribution to national development, constitutional transformation and higher education. As rector and vice-chancellor of Stellenbosch University from 1993 to 2001, he helped to establish the University as an internationally renowned research institution. Prof Van Wyk also helped to modernise family law in South Africa through his ground-breaking contribution to the Divorce Act of 1979 and the Matrimonial Property Act of 1984. He was also indirectly involved in the negotiation process that preceded the inception of our democracy.

Prof Wolfgang Huber, a leading academic, a church leader, public figure and opinion shaper, made a significant contribution to social ethics in Germany and abroad, including South Africa. As a leader figure in the international ecumenical movement, as well as an executive committee member of the World Council of Churches, he supported the South African Council of Churches against Apartheid. Prof Huber advanced public theology, a subject with which Stellenbosch University is associated worldwide, and published authoritative works on, among others, democratisation, human rights, science ethics, the witness of the church, and ethics as a discipline.

Dr Edwin Hertzog, as pioneer of private hospitals in South Africa, vastly improved the quality of healthcare in South Africa and abroad. He cares about the interests of the broader community, and higher education in particular. His own resources as well as company resources have been applied on a large scale for various projects of Stellenbosch University. As University councillor, he supported transformation and greater diversity at Stellenbosch University. Dr Hertzog distinguished himself as visionary entrepreneur, extremely successful business leader, and educational and community leader of stature.

Dr David Kramer, an experimental, reflective and versatile artist, has made a remarkable contribution to South African cultural life. He elucidates social issues in his musical comedies from a cultural perspective, and unlocks unrecognised and threatened musical practices and traditions, thus enriching the national music heritage. He has conducted pioneering investigations into musical styles and traditions among rural musicians from the Western and Northern Cape and the Karoo. Dr Kramer enjoys wide recognition for his lifelong contribution to Afrikaans music. His later work displays a strong ecological consciousness.



CHANCELLOR'S MEDAL

Dr Jonas Bovijn, who was awarded the MB, ChB degree cum laude in December 2013, is the recipient of the Chancellor's Medal of Stellenbosch University for the year under review. The Medal is awarded annually to a final-year or postgraduate student for outstanding academic performance.



Dr Bovijn – a member of the Golden Key Society, the world's largest honour society – is the second medical student to receive the Chancellor's Medal since 1961.

He passed all 38 modules of his six years of study with distinction, and is the second student who has passed every subject in the sixth year of the MB, ChB programme with distinction. This achievement has won Dr Bovijn the Gold Medal of the Faculty of Medicine and Health Sciences.

In 2012 Dr Bovijn was one of 52 medical students worldwide to attend the 200th Anniversary Symposium of

the *New England Journal of Medicine* in Boston, USA. This publication is the oldest medical journal in the world and is highly regarded in medical and academic circles.

What is remarkable about Dr Bovijn's achievement is that he did not pursue his academic interests only. He founded the Society for Student Research at Tygerberg Campus, led the Philosophy Society and was involved with many other committees in his residence and on campus. For his exceptional service delivery he received awards from the Rector and the Tygerberg Students' Representative Council.

THE RECTOR'S AWARDS FOR SUCCEEDING AGAINST THE ODDS

Four medical students received a Rector's Award for Succeeding against the Odds in 2013. These awards are presented annually to students who perform excellently despite challenges such as strapped socioeconomic circumstances, ill health, physical disabilities and restricted opportunities. All four recipients were raised under difficult financial circumstances by mothers who had to keep the pot boiling. A Succeeding against the Odds Award consists of a bursary of up to R70 000, which provides recipients with the opportunity to develop their full academic potential.

Vanessa Joseph, a tenacious third-year student, first followed the University's SciMathUS bridging programme, and improved her marks to the extent that she could be selected for medical studies. The other recipients were: **Salwah Salie**, a first-year student who started a Mathematics tutoring programme with classmates at a school; **Niel Adams**, a second-year achiever who in his first year in 2012 received the highest average mark in his year group; and **Naseeha Bhyat**, a second-year student who worked part time to help pay for her studies and who is also actively involved at her old school. The awards of two previous recipients, namely the Ganya twins Wanele and Wandile, will be continued in 2014. These two aspirant

doctors come from a family of six children in Khayelitsha, who have had to survive on the meagre income of their mother, a domestic worker. In their Grade 12 year, Wandile often had to care for his twin brother, a tuberculosis sufferer, and when Wanele was unable to attend school, Wandile had to convey all the schoolwork of the day to Wanele. Wandile's Grade 12 results were outstanding and he ended as one of the twenty top performers in the Western Cape.



CONSERVATOIRE

THE SCIENCE
OF MUSIC



REPORT ON THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS 2013

UNIVERSITY COUNCIL'S STATEMENT ON CORPORATE GOVERNANCE

64

UNIVERSITY COUNCIL'S RESPONSIBILITY FOR FINANCIAL REPORTING

68

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF
STELLENBOSCH UNIVERSITY

69

ACCOUNTING POLICIES

71

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

76

CONSOLIDATED INCOME STATEMENT

77

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

78

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS

79

CONSOLIDATED STATEMENT OF CASH FLOWS

80

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

81



UNIVERSITY COUNCIL'S STATEMENT ON CORPORATE GOVERNANCE

Stellenbosch University was established in 1918 under Act 13 of 1916 when the Victoria College was converted into a university.

THE UNIVERSITY COUNCIL AND SUBCOMMITTEES OF THE COUNCIL

The University Council (hereafter referred to as the Council) is comprised of academic and non-academic members, duly appointed and nominated in terms of the Statute of the University, the majority of whom are not staff members or current students of the University. The role of the Chairperson of the Council is separate from the role of the Rector and Vice-Chancellor of the University. Business allocated to the Council for consideration and decisionmaking is set out in the Statute of the University either by established practices or in terms of the Higher Education Act, 1997. The Council is accountable to its various interest groups. The Council ensures that the University is managed in a responsible and transparent manner and is committed to sound management principles. The Council, which meets at least four times a year, consists of 30 members, with 28 positions having been filled. The Council is comprised of five executive Council members, four employees of the University and 19 independent non-executive Council members, three of whom appointed by government and two of whom appointed by the students. The names of the members appear on page 9.

The Council officially met four times during the year under review. The average Council meeting rate of attendance by members was 88% for the year under review. The lowest rate of attendance was 74%. Council committee meetings were generally well-attended. The rate of attendance for committee meetings was 84%.

The Council has created structures to ensure that its obligations to all interest groups are duly met at all times. The following committees of the Council play a direct role in the effective functioning of the University: the Executive Committee of the Council; the Human Resources Committee of the Council; the Remuneration Committee of the Council; the Audit and Risk Committee of the Council and the Investment Committee of the Council. All the committees are formally constituted with written mandates and are mainly comprised of members of the Council who are not staff members or students of the University.

The Council committees meet at different intervals, with some meeting before every Council meeting and others as and when required.

The Executive Committee of the Council, which meets at least five times a year, within its delegated powers makes

decisions on behalf of the Council, deals with business on behalf of the Council, advises the Council on policy decisions and in the period between Council meetings liaises with senior management on matters impacting the functions of the Council. The Executive Committee of the Council consists of seven members, who are also members of the Council. Currently five positions are filled. The committee also fulfils a monitoring and control function on behalf of the Council in that it makes recommendations on the University's transformation targets and monitors implementation, makes recommendations on the annual operating and capital budgets, and monitors progress in terms of the approved budgets and results. The committee is also responsible for ensuring that the University is financially sound and remains a going concern. This committee met six times during the year under review. The committee has no matters pending. Pending matters on the agendas of other committees reporting to the Council through the Executive Committee will ultimately be included on its agenda and handled at that stage.

The Executive Committee rate of attendance for 2013 averaged 80%.

The Audit and Risk Committee of the Council, whose Chairperson and members are also members of the Council or are external individuals who have the required financial expertise to assist the Committee in the efficient execution of its duties, has been functioning since 31 October 2005 and consists of six members, as set out on page 9. Currently all six positions are filled. The committee meets at least three times a year and the meetings are attended by the internal and external auditors and the University's senior management. The unrestricted access of the internal and external auditors of the University to the Audit and Risk Committee ensures their independence. The Audit and Risk Committee functions in terms of a written Council mandate and is accountable to the Council for the following:

- The safeguarding of assets.
- The operation of suitable systems of internal control.
- Risk management and risk control measures.
- Internal and external audits.
- Compliance with statutory requirements.
- Accounting policy.
- Financial reporting.
- The position of the University as a going concern.

The Human Resources Committee of the Council makes recommendations to the Council on matters concerning general staff policy, service contracts, pension funds, bonuses, performance appraisal frameworks, appointments and promotion of members of senior management, etc. The committee consists of five members, as set out on page 9. Currently all five positions are filled.



The Remuneration Committee of the Council is comprised of the Chairman of the Council (not as chairman of the Remuneration Committee), two Council members who are not employees of the University, the Rector and Vice-Chancellor and two ex officio members (without voting rights), namely the Chief Director: Strategic Initiatives and Human Resources, and the Manager: Remuneration and Benefits. The Remuneration Committee is responsible for considering matters concerning staff remuneration and fringe benefits and makes recommendations to the Council in this regard.

A subcommittee has been formed to draft a regulation for the Social and Ethics Committee of the Council on the composition of the members of this committee and to make a recommendation to the Council.

REPORTING UNDER KING III

The King Code of Governance Principles (King III) has been applicable to all business entities, including universities, since 1 March 2010. In August 2010 the University performed an independent internal audit of the extent of compliance with the applicable King III principles. At that stage the University had already complied with the majority

of the principles and since compiled a complete action plan with a view to implementing the outstanding applicable principles.

During 2013 attention was given mainly to the following:

- Finalisation, announcement and implementation of the Institutional Intent and Strategy 2013–2018.
- Updating of the respective Council committee regulations.
- Approval and implementation of the University's powers of delegation and delegation policy.
- The process for establishing a Social and Ethics Committee of the Council.
- The approval and implementation of a Conflict of Interests Policy.

The University subscribes to the philosophy of leadership, sustainability and corporate citizenship as set out in King III. King III requires an explanation of areas of non-compliance by business entities who declare that they comply with the principles. At 31 December 2013 the University did not comply with the following:

AREA	EXPLANATION
Statute of the University	Where the amended Statute, which complies with the Higher Education Act, does not meet the requirements of King III, compensating measures will be put in place for observing the purpose of the guidelines.
Integrated reporting	The University aims at issuing a fully integrated report for 2015, which complies with both King III and the Global Reporting Initiative Framework, by 30 June 2016.
Succession planning and talent management of Council members	Given that Council members are appointed by various interest groups based on specific expertise, talent management is not possible. Succession planning is done by the respective interest groups responsible for the appointment of their representatives in the Council.
Council committees	King III requires the various Council committees to review their regulations to perform a self-assessment annually. Taking into consideration that some of the committees by nature require only biannual meetings, which makes the annual review of these regulations impractical, the regulations are reviewed and adjusted as and when necessary.
Remuneration disclosure	Pending the amended Manual for Annual Reporting by Higher Education Institutions, which also prescribes disclosure of remuneration, King III requirements are currently not being met.
Training register for Audit and Risk Committee members	Given the expertise of the members and the positions they hold, additional training for Audit and Risk Committee members is not deemed necessary. Members will be required to confirm their continuous professional training and development on a regular basis.
Combined audit insurance framework and reporting	A combined audit insurance framework is being developed by the Audit and Risk Committee and will be finalised in 2014.
Policy on non-audit services	The policy will be finalised and formally approved during 2014.
Ensuring compliance with legislation	A project has been launched for reviewing existing processes aimed at ensuring compliance with legislation, formulating compliance policy and regulating implementation. This includes the reporting process for material non-compliance or transgression of legislation by the University. The responsibility for compliance is done on operational level in line with the embedded risk management model.

FINANCIAL AND CORPORATE MANAGEMENT

Effective, efficient and transparent financial management and internal control systems are used to ensure the accuracy of the University's accounting records and the integrity of the data used for the preparation of financial statements.

There are inherent limitations to the efficiency of any internal control system, including the possibility of human error and the circumvention or subversion of control

measures. Consequently even an efficient system of internal control can at best only provide reasonable assurance as far as financial information is concerned.

The internal and external auditors assess the effectiveness, efficiency and reliability of financial management and internal control systems. Weaknesses in the systems are brought to the attention of management and, where applicable, to the attention of the Audit and Risk Committee. Steps are taken diligently to rectify deficiencies

of control and offer the opportunity to improve the system as and when deficiencies are identified. The University also has a formal procedure in place for reporting anomalies or fraud.

The University functions in terms of a value system that is set out in its Strategic Framework and has been adopted by the University community. Financial management is based on a set of principles that was adopted by the Council on 19 May 2003. The University also has an Assurance and Promotion of Ethically Accountable Research Policy. This policy is applied by three ethics committees (one each for research in relation to human participants, the care and use of animals, and environmental and biosafety) to ensure that researchers act in accordance with laid-down ethical norms in every relationship with subjects and objects during their scientific research. The ethical norms set out in the policy already apply at the time of assessment of the purpose of the particular research and the formulation of the subject of research, and are also binding in respect of finance resources; clients; the community; the physical, biological and social environment; the safety of researchers and collaborators, and the personal responsibility of the researcher.

SUSTAINABILITY

The University has clearly stated its commitment to sustainability. It is entrenched in the University's core functions of learning and teaching, research and community interaction, as required by the Integrated Management of Sustainability Policy, adopted by the University Council in November 2010. In addition, within the Millennium Development Goals the University focuses on sustainability by setting as goal the promotion of a sustainable environment and a competitive industry. Sustainability is executed through various academic initiatives such as the Centre of Excellence for Invasion Biology; the Centre for Transdisciplinarity, Sustainability, Assessment, Modelling and Analysis (TsamHub); the Centre for Renewable and Sustainable Energy Studies and the Sustainability Institute. Various support service environments are also involved in sustainability actions, with especially Facilities Management and Information Technology making a large contribution to decrease the University's ecological footprint. In the interim various work groups, focusing on sustainability themes such as energy, water and landscaping, have also been established for finding practical solutions to the challenges that the University and its environment are facing.

COMMUNITY INTERACTION

Community interaction (CI) is recognised as a core function at Stellenbosch University and is deliberately integrated with the other core functions of learning and training, and research. The institutional infrastructure for CI at the University includes a CI policy; a Senate Committee in charge of CI matters; a central CI support service department; an electronic institutional data base of CI projects; 12 selected CI flagship projects supported centrally, a Rector's Award for CI Excellence and a Vice-Rector responsible for CI and Staff.

CI and teaching and learning are integrated in the form of service learning and other types of experiential learning. Currently there are more than 30 service learning modules spread over all 10 faculties of the University. CI is also

integrated with research in the form of community-based research, participating research methodologies, contract research and the targeting of specific social challenges. At the University knowledge is regarded, especially within the Institutional Intent and Strategy 2013–2018 framework, as a critical tool in the search for solutions to serious social problems. The knowledge model of the University is widened and deepened by this approach, and it enhances the social impact of the University. University residences and student associations support local community organisations by rendering voluntary service. On every day on the university calendar about 1 000 student volunteers are rendering a service at partner organisations of the University. In 2013 the staff volunteer programme of the University has continued to grow, with most departments involved forming longer-term partnerships with community organisations.

The University therefore is an institution that has built relationships with a large variety of partners at various levels in line with its mission, vision and values as well as its commitment to self-renewal. Knowledge partnerships form an integral part of networking with external parties. In this regard the University has memoranda of understanding with municipalities, government departments and civil movements. The University is also a member of the South African Higher Education Community Engagement Forum (SAHECEF) and the Talloires Network, an international association of socially responsible universities.

HUMAN RESOURCE MANAGEMENT

For the University the applicable management of human resources is a core and integral component of corporate governance. This requires ongoing cognisance, in a balanced and dialectical manner, of the requirements for the University in a quick-changing political, economic, social and demographic environment. Furthermore, it also includes the proactive, integrated and appropriate handling of these environmental stimuli by the University. As a leading employer the University inevitably focuses not only on minimum compliance with labour legislation, but rather the provision of an attractive and competitive value proposition for employees. During 2013 close attention was paid to these aspects. Staff wellbeing is being regarded as a priority at the University, and staff and other resources have been allocated to attend to this important matter and to develop this further during the year.

A further human resource priority is appropriate talent management to ensure that the University has the right staff to function successfully in a complex and fast-changing environment at all times, now and in the future. In this regard emphasis was placed on workforce and succession planning, coaching and mentoring, assessment centres and individualised career planning. At the same time optimising the University's performance management system is an ongoing focus, especially to make this accessible to and attractive for the workforce.

A great deal of attention was also given to the various policy frameworks for regulating the dynamic interaction of employees with the University. Naturally these policy frameworks are comprehensive, but are essential to ensure that the University has the necessary policies and procedures in place to offer both the employer and employee sufficient procedural and statutory protection.



These policies and procedures are accessible to both employer and employee and include access to an independent ombudsperson should staffmembers or students be of the opinion that they are being treated unfairly.

A further manifestation of the University's commitment to sound corporate governance, which is not only directed at compliance with labour laws, is the treatment of essential restructuring processes. As far as labour law is concerned, ongoing attention is given to the principles of correctness, necessity and equity as well as the transparent treatment of all affected staff, with the necessary participation of such staff and employee structures.

During 2013 line management received ongoing training to enable them to apply policies and procedures affecting staff appropriately and correctly in the respective university environments. This has been strengthened further by the development and successful implementation of assessment centres, enabling the University to offer focused development plans for key employees. Success has been achieved in this regard, evident from the ethical and procedurally correct manner in which line management handles complex staff matters.

The University endorses the principles of a participative and transparent management style. Three trade unions, namely the National Educational Health and Allied Workers Union (NEHAWU), Solidarity, and the South African Parastatal and Tertiary Institutions Union (SAPTU), are to a varying degree active at the University's campuses and enjoy organisational rights. Staff associations such as the Lecturers' Association, the Administrative Staff Association, the Technical Association and the Employees' Association together with the Women's Forum and the recognised trade unions are consulted on a wide variety of human resource matters. The staff associations are also represented in various decisionmaking structures such as the Healthcare Committee, the Board of Trustees of the US Retirement Fund and the Umbrella Employment Equity Forum. The mentioned trade unions and staff societies were also, to a varying degree, closely involved in a fundamental review of the University's performance-based remuneration policy, with improved external market competitiveness and increased internal parity as outcomes.

For the University employment equity is not negotiable, which is also evident from the supervisory structures established for this purpose. All employment equity matters are monitored by the Umbrella Employment Equity Forum. People with Disabilities and Sexual Harassment Policies have been implemented and great care is taken to ensure the balanced composition of all selection panels. Performance management with personal development plans and individual employment contracts are required for all permanent staff.

STUDENT PARTICIPATION

The participation of students in decisionmaking is important to the University, as also set out in the Strategic Framework.

At a macrolevel students have a seat in the highest formal structures of authority, such as the Students'

Representative Council (SRC) representation in the Council, the Senate and the Institutional Forum. Students are also members of the faculty boards, the Student Fees Committee, the Honorary Degrees Committee, the Community Interaction Committee and the selection committees for the appointment of the Rector and Vice-Rectors. Furthermore, students serve in various important working committees, such as the Bursaries and Loans Committee, the Central Disciplinary Committee, the Quality Committee, the Library Committee and the Student Accommodation Committee. Student representatives are appointed from the faculties to form the Academic Affairs Council (AAC), the Chairman and Vice-Chairman of which perform various representative functions in the area of the Vice-Rector (Learning and Teaching). They serve, among others, on the Academic Planning Committee and the Learning and Teaching Committee.

Various advisory forums – for instance for students with special learning needs or HIV/Aids or who are harassed or suffer from substance abuse – also avail themselves of students' skills and knowledge. The Welcoming and Monitoring Work Group, who manages the welcoming of newcomer students, consists of various student representatives and all but one of the monitors are from student ranks. The Stellenbosch University Advisory Forum for Student Support Services also includes student representatives.

The Student Councils of Stellenbosch, Tygerberg and the Military Academy assist with the leadership development of students. The Frederik van Zyl Slabbert Institute for Student Leadership Development at the Centre for Student Affairs presents leadership development opportunities for both positional leaders (also from residences and private student wards) and non-positional leaders. The constitution of the Societies Council makes provision for student societies, under the leadership of a member of the SRC, to play a more structured role in the development of a diverse and healthy student community.

The Chairpersons of the SRC and the AAC have bimonthly fixed meetings with the Vice-Rector (Learning and Teaching), in addition to ad hoc meetings arranged as and when required. Furthermore, the Executive Committee of the SRC has a monthly meeting with the Management Team of the Rector for discussing general management matters.

Compliance with corporate management principles is evaluated on a continuous basis. Meeting the requirements of King III is an ongoing process, with 30 June 2016 set as target date.





UNIVERSITY COUNCIL'S RESPONSIBILITY FOR FINANCIAL REPORTING

The University Council accepts responsibility for the integrity, objectivity and reliability of the consolidated annual financial statements of Stellenbosch University. The responsibility for the preparation and presentation of the annual financial statements has been delegated to management.

The Council is of the opinion that Stellenbosch University, including the subsidiaries, associate companies and trusts included in the consolidated annual financial statements, is operated as a going concern, and consequently the annual financial statements have been prepared on this basis.

It is the responsibility of the external auditor to express an independent opinion on the fair presentation of the consolidated annual financial statements, based on their audit. They had unrestricted access to all financial records and related data, including minutes of meetings of the Council and all Council committees.

The Audit and Risk Committee has confirmed that adequate internal financial control systems are maintained and that there were no material defects in the functioning of the internal financial control systems during the year.

The Council is satisfied that the consolidated annual financial statements fairly present the financial position, the results of operations, changes in funds and cash flows in line with the relevant accounting policies based on International Financial Reporting Standards (IFRS).

Between the year-end and the date of this report no material facts or circumstances have arisen that materially affect the financial position of Stellenbosch University.

The consolidated annual financial statements on pages 71 to 101 were approved by the Council and were signed by:

MR GM STEYN
CHAIRPERSON OF THE UNIVERSITY COUNCIL

PROF HR BOTMAN
RECTOR AND VICE-CHANCELLOR

PROF DP DU PLESSIS
CHAIRPERSON OF THE AUDIT AND RISK COMMITTEE

PROF LEOPOLDT VAN HUYSSTEEN
CHIEF OPERATING OFFICER

5 MAY 2014



INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF STELLENBOSCH UNIVERSITY

We have audited the consolidated financial statements of Stellenbosch University set out on pages 71 to 101, which comprise the consolidated statement of financial position as at 31 December 2013, and the consolidated income statement, statements of comprehensive income, changes in funds and cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Financial Statements

The Council of Stellenbosch University is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by

management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Stellenbosch University as at 31 December 2013, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Public Audit Act and the General Notice issued in terms thereof, we report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

We performed procedures to obtain evidence about the reliability of the information in Table 3 on the "Ministerial enrolment and effectiveness targets for 2013 and Stellenbosch University performance, 2011-2013" as set out on page 16 of the annual report.

The reported performance against predetermined objectives was evaluated against the overall criterion of



reliability. The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts.

There were no material findings on Table 3 concerning the reliability of the information.

Compliance with laws and regulations

We performed procedures to obtain evidence that Stellenbosch University has complied with applicable laws and regulations regarding financial matters, financial management and other related matters.

We did not identify any instances of material non-compliance with specific matters in the Higher Education Act of South Africa.

Internal control

We considered internal control relevant to our audit of the financial statements, the information in Table 3 and compliance with laws and regulations.

We did not identify any deficiencies in internal control that we considered sufficiently significant for inclusion in this report.

OTHER REPORTS

Agreed-upon procedures engagements

45 Agreed-upon procedures engagements reports have been issued during the year under review, covering periods ranging from 1 January 2012 to 31 March 2014. Three reports were in progress at the date of signing this report covering periods ranging from 1 January 2005 to 31 December 2013.

Donor funding

7 Donor funding reports have been issued during the year under review, covering periods ranging from 16 June 2010 to 31 December 2013. One report was in progress at the date of signing this report covering the period 1 January 2013 to 31 December 2013.

Investigations

An investigation was conducted by an independent consulting firm on request of Stellenbosch University. The investigation was initiated based on the allegation of possible irregularities committed by employees in the student fees department. The investigation was still ongoing at the reporting date.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: D Adriaans
Registered Auditor
Stellenbosch
24 June 2014





ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated annual financial statements are set out below. The policies are applied consistently for all periods covered by these consolidated annual financial statements.

1. BASIS OF PREPARATION

The consolidated annual financial statements of Stellenbosch University are prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated annual financial statements are prepared on the historical cost basis, as amended by the revaluation of investments available for sale, endowments and investment properties.

In the preparation of these consolidated annual financial statements in accordance with IFRS a number of critical accounting estimates are relied upon. Application of the University's accounting policies is at management's discretion. Areas requiring greater discretion, and areas involving significant assumptions and estimates, are discussed in note 1 to the consolidated annual financial statements.

Standards, interpretations and amendments to published standards applied for the first time during the year

Certain new standards, amendments and interpretations relating to existing standards that have become compulsory for the financial year starting on 1 January 2013 and that the University has applied for the first time have been published. The amendments to and interpretations of the standards are as follows:

IFRS 1 (Amendment)	– First-time Adoption of International Financial Reporting Standards (effective from 1 January 2013)
IFRS 7 (Amendment)	– Disclosures – Offsetting Financial Assets and Financial Liabilities (effective from 1 January 2013)
IFRS 10	– Consolidated Financial Statements (effective from 1 January 2013)
IFRS 11	– Joint Arrangements (effective from 1 January 2013)
IFRS 12	– Disclosures of Interests in Other Entities (effective from 1 January 2013)
IFRS 13	– Fair-value Measurement (effective from 1 January 2013)
IAS 1 (Amendment)	– Presentation of Items of Other Comprehensive Income (effective from 1 July 2012)
IAS 19 (Amendment)	– Employee Benefits (effective from 1 January 2013)
IAS 27 (Amendment)	– Separate Financial Statements (effective from 1 January 2013)
IAS 28 (Amendment)	– Investments in Associates and Joint Ventures (effective from 1 January 2013)
IFRIC 20	– Stripping Costs in the Production Phase of a Surface Mine (effective from 1 January 2013)
2011 IFRS	– Improvements to IFRS's 2011 (effective from 1 January 2013)

Improvement project amendments to standards not yet effective

The International Accounting Standards Board (IASB) runs an annual improvement project for making adjustments that are not urgently required to published standards. Some of these adjustments result in adjustments to other standards. The amendments to the following standards were applied since 1 January 2013:

IFRS 1 (Amendment)	– First-time Adoption of International Financial Reporting Standards (effective from 1 January 2013)
IAS 1 (Amendment)	– Presentation of Financial Statements (effective from 1 January 2013)
IAS 16 (Amendment)	– Property, plant and equipment (effective from 1 January 2013)
IAS 32 (Amendment)	– Financial instruments: Presentation (effective from 1 January 2013)
IAS 34 (Amendment)	– Interim financial reporting (effective from 1 January 2013)

Standards, interpretations and amendments to published standards not yet effective

Certain new standards, amendments and interpretations relating to existing standards that have become compulsory for accounting periods commencing on or after 1 January 2014 and that the University has not yet applied have been published. The University will apply these amendments in the applicable period, if relevant. The amendments to and interpretations of the standards are as follows:

IFRS 9	– Financial Instruments (2009) (effective from 1 January 2015)
IFRS 9	– Financial Instruments (2010) (effective from 1 January 2015)
IFRS 9 (Amendment)	– Financial Instruments (2011) (effective from 1 January 2015)
IAS 32 (Amendment)	– Financial Instruments: Presentation (effective from 1 January 2014)
IAS 39 (Amendment)	– Novation of derivatives (effective from 1 January 2014)
IAS 36 (Amendment)	– Impairment of assets (effective from 1 January 2014)
IFRS 10, IFRS 12 en IAS 27 (Amendment)	– Consolidated financial statements and Investment entities (effective from 1 January 2014)
IFRIC 21	– Accounting for levies (effective from 1 January 2014)

Management is of the opinion that amendments to the above standards, amendments and interpretations will not have a material impact on the consolidated annual financial statements of the University in the following year.

2. BASIS OF CONSOLIDATION

Subsidiaries

All entities in which the University, directly or indirectly, has an interest of more than half of the voting rights, or otherwise is able to exercise control over activities, are included in the consolidated annual financial statements. The purchase method is used to bring the acquisition of subsidiaries to book. The cost of an acquisition is measured as the fair value of assets transferred and liabilities assumed at the date of the transaction, including any transaction costs. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value.

The surplus of the cost of acquisition over the fair value of the group's share of identifiable net assets is accounted for as goodwill. The results of subsidiaries acquired during the year are included from the date on which effective control has been obtained. Subsidiaries are deconsolidated from the date on which effective control ends.

Intergroup transactions, balances and unrealised profits on transactions between the University and its subsidiaries are eliminated. Unrealised losses are also eliminated and are treated as a potential indicator of impairment of the underlying asset. The accounting policies of subsidiaries are adjusted during consolidation, where necessary.

Associate companies

An associate company is a company, other than a subsidiary, in which the University holds an investment and on which it can have a significant influence due to the nature and size of its investment. The results of associates have been accounted for by using the equity method. The equity method involves the recognition of the interest of the University and its subsidiaries in the postacquisition profits and losses of associate companies in the consolidated income statement and the postacquisition movements in reserves in the consolidated statement of comprehensive income.

The cumulative postacquisition movements are adjusted against the carrying amount of the investment in the associate company. The recognition of the share of the University and its subsidiaries in losses of associate companies is limited to the interest in the associate company. Additional losses are only recognised to the extent that the University and its subsidiaries have guaranteed the debt of the associate company.

Intergroup transactions, balances and unrealised profits on transactions between the University and its associate companies are eliminated to the extent of the University's interest in the associate companies. Unrealised losses are also eliminated and are treated as a potential indicator of impairment of the underlying asset. The accounting policies of associate companies are adjusted, where necessary, in applying the equity method.

3. FOREIGN EXCHANGE

Functional and presentational currency

Items included in the consolidated annual financial statements are measured by using the currency of the primary economic environment in which the University operates (the functional currency). The consolidated annual financial statements are presented in South African rand, the functional and presentational currency of the University.

Transactions and balances

Foreign exchange transactions are accounted for at the exchange rate ruling on the date of the transaction. Profits and losses arising from the settlement of such transactions and the conversion of monetary assets and liabilities denominated in foreign currency are recognised in the consolidated income statement. These balances are converted at exchange rates ruling at year-end.



4. PROPERTY, BOOKS AND EQUIPMENT

Land and buildings mainly consist of stands, lecture halls, laboratories, residences and administrative buildings. Land and buildings are shown at historical cost less accumulated depreciation, excluding donations of land and buildings valued at fair value by sworn valuers at the date of donation. The University has applied the IFRS 1 exemption in terms of which the fair market value of buildings at the date of conversion (1 January 2004) is the deemed cost.

Historical cost includes direct costs associated with the acquisition of the item. Postacquisition costs are added to the original cost, or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the University and the cost can be measured reliably. All other repair and maintenance costs are recognised in the income statement in the period in which they are incurred.

Books and equipment are shown at cost, excluding donations of books and equipment that are valued at fair value by sworn valuers at date of donation.

Government allocations received for infrastructure are recognised by subtracting the grant from the value of the asset.

Land is not depreciated, as it has an unlimited useful life. Other assets are depreciated by using the straight-line method to write off cost or revalued amounts to residual values over their useful life.

Residuals and depreciation rates are as follows:

	Residual 2013 %	Depreciation 2013 %	Residual 2012 %	Depreciation 2012 %
Land	100	–	100	–
Buildings	–	1,3–20,0	–	1,3–20,0
Computer equipment	–	33,3	–	33,3
Other	0–40	5–25	0–40	5–25
Library books	–	100	–	100

The useful life of property, books and equipment is reviewed annually and, if necessary, adjusted.

If the carrying value of an asset is significantly in excess of its realisable value, it is written down to the realisable value.

Profits and losses on the sale of assets are recognised in the consolidated income statement and represent the difference between the proceeds and the carrying amount at the date of sale.

5. INTANGIBLE ASSETS

Purchased computer software licences are capitalised at the cost incurred to obtain and use the specific software. This cost is amortised over the expected useful life of the software. The expected useful life of software falling into this category at year-end is 10 years. Postacquisition costs incurred in the maintenance of computer software are recognised as expenditure in the period in which incurred. Intangible assets include only computer software licences.

6. FINANCIAL INSTRUMENTS

Financial instruments include cash and cash equivalents, investments, loans and receivables, trade and other payables, borrowings and short-term debt instruments. Financial instruments are initially recognised at fair value, including transaction costs. Conventional buying and selling of financial assets are recognised at date of trade.

The University classifies its financial assets in the following categories: loans and receivables; investments available for sale; and financial instruments carried at fair value, with adjustments in the income statement through profit and loss. The classification is determined by the purpose for which

the asset has been acquired. Management determines the classification at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial instruments with fixed or determinable repayments not quoted in an active market. Loans and receivables are initially measured at fair value. Where amounts are only payable 12 months from year-end, they are included in non-current assets, otherwise in current assets.

Loans and receivables are shown at amortised cost by using the effective-interest-rate method and after provision for impairment of the outstanding amount. A provision for impairment is raised in the event of objective evidence that outstanding amounts will not be collected in accordance with the original terms. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the current value of the expected cash flows, discounted at the effective interest rate.

Significant financial difficulty and failure to pay outstanding debt are deemed indicators of impairment. The carrying amount of the asset is decreased by raising a provision. The amount of the impairment is recognised in the consolidated income statement as operating expenditure. When the debt or loan becomes irrecoverable, it is written off against the provision. Subsequent recoveries of any amounts previously written off are credited to the consolidated income statement against operating expenditure.

Trade and other receivables, excluding forward foreign exchange contract assets, are classified as loans and receivables.

Cash and cash equivalents, classified as loans and receivables, consist of cash on hand, call deposits, investments in money market instruments and bank overdrafts.

Investments available for sale

Investments are classified as 'available for sale' and are shown at fair value by using relevant valuation methods. Investments are included in non-current assets, unless the University intends to dispose of the investment within 12 months from year-end. Purchases and sales of investments are recognised at the date of trade, ie the date on which the University commits itself to the purchase and sale. Changes in fair values are shown in the statement of comprehensive income. The difference between the net sale proceeds and the cost of the investment is transferred from the fair-value reserve to the consolidated income statement on disposal.

Investments are derecognised when the right to cash flow expires or is transferred or the University has transferred the significant associated risks and benefits of ownership.

A distinction is made between changes in value resulting from exchange rate changes and fair-value changes in instruments denominated in foreign currency and classified as 'available for sale'. Exchange rate gains and losses are recognised in the consolidated income statement. Movements in the fair values of these investments are recognised in the statement of comprehensive income.

The fair values of listed investments are based on current market prices. The University determines the value of unlisted investments and investments in respect of which there is no active market by using relevant valuation techniques.

The University determines at each year-end whether a financial asset has been impaired, provided objective evidence can be provided. A significant decline in the fair value of the investment below its cost over a period is indicative of impairment. If there is such evidence for investments available for sale, the cumulative loss is transferred from the fair-value reserve to the consolidated income statement.

The cumulative loss is calculated as the difference between the acquisition cost and the current fair value net of any impairments recognised in previous periods. Impairment losses recognised in the consolidated income statement are not reversed on later recovery.

Derivative instruments

Derivative instruments, including forward foreign exchange contracts, are classified as 'at fair value with adjustments through the income statement'. These instruments are recognised at fair value at the date the derivative contract has been entered into. In subsequent periods it is revalued at fair value. Profits and losses on derivative instruments are recognised in the consolidated income statement.

Trade and other payables and short-term debt instruments

Trade and other payables, excluding forward foreign exchange contract liabilities, are initially recorded at fair

value. Thereafter they are shown at amortised cost by using the effective-interest-rate method.

Interest-bearing borrowings

Borrowings are initially recognised at fair value, taking into account any transaction costs incurred. After initial recognition borrowings are carried at amortised cost. Differences between the initially recognised amount and the redemption amount are recognised in the consolidated income statement over the term of the borrowings by using the effective-interest-rate method. Borrowings are shown as current liabilities, except where the University has an unconditional right to defer payment for at least 12 months after year-end, in which case these are shown as non-current liabilities.

7. RESEARCH AND DEVELOPMENT COSTS

Research and development costs are recognised as expenditure in the year in which incurred, since both are inherent in the normal operations of a university.

8. DONATIONS

Donations are recognised at fair value at the date of the donation, based on external valuations.

9. INVENTORIES

Inventories, mainly comprising consumer goods and stationery, are shown at the lower of cost, on the basis of average cost, or net realisable value.

Cost excludes finance charges. Net realisable value is the estimated selling price in the normal course of business, less selling costs.

10. IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets with an indefinite useful life are not depreciated or amortised and are subject to annual testing for impairment. Assets subject to depreciation or amortisation are tested for potential impairment if an event or change in circumstances indicates that the carrying amount of the asset may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value of an asset, less any selling costs, or its value in use. In the test for impairment assets are grouped at the lowest level for which there is a separate identifiable cash flow (cash-generating units). Non-financial assets previously impaired are reviewed at every year-end for potential reversal of previously recognised impairments.

11. REVENUE RECOGNITION

Income is recognised at the fair value of the amounts or goods received.

Student and accommodation fees are recognised as and when the service is provided.

Central government grants are recognised in the period for which they are received. Government grants are recognised where there is reasonable certainty that the grant will be received and that the University will meet all the associated conditions. Government grants received for infrastructure are included in liabilities as deferred government grants and are credited to the asset when the asset becomes available for use, resulting in a decrease in the depreciation recognised in



the consolidated income statement over the expected lives of related assets.

Research grants are recognised over the term of the research and based on the terms of the individual contracts.

Interest income is recognised on a time apportionment basis by using the effective-interest-rate method. On impairment of a debtor the University reduces the carrying amount to the recoverable amount. The recoverable amount represents the future cash flow, discounted at the original effective interest rate. This discount is recognised as interest over time. Interest income on loans in respect of which an impairment has been recognised is recognised at the original effective interest rate.

Interdepartmental income is eliminated.

Other income earned by the University is recognised on the following bases:

- Dividend income – when the shareholder's rights to receive a dividend vest, ie on the last day for registration in respect of listed shares, and when declared in the case of unlisted shares.
- Rental income – receipts in respect of operating leases are recognised in the consolidated income statement on a straight-line basis over the period of the lease.
- Accidental sales and services – are recognised in the period in which they accrue.

12. LEASES

If the lessor retains the significant risks and benefits associated with ownership of a leased item, the item is classified as an operating lease. Payments in respect of operating leases are recognised in the consolidated income statement on a straight-line basis over the period of the lease.

13. INVESTMENT PROPERTIES

Investment properties are held to generate rental income and to achieve capital growth. Owner-occupied properties are held for administrative, tuition and research purposes. Differences in use distinguish owner-occupied properties from investment properties.

Investment properties are deemed long-term investments and are carried at fair value determined annually by external sworn valuers. Investment properties are not depreciated. Any change in value is recognised directly in the consolidated income statement.

Owner-occupied properties are recognised and measured in accordance with the accounting policy for property, books and equipment.

14. PROVISIONS

Provisions are recognised when the University has a current statutory or constructive liability as a result of a past binding occurrence that will probably lead to an outflow of resources in the form of economic benefits to meet the liability, and a reasonable estimate of the amount of the liability can be made. Provisions are measured at the current value of the expected future expenditure to meet the liability, discounted at the market-related rate for

similar provisions. Changes in the value of provisions due to passage of time are recognised as interest.

15. STAFF BENEFITS

Postretirement medical benefits and group life insurance scheme

Retired employees receive postretirement medical benefits. Access to this benefit is restricted to employees appointed prior to 1 June 2002. All employees are required to participate in the group life insurance scheme. The expected costs of these benefits are recognised over the period of employment. The liability in respect of postretirement medical benefits is the present value of the liability at year-end less the fair value of plan assets and any adjustments for actuarial profits or losses and past-service costs. The liability is calculated actuarially by independent actuaries at least once every three years. Actuarial profits and losses are recognised immediately in the consolidated statement of comprehensive income.

Pension liabilities

Contributions are made monthly to the US Retirement Fund, a defined-contribution plan for permanent employees of the University. A defined-contribution plan is a pension plan in terms of which the University makes fixed contributions to an external fund.

Long-service benefits

After 25 years' service employees qualify for a gratuity valued at 50% of the employee's monthly salary (with a minimum value of R400 and a maximum value of R5 000). The University recognises a liability and the concomitant expenditure as and when the liability accrues.

16. DEFERRED TAXATION

Deferred tax is provided by using the liability method. Deferred tax represents the tax effect of temporary differences between the tax bases of assets and of liabilities and their carrying values for financial reporting purposes. Current tax rates are used to determine deferred tax. Deferred tax assets are only recognised to the extent of their recoverability. Deferred tax is not provided if it arises from the initial recognition of assets and liabilities from transactions other than business combinations and at the date of the transaction does not impact accounting profits or losses or taxable income or determined losses.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2013

	Notes R000	2013 R000	2012 Restated R000	2011 Restated R000
ASSETS				
NON-CURRENT ASSETS		10 468 518	8 918 383	7 294 475
Property, books and equipment	4	4 151 352	3 742 538	3 574 331
Intangible assets	5	406	1 797	3 189
Long-term investments	6	6 066 554	4 930 234	3 491 862
Investment properties	7	69 960	66 270	57 380
Investment in associate companies	8	13 783	10 308	9 742
Long-term portion of trade and other receivables	9	166 463	157 824	150 179
Operating lease asset	12	–	9 413	7 792
CURRENT ASSETS		508 849	526 190	1 340 961
Inventory	11	3 131	2 567	2 638
Trade and other receivables	9	190 828	222 541	223 453
Cash and cash equivalents	25	314 891	301 082	1 114 870
TOTAL ASSETS		10 977 367	9 444 574	8 635 436
FUNDS AND LIABILITIES				
FUNDS AVAILABLE		9 638 502	8 344 369	7 710 843
Unrestricted funds	2	428 215	525 540	538 930
Restricted funds	2	4 984 974	4 351 490	4 150 836
Fair-value reserve	2	1 686 039	928 372	481 897
Property revaluation reserve	2	7 099 228	5 805 403	5 171 663
Non-controlling interests	2	2 538 731	2 538 731	2 538 731
	2	544	235	449
NON-CURRENT LIABILITIES		581 427	577 362	510 594
Interest-bearing borrowings	3	85 671	93 030	99 413
Staff benefits	27	495 756	484 332	411 181
CURRENT LIABILITIES		757 438	522 843	414 000
Trade and other payables	13	739 387	509 754	396 947
Deferred tax	10	680	592	324
Short-term portion of interest-bearing borrowings	3	6 769	5 123	10 457
Short-term portion of operating lease liability	12	10 602	5 223	4 061
Short-term debt instruments		–	2 152	2 210
TOTAL FUNDS AND LIABILITIES		10 977 367	9 444 574	8 635 436



CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Educational and general Unrestricted R000	Educational and general Restricted R000	Educational and general Total R000	Student and staff accommodation Restricted R000	2013 Total R000	2012 Total Restated R000	2011 Total Restated R000
TOTAL INCOME		1 947 324	1 824 113	3 771 437	292 647	4 064 084	3 544 483	3 420 890
RECURRING ITEMS								
Government grants	31	1 018 519	336 836	1 355 355	–	1 355 355	1 202 469	1 223 739
Student, accommodation and other fees		559 794	138 728	698 521	287 572	986 093	862 859	785 715
Private donations, allocations and contracts		86 371	1 003 852	1 090 223	–	1 090 223	1 056 811	990 739
Sales of services and products		180	78 602	78 782	–	78 782	67 631	67 019
Subtotal		1 664 863	1 558 018	3 222 881	287 572	3 510 453	3 189 771	3 067 212
Interest and dividends earned	19	89 359	142 665	232 024	5 075	237 099	214 129	196 319
Profit on disposal of property, books and equipment		109	3 709	3 819	–	3 819	4 345	4 257
Realised profit on disposal of investments	20	191 773	111 650	303 423	–	303 423	131 950	136 297
Equity profit in associate companies	8	–	3 372	3 372	–	3 372	567	3 865
Foreign exchange gain		1 219	4 699	5 919	–	5 919	3 720	12 940
		1 947 324	1 824 113	3 771 437	292 647	4 064 084	3 544 483	3 420 890
TOTAL EXPENDITURE		1 451 033	1 868 441	3 319 474	216 196	3 535 670	3 301 539	2 877 251
RECURRING ITEMS								
Staff costs	15, 31	1 026 759	554 653	1 581 412	20 480	1 601 892	1 455 081	1 301 635
Academic professional		542 783	178 454	721 237	–	721 237	650 893	579 643
Other		483 976	376 199	860 175	20 480	880 655	804 188	721 993
Other operating expenditure	17	355 581	1 149 515	1 505 095	194 180	1 699 275	1 622 338	1 383 109
Depreciation and amortisation	17	68 693	151 734	220 428	1 537	221 964	199 978	178 937
Subtotal		1 451 033	1 855 902	3 306 935	216 196	3 523 132	3 277 398	2 863 681
Loss on disposal of property, books and equipment		–	–	–	–	–	244	237
Loss on derecognition of subsidiary		–	–	–	–	–	10 225	–
Finance charges		–	12 538	12 538	–	12 538	13 673	13 333
		1 451 033	1 868 441	3 319 474	216 196	3 535 670	3 301 540	2 877 251
APPORTIONMENT TO/ (FROM) RESERVES		–	32 355	32 355	(32 355)	–	–	–
TRANSFER (FROM)/TO RESERVES		(283 661)	327 757	44 096	(44 096)	–	–	–
		(283 661)	360 112	76 451	(76 451)	–	–	–
SURPLUS FOR THE YEAR		212 629	315 785	528 414	–	528 414	242 943	543 640
Attributable to holder		212 629	315 476	528 105	–	528 106	243 157	543 385
Attributable to non-controlling interests		–	309	309	–	309	(214)	255
SURPLUS FOR THE YEAR		212 629	315 785	528 414	–	528 414	242 943	543 640



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	Educational and general	Student and staff accommodation	Subsidiary companies	Loan funds	Endowment funds	Fixed-asset funds	Non-controlling interests	Total
	R000	R000	R000	R000	R000	R000	R000	R000
31 DECEMBER 2011								
Surplus for the year	543 385	-	-	-	-	-	255	543 640
Other comprehensive income								
Fair-value reserve								
- Realisation to income statement	(34 401)	(2 586)	-	-	(92 201)	(7 109)	-	(136 297)
- Adjustment for the year	67 574	4 908	(646)	-	90 197	14 590	-	176 622
Actuarial loss for the year	(30 047)	-	-	-	-	-	-	(30 047)
Apportionment (from)/to reserves	(549 342)	21 627	1 854	2 073	214 123	309 664	-	-
Transfers to/(from) reserves	56 726	(15 160)	-	9 257	(35 899)	(14 925)	-	-
TOTAL COMPREHENSIVE INCOME	53 895	8 789	1 208	11 330	176 220	302 220	255	553 918
31 DECEMBER 2012								
Surplus for the year	243 157	-	-	-	-	-	(214)	242 943
Other comprehensive income								
Fair-value reserve								
- Realisation to income statement	(36 394)	(2 515)	-	-	(86 127)	(6 914)	-	(131 950)
- Adjustment for the year	170 672	11 057	489	-	365 809	30 400	-	578 426
Actuarial loss for the year	(55 892)	-	-	-	-	-	-	(55 892)
Apportionment (from)/to reserves	(201 057)	40 726	913	(3 687)	131 939	31 165	-	-
Transfers (from)/to reserves	(131 953)	(26 143)	-	17 090	(35 347)	176 353	-	-
TOTAL COMPREHENSIVE INCOME	(11 467)	23 125	1 402	13 403	376 274	231 004	(214)	633 527
31 DECEMBER 2013								
Surplus for the year	528 106	-	-	-	-	-	309	528 414
Other comprehensive income								
Fair-value reserve								
- Realisation to income statement	(80 962)	(5 681)	-	-	(201 054)	(15 726)	-	(303 423)
- Adjustment for the year	274 928	19 563	(484)	-	712 595	54 488	-	1 061 090
Actuarial loss for the year	8 052	-	-	-	-	-	-	8 052
Apportionment (from)/to reserves	(318 730)	45 548	1 650	(22 924)	162 628	131 828	-	-
Transfers (from)/to reserves	(67 485)	(32 355)	-	22 538	(32 338)	109 640	-	-
TOTAL COMPREHENSIVE INCOME	343 909	27 075	1 166	(386)	641 830	280 230	309	1 294 133



CONSOLIDATED STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2013

	Educational and general R000	Student and staff accommodation R000	Subsidiary companies R000	Loan funds R000	Endowment funds R000	Fixed-asset funds R000	Non-controlling interests R000	Total R000
BALANCE AT 1 JANUARY 2011								
As previously shown	2 201 420	65 496	383	217 119	1 483 992	3 258 101	194	7 226 705
Adjustment for government grant for infrastructure	(69 781)	–	–	–	–	–	–	(69 781)
Restated balance at 1 January 2011	2 131 639	65 496	383	217 119	1 483 992	3 258 101	194	7 156 924
Surplus for the year	543 385	–	–	–	–	–	255	543 640
Other comprehensive income for the year	(489 490)	8 789	1 208	11 330	176 220	302 220	–	10 277
BALANCE AT 31 DECEMBER 2011	2 185 534	74 286	1 592	228 449	1 660 212	3 560 320	449	7 710 843
BALANCE AT 1 JANUARY 2012	2 185 534	74 286	1 592	228 449	1 660 212	3 560 320	449	7 710 843
Surplus for the year	243 157	–	–	–	–	–	(214)	242 943
Other comprehensive income for the year	(254 624)	23 125	1 402	13 403	376 274	231 004	–	390 584
BALANCE AT 31 DECEMBER 2012	2 174 067	97 411	2 994	241 852	2 036 486	3 791 324	235	8 344 369
BALANCE AT 1 JANUARY 2013	2 174 067	97 411	2 994	241 852	2 036 486	3 791 324	235	8 344 369
Surplus for the year	528 106	–	–	–	–	–	309	528 414
Other comprehensive income for the year	(184 197)	27 075	1 166	(386)	641 830	280 230	–	765 719
BALANCE AT 31 DECEMBER 2013	2 517 977	124 486	4 160	241 466	2 678 316	4 071 554	544	9 638 502



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 R000	2012 R000 Restated	2011 R000 Restated
CASH FLOW FROM OPERATING ACTIVITIES				
Cash received from government grants		1 460 741	1 299 569	1 248 939
Cash received from student, accommodation and other fees		1 023 591	857 625	755 828
Cash received from private donations, allocations and contracts		1 046 147	1 056 811	990 739
Cash received from sale of services and products		81 551	85 141	5 562
Cash paid for staff costs		(1 518 353)	(1 455 742)	(1 269 190)
Cash paid for inventories and services		(1 609 426)	(1 567 095)	(1 335 282)
Cash generated by activities	24	484 250	276 310	396 597
Plus: Interest received	21	168 426	123 561	147 026
Dividends received	22	81 599	70 181	50 935
Less: Interest paid	23	(12 707)	(14 066)	(13 491)
Net cash inflow from operating activities		721 568	455 985	581 068
CASH FLOW FROM INVESTMENT ACTIVITIES		(702 046)	(1 258 056)	(535 040)
Addition to investments		(358 014)	(989 155)	(240 710)
Realised surpluses on investments		304 730	129 207	144 797
Addition to property, books and equipment		(660 682)	(417 807)	(458 339)
Proceeds from disposal of property, books and equipment		11 920	19 699	19 212
CASH FLOW FROM FINANCE ACTIVITIES				
Decrease in interest-bearing borrowings		(5 713)	(11 717)	(3 693)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		13 809	(813 788)	42 335
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		301 082	1 114 870	1 072 535
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	25	314 891	301 082	1 114 870



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The estimates and judgements made by Management are evaluated continuously and are based on past experience and other factors, which include future expectations and are deemed reasonable under the given circumstances.

Management makes estimates and assumptions about the future. Consequently the accounting estimates used in the consolidated annual financial statements will not necessarily be in line with the actual outcome in subsequent periods. The estimates and assumptions below may have a material effect on the carrying amount of assets and liabilities.

Staff benefits

A number of assumptions are made in the provision for staff benefits. Refer to note 27 for the assumptions.

The main assumption is a healthcare inflation rate of 8,3% (2012: 8,2%). The effect of a 1% change in healthcare inflation on the 2013 consolidated annual financial statements will be as follows:

Increase of 1%

- 11,2% (2012: 11,3%) increase in past-service liabilities
- 12,5% (2012: 12,5%) increase in service and interest costs (contractual liability only)

Decrease of 1%

- 9,5 % (2012: 9,4%) decrease in past-service liabilities
- 10,5% (2012: 10,3%) decrease in service and interest costs (contractual liability only)

The University's policy on retirement age states that employees retire at 60 years of age. After age 60 employment may be extended to a maximum age of 65, based on uninterrupted satisfactory performance. For computation purposes the normal and expected retirement age is therefore deemed 65 years.

Impairment of outstanding student fees and loans

The annual provision for the impairment of student loans is based on the assumption that students can obtain loans in the market at prime (2012: prime less 2%) on average. This assumption is based on enquiries made at various financial institutions. Provision for impairment of outstanding student fees is based on historical trends.

Impairment of investments

The University determines the significance of a fair-value decrease to below market value by taking the volatility of the specific instrument into account. A decrease to below the market value for longer than 12 months is deemed significant.

Useful life and residual value of property, books and equipment

Land is deemed to have an indefinite useful life. Consequently land is not depreciated. The useful life of other assets is estimated in terms of past experience and the features of the specific items.

The residual value of assets other than land are estimated in terms of past experience and the features of the specific items.

Market value of buildings

Two methods are applied in determining the market value of buildings. The first is the directly comparable method, in terms of which value is determined with reference to the actual selling price of comparable property. The second is to base an evaluation on the potential rental income, taking into account the unique nature of the properties of the University and occupation rates.

The revaluation of buildings at 1 January 2004 in terms of IFRS 1, First-time adoption of International Financial Reporting Standards, is based on the following key assumptions:

- The buildings will be placed on and traded in the market under normal market conditions.
- All the properties of Stellenbosch University will not be placed on the open market at the same time.
- Where there are title restrictions registered against properties that restrict or prohibit their sale, such title restrictions will be removed, where possible, by means of the Removal of Restrictions Act, no. 84 of 1967, before the properties are placed on the market.

Leave provision

Employees are entitled to take their annual leave within 12 months (2012: 12 months) following the end of the relevant leave year. In addition, employees appointed before 1 January 2008 are entitled to accumulate a number of days, based on their post level, or to have those days paid out. The balance expires after 12 months (2012: 12 months). In the case of employees appointed after 1 January 2008 annual leave not taken expires after 12 months (2012: 12 months). The leave provision of employees older than 60 years, however, is restricted to the leave entitlement applicable to their post level at the age of 60. No leave may be accumulated post the age of 60. Historical trends in the number of days that has expired are used in calculating the leave provision.

2. FUND BALANCES

The accumulated balances at 31 December are as follows:

	Restricted	Unrestricted	Property revaluation reserve	Fair-value reserve	Non-controlling interests	Total
	R000	R000	R000	R000	R000	R000
2013						
Educational and general	2 043 165	25 110	–	449 702	–	2 517 976
Student and staff accommodation	92 932	–	–	31 554	–	124 486
Subsidiary companies	3 475	–	–	685	–	4 160
Loan funds	241 466	–	–	–	–	241 466
Endowment funds	1 158 461	403 105	–	1 116 750	–	2 678 316
Fixed-asset funds	1 445 475	–	2 538 731	87 348	–	4 071 554
Non-controlling interests	–	–	–	–	544	544
	4 984 974	428 215	2 538 731	1 686 039	544	9 638 502
2012						
Educational and general	1 874 913	43 419	–	255 735	–	2 174 067
Student and staff accommodation	79 739	–	–	17 673	–	97 411
Subsidiary companies	1 825	–	–	1 169	–	2 994
Loan funds	241 852	–	–	–	–	241 852
Endowment funds	949 155	482 121	–	605 210	–	2 036 486
Fixed-asset funds	1 204 007	–	2 538 731	48 586	–	3 791 324
Non-controlling interests	–	–	–	–	235	235
	4 351 490	525 540	2 538 731	928 372	235	8 344 369
2011						
Educational and general	1 971 399	92 679	–	121 457	–	2 185 535
Student and staff accommodation	65 155	–	–	9 131	–	74 286
Subsidiary companies	912	–	–	680	–	1 592
Loan funds	228 449	–	–	–	–	228 449
Endowment funds	888 432	446 252	–	325 529	–	1 660 212
Fixed-asset funds	996 489	–	2 538 731	25 100	–	3 560 321
Non-controlling interests	–	–	–	–	449	449
	4 150 836	538 930	2 538 731	481 897	449	7 710 843

Restricted and unrestricted funds available are shown at book value in the statement of financial position. The market value of available funds, should the fair-value reserve be apportioned, is as follows:

	2013 R000	2012 R000	2011 R000
Restricted funds	5 856 418	4 773 279	4 304 321
Unrestricted funds	1 242 810	1 032 124	867 342
Earmarked reserves	836 402	515 166	495 400
Unearmarked reserves	406 408	516 958	371 942
Funds available at market value	7 099 228	5 805 403	5 171 663



3. INTEREST-BEARING BORROWINGS

	2013 R000	2012 R000
One government loan at a fixed interest rate repayable in equal biannual payments ending 2018	508	596
Various loans from insurance companies at varying interest rates and terms repayable in biannual payments	–	33
Various loans from other financial institutions at varying interest rates and terms repayable in biannual payments	53 178	56 381
Bank facility for financing the University's various motor vehicle schemes	38 754	41 143
	92 440	98 153
Less: Portion repayable within one year	(6 769)	(5 123)
	85 671	93 030
The maturity dates of interest-bearing borrowings are as follows:		
Within one year	–	33
Between two and five years	51 625	57 678
After five years	40 815	40 442
	92 440	98 153

The average interest rate on borrowings amounts to 8,8% (2012: 8,8%) at year-end.

Included in interest-bearing borrowings are motor vehicle loans of R2,0 million (2012: R4,6 million), for which motor vehicles are encumbered (refer to note 4). Motor vehicle loans owing by employees are included in trade and other receivables (refer to note 9). All the borrowings, excluding the motor vehicle schemes, have fixed interest rates. Motor vehicle scheme rates are linked to prime.

4. PROPERTY, BOOKS AND EQUIPMENT

	Cost R000	2013 Accumulated depreciation R000	Net carrying value R000	Cost R000	2012 Accumulated depreciation R000	Net carrying value R000	Cost R000	2011 Accumulated depreciation R000	Net carrying value R000
Land	15 679	–	15 679	15 679	–	15 679	15 679	–	15 679
Buildings	4 289 696	651 549	3 638 148	3 863 587	580 805	3 282 782	3 672 013	513 828	3 158 185
Computer equipment	313 753	245 677	68 076	291 776	219 200	72 576	265 246	197 871	67 375
Other equipment and motor vehicles	781 669	352 220	429 449	697 765	326 264	371 501	633 856	300 763	333 093
Library books	454 895	454 895	–	417 449	417 449	–	398 386	398 386	–
	5 829 692	1 704 341	4 151 352	5 286 256	1 543 718	3 742 538	4 985 180	1 410 848	3 574 332

4. PROPERTY, BOOKS AND EQUIPMENT (CONTINUED)

	Land	Buildings	Computer equipment	Other equipment and motor vehicles	Library books	Total
	R000	R000	R000	R000	R000	R000
2013						
Reconciliation of the carrying amount:						
Cost at the beginning of the year	15 679	3 965 660	291 776	697 765	417 449	5 388 329
Less: Government grant	-	(102 073)	-	-	-	(102 073)
Restated cost	15 679	3 863 587	291 776	697 765	417 449	5 286 256
Accumulated depreciation at the beginning of the year	-	(580 805)	(219 200)	(326 264)	(417 449)	(1 543 718)
Net opening carrying value	15 679	3 282 782	72 576	371 501	-	3 742 538
Net additions and disposals	-	426 545	41 994	76 670	55 179	600 388
Depreciation per income statement	-	(71 177)	(46 495)	(47 722)	(55 179)	(220 573)
Net closing carrying value	15 679	3 638 148	68 076	403 449	-	4 125 352
2012 (Restated)						
Reconciliation of the carrying amount:						
Cost at the beginning of the year	15 679	3 729 108	265 246	633 856	398 386	5 042 275
Less: Government grant	-	(57 095)	-	-	-	(57 095)
Restated cost	15 679	3 672 013	265 246	633 856	398 386	4 985 180
Accumulated depreciation at the beginning of the year	-	(513 828)	(197 871)	(300 763)	(398 386)	(1 410 848)
Net opening carrying value	15 679	3 158 184	67 375	333 093	-	3 574 331
Net additions and disposals	-	194 139	48 010	79 414	45 231	366 794
Depreciation per income statement	-	(69 542)	(42 808)	(41 006)	(45 231)	(198 587)
Net closing carrying value	15 679	3 282 782	72 576	371 501	-	3 742 538
2011 (Restated)						
Reconciliation of the carrying amount:						
Cost at the beginning of the year	15 679	3 458 893	230 052	559 387	357 016	4 621 027
Less: Government grant	-	(33 346)	-	-	-	(33 346)
Restated cost	15 679	3 425 547	230 052	559 387	357 016	4 587 681
Accumulated depreciation at the beginning of the year	-	(450 745)	(178 796)	(280 194)	(357 016)	(1 266 751)
Net opening carrying value	15 679	2 974 802	51 256	279 193	-	3 320 930
Net additions and disposals	-	248 627	49 771	86 778	45 771	430 947
Depreciation per income statement	-	(65 245)	(33 652)	(32 877)	(45 771)	(177 546)
Net closing carrying value	15 679	3 158 184	67 375	333 093	-	3 574 331

The register containing full details of land and buildings is available at the offices of the University.

Included in other equipment and motor vehicles are motor vehicles with a carrying value of R2,0 million (2012: R4,6 million) that are encumbered in terms of staff motor vehicle schemes at the respective banks (refer to note 3).

Included in land is property in Stellenbosch on which a notarial bond of R191,6 million was registered. The rights in terms of the lease were ceded to the financier.

Work in progress to the value of R366,7 million (2012: R87,4 million) is included in the cost of buildings. No depreciation is recognised on work in progress.



5. INTANGIBLE ASSETS

	Cost	2013 Accumulated amortisation	Net carrying value	Cost	2012 Accumulated amortisation	Net carrying value
	R000	R000	R000	R000	R000	R000
Oracle HRMS	13 913	13 507	406	13 913	12 116	1 797

	2013 R000	2012 R000
Reconciliation of the carrying amount		
Net opening carrying value	1 797	3 189
Amortisation per income statement	(1 391)	(1 391)
Net closing carrying value	406	1 797

6. LONG-TERM INVESTMENTS

The fair values of long-term investments at 31 December are as follows:

	2013 R000	2012 R000
Government bonds	353 430	340 656
Shares	4 922 386	3 786 851
Listed shares	4 917 519	3 785 094
Unlisted shares	4 867	1 757
Fixed deposits	598 842	627 815
Other	191 896	174 912
	6 066 554	4 930 234

A complete investment register is available to stakeholders at the offices of the University.

The average interest rate applicable to government bonds at year-end was 7,2% (2012: 6,6%) and to fixed deposits 4,5% (2012: 9,0%).

The University's investment portfolios are managed by professional asset managers under the supervision of the Investment Committee of the Council.

7. INVESTMENT PROPERTIES

	2013 R000	2012 R000
Net opening carrying value	66 270	57 380
Revaluation during the year	3 690	8 890
Net closing carrying value	69 960	66 270

On 23 January 2014 (2012: 22 January 2013) the value of all investment properties at 31 December 2013 was determined by a sworn valuer familiar with the revaluation of occupied apartment buildings. Income received from investment properties amounted to R0,3 million (2012: R1,7 million).

8. INVESTMENT IN ASSOCIATE COMPANIES

Name	Number of shares	Interest	Effective voting right
Unistel Medical Laboratories (Pty) Ltd	350	35,0%	35,0%
Stellenbosch Information Systems (Pty) Ltd	112 500	7,8%	26,0%
USB Executive Development Ltd	9 000 000	48,8%	48,8%
Stellenbosch Nanofiber Company (Pty) Ltd	370	45,0%	45,0%
GeoSUN Africa (Pty) Ltd	30	25,0%	25,0%

8. INVESTMENT IN ASSOCIATE COMPANIES (CONTINUED)

8.1 Unistel Medical Laboratories (Pty) Ltd

	2013 R000	2012 R000
Balance at the beginning of the year	2 784	2 593
Net share in profit of associate company	519	191
Share of pretax profit	877	1 002
Share of tax	(358)	(286)
Dividends earned	–	(525)
Balance at the end of the year	3 303	2 784

The main objective of the company is the provision of human and animal genetic, diagnostic and testing services.

8.2 Stellenbosch Information Systems (Pty) Ltd

The main objective of the company is the development and manufacture of microsatellites and satellite subsystems. The company is in the process of business rescue.

	2013 R000	2012 R000
Balance at the beginning of the year	–	–

8.3 USB Executive Development Ltd

	2013 R000	2012 R000
Balance at the beginning of the year	7 524	7 149
Net share in profit of associate company	2 769	375
Share of pretax profit	3 802	677
Share of tax	(1 008)	(122)
Dividend earned	(25)	(180)
Balance at the end of the year	10 293	7 524

The main objective of the company is the development and presentation of executive development programmes and provision of consultation services.

8.4 Stellenbosch Nanofiber Company (Pty) Ltd

The main objective of the company is the commercialisation of nanofibre technology.

	2013 R000	2012 R000
Balance at the beginning and end of the year	–	–

8.5 GeoSUN Africa (Pty) Ltd

	2013 R000	2012 R000
Balance at the beginning of the year	–	–
Net share in profit of associate company	188	–
Share of pretax profit	188	–
Share of tax	–	–
Dividend earned	–	–
Balance at the end of the year	188	–
Total investment in associate companies	13 783	10 308

The main objective of the company is the delivery of services to the solar power industry.



8.6 Assets, liabilities and profits of Unistel Medical Laboratories (Pty) Ltd

	2013 R000	2012 R000
Plant and equipment	2 628	2 319
Intangible assets	1 005	1 163
Current assets	9 132	6 135
Total assets	12 765	9 617
Long-term liabilities	647	252
Current liabilities	2 681	1 046
Total liabilities	3 328	1 298
Income	22 808	15 337
Profit	2 615	2 198

8.7 Assets, liabilities and loss of Stellenbosch Information Systems (Pty) Ltd

	2013 R000	2012 R000
Plant, equipment and motor vehicles	–	143
Non-current assets	–	10 373
Current assets	3 731	19 019
Total assets	3 731	29 535
Long-term liabilities	–	–
Current liabilities	3 341	130 702
Total liabilities	3 341	130 702
Income	15 723	6 271
Profit/(Loss)	100	(30 256)

8.8 Assets, liabilities and profit of USB Executive Development Ltd

	2013 R000	2012 R000
Non-current assets	2 822	2 634
Current assets	26 254	19 875
Total assets	29 076	22 509
Non-current liabilities	–	158
Current liabilities	9 968	8 716
Total liabilities	9 968	8 874
Income	98 566	84 169
Profit	5 724	1 139

8.9 Assets, liabilities and profit of Stellenbosch Nanofiber Company (Pty) Ltd

	2013 R000	2012 R000
Non-current assets	3 034	–
Current assets	3 437	–
Total assets	6 471	–
Non-current liabilities	–	–
Current liabilities	193	–
Total liabilities	193	–
Income	500	–
Loss	(3 704)	–

8.10 Assets, liabilities and profit of GeoSUN Africa (Pty) Ltd

	2013 R000	2012 R000
Non-current assets	210	–
Current assets	688	–
Total assets	898	–
Non-current liabilities	150	–
Current liabilities	–	–
Total liabilities	150	–
Income	2 786	–
Profit	716	–

9. TRADE AND OTHER RECEIVABLES

	2013 R000	2012 R000
Student fees	69 448	74 553
Student fees due	131 958	117 184
Less: Provision for impairment of student fees	(62 510)	(42 631)
Student loans	106 163	107 866
Student loans due	165 125	155 403
Less: Impairment due to non-market-related interest rates	(15 797)	(13 588)
Less: Provision for impairment of student loans	(43 165)	(33 949)
Trade receivables	79 715	75 201
Trade receivables due	81 039	76 963
Less: Provision for impairment of trade receivables	(1 324)	(1 762)
Government receivables	4 576	8 521
Motor vehicle loans	40 047	39 460
Interest and dividends receivable on investments	8 059	20 985
Forward foreign exchange contract asset	922	-
Other	48 359	53 779
	357 289	380 365
Less: Long-term portion of trade and other receivables	(166 463)	(157 824)
Long-term portion of motor vehicle loans	(27 543)	(28 108)
Long-term portion of student loans, taking provision for impairment into account	(138 920)	(129 716)
	190 828	222 541

Refer to note 29 for amounts outstanding by related parties included above.
All non-current receivables are receivable within five years from the financial year-end.

Student fees

The largest component of outstanding student fees is due by former students. Debt is evaluated in terms of historical rates of successful collection. The probability of collection is taken into account and based on that an impairment is recognised. The probability of collection decreases with the ageing of debt and consequently a higher impairment is recognised for older debt. A higher percentage is applied to debt handed over for collection.

The age analysis of outstanding student fees for which an impairment has been recognised is as follows:

	2013 R000	2012 R000
- One year	57 891	55 713
- Between one and three years	27 801	28 584
- Three years and older	6 067	3 806
- Handed over	40 199	29 081
Total	131 958	117 184

The movement in the provision for impairment in student fees is as follows:

	2013 R000	2012 R000
Balance at the beginning of the year	42 631	35 377
Increase in provision for the year	20 566	8 150
Amounts written off during the year as irrecoverable	(687)	(896)
Balance at the end of the year	62 510	42 631

The increase in the provision for the year as well as irrecoverable debts written off is shown in the consolidated income statement under 'Other operating expenditure'.

Student loans

Student loans are granted at rates below market-related interest rates. An impairment on outstanding student loans is calculated at recognition of the loan. Student loans are categorised as redeemable or non-redeemable. A provision for impairment of student loans is based on historical information in accordance with the category of the student. At year-end student loans that were not redeemable amounted to R72,5 million (2012: R71,5 million) and no further impairment was deemed necessary for this group. Redeemable student loans amounted to R92,6 million (2012: R83,9 million), of which R41,2 million (2012: R44,9 million) had not been overdue. No impairment is deemed necessary for non-overdue loans. Overdue student loans amounted to R51,5 million (2012: R39,0 million). Overdue student loans are considered annually for possible impairment.



The movement in the provision for impairment in student loans is as follows:

	2013 R000	2012 R000
Balance at the beginning of the year	33 949	26 137
Increase in provision for the year	9 462	7 989
Amounts written off during the year as irrecoverable	(246)	(177)
Balance at the end of the year	43 165	33 949

The increase in the provision for the year as well as irrecoverable debts written off is shown in the consolidated income statement under 'Other operating expenditure'.

Trade and other receivables

At year-end trade and other fully performing receivables amounted to R84,4 million (2012: R98,4 million).

Other receivables include a number of smaller receivables who do not have a significant history of non-performance and are of good standing. Due to the nature of income levied, mainly consisting of research-related income for which contracts are in place, receivables younger than four months are not considered for impairment. The age analysis of overdue receivables is as follows:

	2013 R000	2012 R000
- Between one and four months	31 661	23 757
- Older than four months	13 292	8 592
Total	44 953	32 349

Receivables older than four months are considered for impairment. The provision for impairment in receivables is as follows:

	2013 R000	2012 R000
Balance at the beginning of the year	1 762	14 090
Increase in provision for the year	307	2 455
Amounts written off during the year as irrecoverable	(745)	(14 783)
Balance at the end of the year	1 324	1 762

Government receivables

These amounts are due by government and no impairment is deemed necessary.

Motor vehicle loans

The recoverability of motor vehicle loans owed by employees is regarded as highly probable and consequently no impairment is provided for this category (refer to note 3).

Interest and dividends receivable on investments

The amounts are receivable from the University's investment managers. The University's investment portfolios are managed by professional asset managers and hence the amounts are deemed fully recoverable.

10. DEFERRED TAX

The movement in the deferred tax account is as follows:

	2013 R000	2012 R000
Balance at the beginning of the year	(592)	(324)
Movement during the year:		
Temporary differences on property, books and equipment	(88)	(268)
Balance at the end of the year	(680)	(592)
The deferred tax balance consists of the following:		
Temporary differences on property, books and equipment	(680)	(592)
	(680)	(592)

A deferred tax asset is recognised for tax losses only to the extent that recovery is probable.

Subsidiaries of the University have deferred tax assets of R2,5 million (2012: R2,5 million) not recognised in the consolidated annual financial statements and those of the subsidiaries due to uncertainty relating to their recoverability. The movement in tax for the year is included in 'Other operating expenditure'.

11. INVENTORIES

Inventories consist of the following items:

	2013 R000	2012 R000
Stationery	603	366
Consumables	2 527	2 201
	3 131	2 567

12. OPERATING LEASE ASSET/(LIABILITY)

The net operating lease liability/(asset) is made up as follows:

	2013 R000	2012 R000
Operating lease liability	(10 602)	(5 223)
Operating lease asset	-	9 413
	(10 602)	4 190

The expected movement in the net operating lease asset is as follows:

	2013 R000	2012 R000
Balance at the beginning of the year	(10 602)	4 190
Payable within one year	(6 184)	5 223
Payable within two to five years	16 786	(5 266)
Payable after five years	-	(4 147)
	-	-

13. TRADE AND OTHER PAYABLES

	2013 R000	2012 R000 Restated	2011 R000 Restated
Trade payables	26 815	16 731	11 457
Student fees received in advance	79 406	61 795	54 215
Accrued remuneration costs	42 462	38 295	33 689
Accrued expenditure	92 687	65 952	47 346
Accrued leave liability	132 228	111 756	95 512
Student and other callable deposits	1 599	757	953
Income received in advance	219 268	114 538	48 467
Other	144 922	99 930	105 310
	739 387	509 754	396 947

Refer to note 29 for amounts payable to related parties included above.



14. COMMITMENTS

At 31 December commitments relating to capital contracts approved or orders placed for buildings, library books and journals were as follows:

	2013 R000	2012 R000
Buildings	120 388	109 902
Library books and journals	1 140	940
	121 528	110 842

Material non-cancellable rental contracts include the rental of student accommodation and the rental of smaller equipment. These contracts have varying terms.

The following amounts are payable at year-end in terms of non-cancellable operating leases:

	2013 R000	2012 R000
Within one year	10 636	9 582
Within two to five years	–	10 636
	10 636	20 218

15. STAFF COSTS

	2013 R000	2012 R000 Restated	2011 R000 Restated
Remuneration and fringe benefits	1 582 417	1 437 822	1 287 604
Increase in provision for staff benefits	19 433	17 061	13 832
Increase in provision for long-service benefits	42	198	199
	1 601 892	1 455 081	1 301 635
(Decrease)/Increase in provision for staff benefits included in comprehensive income	(8 052)	55 892	30 047
	1 593 840	1 510 973	1 331 682

The average number of fulltime, permanent employees is 3 167 (2012: 2 972). The average number of fulltime, non-permanent employees is 1 482 (2012: 1 376).

16. STAFF COSTS: EXECUTIVE MANAGEMENT

The following information on amounts actually accrued during the financial year is supplied in order to comply with the Higher Education Act (no. 101 of 1997, as amended) and the Regulations for Annual Reporting by Higher Education Institutions (section 7.8).

Name	Position	Nature	Total value 2013 R000	Period	Total value 2012 R000	Period
Prof HR Botman	Rector and Vice-Chancellor	Remuneration paid out	3 074	Jan – Dec 2013	2 823	Jan – Dec 2012
		Bonus paid out*	–	Jan – Dec 2013	215	Jan – Dec 2012
		Leave paid out	291	Jan – Dec 2013	–	Jan – Dec 2012
Prof JF Smith	Vice-Rector (Community interaction and Staff)	Remuneration paid out	1 827	Jan – Dec 2013	1 725	Jan – Dec 2012
		Bonus paid out	134	Jan – Dec 2013	128	Jan – Dec 2012
		Leave paid out	174	Jan – Dec 2013	–	Jan – Dec 2012
Prof A Schoonwinkel	Vice-Rector (Learning and Teaching)	Remuneration paid out	1 778	Jan – Dec 2013	694	Aug – Dec 2012
		Bonus paid out	104	Jan – Dec 2013	85	Aug – Dec 2012
Prof TE Cloete	Vice-Rector (Research and Innovation)	Remuneration paid out	1 755	Jan – Dec 2013	690	Aug – Dec 2012
		Bonus paid out	104	Jan – Dec 2013	85	Aug – Dec 2012
Prof L van Huyssteen	Chief Executive	Remuneration paid out	1 827	Jan – Dec 2013	1 725	Jan – Dec 2012
		Bonus paid out	134	Jan – Dec 2013	128	Jan – Dec 2012
		Leave paid out	112	Jan – Dec 2013	103	Jan – Dec 2012
		Additional remuneration paid out	261	Jan – Dec 2013	–	Jan – Dec 2012

* 2013 bonus not yet finalised.

16. STAFF COSTS: EXECUTIVE MANAGEMENT (CONTINUED)

Payment to Council members for the attendance of Council and committee meetings:

Paid to	Number of members	Attendance of meetings Average value R000	Reimbursement of expenses Total value R000
Chairperson of the Council	1	–	–
Members of the Council	30	–	165

No remuneration is paid to members of the Council or committees for the attendance of Council and committee meetings.

17. TOTAL EXPENDITURE

Total expenditure includes the following:

	2013 R000	2012 R000 Restated	2011 R000 Restated
DEPRECIATION			
Buildings	71 177	69 542	65 245
Computer equipment	46 495	42 808	33 652
Other	47 722	41 006	32 877
Library books	55 179	45 231	45 771
	220 573	198 587	177 546
AMORTISATION OF INTANGIBLE ASSETS	1 391	1 391	1 392
OTHER OPERATING EXPENDITURE			
Bursaries	530 506	481 813	420 916
Rent	53 131	41 048	40 494
– Buildings	42 919	32 064	31 859
– Equipment	10 212	8 984	8 635
Maintenance and repairs	76 187	82 411	64 817
Auditors' remuneration	5 609	4 740	3 378
For statutory audit			
– Provision for current year	2 155	1 687	1 544
– Underprovision in previous year	211	332	124
For other audit services	2 206	2 086	1 346
For other consulting services	1 037	635	364
Internal audit	3 565	2 015	1 134
Forensic audit	4 718	–	–
Increase in provision for impairment of student fees, student loans and receivables	28 656	2 738	23 574
Impairment of student loans	2 209	870	891
Other expenditure	994 694	1 006 703	827 905
	1 699 275	1 622 338	1 383 109

18. RENT RECEIVED

Material non-cancellable leases include the leasing of shops and houses. Contracts have varying terms.

	2013 R000	2012 R000
Within one year	5 295	5 043
Within two to five years	7 574	11 044
After five years	–	1 388
	12 869	17 475

The following amounts are receivable at year-end in terms of non-cancellable operating leases:



19. INTEREST AND DIVIDENDS EARNED

	2013 R000	2012 R000
Interest received – operating investments	16 861	54 004
– non-operating investments	79 012	58 480
– other	59 627	31 546
Dividends received	81 599	70 099
	237 099	214 129

20. REALISED PROFIT ON SALE OF INVESTMENTS

	2013 R000	2012 R000
Profit realised from fair-value reserve	303 423	131 950

21. INTEREST RECEIVED

	2013 R000	2012 R000
Amount receivable at the beginning of the year	20 985	516
Amount in income statement	155 500	144 030
Amount receivable at the end of the year	(8 059)	(20 985)
	168 426	123 561

22. DIVIDENDS RECEIVED

	2013 R000	2012 R000
Amount receivable at the beginning of the year	–	82
Amount in income statement	81 599	70 099
Amount receivable at the end of the year	–	–
	81 599	70 181

23. FINANCE CHARGES PAID

	2013 R000	2012 R000
Amount payable at the beginning of the year	2 357	2 750
Amount in income statement	12 538	13 673
Amount payable at the end of the year	(2 187)	(2 357)
	12 707	14 066

24. RECONCILIATION OF SURPLUS WITH CASH FLOWS

	2013 R000	2012 R000 Restated	2011 R000 Restated
Surplus according to the consolidated income statement	528 414	242 943	543 640
Adjustments for:			
Realised profits on disposal of investments	(303 423)	(131 950)	(136 297)
Interest and dividends received	(237 099)	(214 129)	(196 319)
Finance charges	12 538	13 673	13 333
Profit on disposal of property, books and equipment	(3 819)	(4 345)	(4 257)
Loss on derecognition of subsidiary	–	10 225	–
Increase in provision for leave gratuity	20 472	16 245	2 656
Increase in provision for staff benefits	19 476	17 259	14 031
Increase in provision for impairment of student fees and loans	30 866	17 718	24 465
Depreciation and amortisation	221 964	199 978	178 937
Foreign exchange gain	(5 919)	(3 720)	(12 940)
Increase in investment in associate companies	(3 372)	(567)	(3 865)
Loss on disposal of property, books and equipment	–	244	237
Donation of property, books and equipment	(18 028)	(4 645)	(12 130)
Operating income before changes in working capital	262 070	158 929	411 491
Change in working capital	222 180	117 381	(14 894)
Increase in trade and other receivables	(6 602)	(18 514)	(70 266)
Less: Decrease in receivables for outstanding investment income	(12 926)	(21 501)	(14 411)
(Increase)/Decrease in inventories	(564)	71	(32)
Increase in trade and other payables	227 481	157 785	73 224
Increase/(Decrease) in operating lease liability	14 792	(459)	(3 408)
Cash generated by operations	484 250	276 310	396 597

25. CASH AND CASH EQUIVALENTS

	2013 R000	2012 R000
Favourable bank balances	100 195	102 565
Short-term investments in cash	214 696	198 517
	314 891	301 082

The average interest rate on cash and cash equivalents for 2013 amounts to 5,8% (2012: 5,3%) at year-end.

	2013 R000	2012 R000
The University's facilities at banks reviewed annually	149 520	133 000

At year-end only a portion of the facility for motor vehicle loans was utilised. The portion that has been utilised is included in interest-bearing borrowings. Refer to note 3.

26. FINANCIAL RISK MANAGEMENT

The University's activities expose it to certain business and financial risks, namely market risk, credit risk and liquidity risk. The University's overarching risk management programme focuses on both the identified operational risks and the unpredictability of financial markets and is aimed at minimising the potentially negative impact on the University.

26.1 Business risks

The main business risks of the University, as identified by Management, are as follows:

- The pace of transformation and broadening of accessibility.
- Growing pressure on the unearmarked government subsidy to universities.
- Infrastructure constraints and the high cost of ongoing facility maintenance.

These risks are monitored continuously and appropriate steps are taken to manage them optimally.

26.2 Market risk

The activities of the University expose it to various market risks, including foreign exchange risk, price risk and interest rate risk.

26.2 (a) Foreign exchange risk

Owing to international transactions in currencies other than the South African rand (the University's functional currency), the University is exposed to foreign currency risk. This risk arises from future financial transactions as well as recognised assets and liabilities denominated especially in US dollar, pound and euro. Foreign exchange risk associated with future financial transactions is managed by taking out forward cover through foreign foreign exchange contracts.

If the exchange rate had increased/decreased by 5,0% at 31 December 2013, with all other factors remaining unchanged, the surplus for the year would have increased/(decreased) as follows:

	2013 R000	2012 R000
CAD	-	7
CNY	-	1
EURO	39	81
GBP	138	-
SEK	-	13
USD	558	204
	735	306

Forward foreign exchange contracts are entered into to manage exchange rate fluctuations in respect of certain transactions. A cautious approach to forward cover is maintained. The maturity dates of open forward foreign exchange contracts at 31 December 2013 were within six months of the year-end.

Rand amounts payable and contracted exchange rates on open forward foreign exchange contracts at year-end were:

	2013 R000	2012 R000
USD (at average rates 2013: R10,558 = \$1)	922	-
	922	-



In respect of foreign exchange transactions the following current assets and liabilities are not covered by forward foreign exchange contracts, as shown in the consolidated statement of financial position:

	Foreign exchange 2013 000	Rand value 2013 R000	Foreign exchange 2012 000	Rand value 2012 R000
TRADE RECEIVABLES				
CAD	–	–	15	131
SEK	–	–	200	273
EURO	55	727	141	1 613
GBP	162	2 766	–	–
USD	1 087	11 035	470	4 073
CNY	–	–	20	27
Net foreign exchange asset		14 528		6 117

26.2 (b) Price risk

The University is exposed to price risk in terms of listed investments available for sale. Should the local securities exchange rise/fall by 10,0% at 31 December 2013 and all other factors remain unchanged, the fair-value reserve for listed shares would have increased/decreased by R491,8 million (2012: R378,5 million). A securities exchange rise or fall of 10,0% at 31 December 2013 would have resulted in an increase/decrease of R35,3 million (2012: R34,1 million) in the fair-value reserve for interest-bearing listed instruments.

The University is not exposed to commodity price risk.

26.2 (c) Interest rate risk

The interest rate features of new and existing loans are continuously reviewed. The University did not enter into any interest-rate-derivative agreements for the years ended 31 December 2013 and 2012.

Should the interest rate on balances at banks at year-end increase/decrease by 100 basis points, the surplus for the year would have increased/decreased by R3,0 million (2012: R3,0 million).

Should the interest rate on interest-bearing investments at year-end increase/decrease by 100 basis points, the surplus for the year would have increased/decreased by R6,0 million (2012: R3,4 million).

Should the interest rate on the bank facility for the financing of the University's various motor vehicle schemes increase/decrease by 100 basis points at year-end, the surplus for the year would have decreased/increased by R0,4 million (2012: R0,4 million).

26.3 Liquidity risk

Transparent liquidity risk management implies the maintenance of sufficient cash and marketable securities, as well as the availability of credit facilities. During 2012 the Investment Committee of the Council moved an amount of R750 million from short-term cash investment funds (money market) to long-term investment funds, which among others contributed to a large decrease in the current assets of the University.

In order to cover possible liquidity risks the University is in a position to realise long-term investments at short notice. Cash investments amounting to R121 million (2012: R85 million) have also been included in long-term investments.

	2013 R000	2012 R000 Restated	2011 R000 Restated
Current assets	508 849	526 190	1 340 961
Current liabilities	757 438	522 843	414 000
Ratio of assets to liabilities	0,7	1,0	3,2

26.4 Credit risk

Credit risk mainly arises from outstanding student fees and student loans, trade receivables and cash resources. The largest component of outstanding student fees is due by former students. Trade receivables consist of a large number of clients and their creditworthiness is evaluated continuously by the University. Cash surpluses are invested only at reputable financial institutions. At 31 December 2013 and 31 December 2012 there was no material credit risk for which adequate provision had not been made. Trade and other receivables are shown net of any provision for impairment.

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

26.5 Estimation of fair value

The fair values of listed investments available for sale are based on quoted market prices at year-end. The quoted market price refers to the closing price on the last date of business before year-end. The fair values of unlisted investments not traded in an active market are determined by means of applicable valuation methods, based on market conditions at year-end. Fair values of the remainder of financial instruments are determined on the basis of discounted-cash flow models. The nominal values of trade and other receivables and payables and interest-bearing borrowings less impairments are deemed as their fair values. Short-term debt instruments represent endowment funds where the donor may determine the application and time of application, and are measured at fair value.

Since 1 January 2009 Stellenbosch University has applied the adjustment to IFRS 7 for financial instruments shown at fair value in the statement of financial position. This adjustment requires that fair-value measurements are disclosed in accordance with the hierarchy below:

Level 1 Quoted prices in terms of active markets for identical assets and liabilities.

Level 2 Inputs other than quoted prices obtained directly (prices) or indirectly (derived from prices).

Level 3 Inputs for assets and liabilities not based on available market data.

Assets at 31 December 2013 shown at fair value:

	Level 1 R000	Level 2 R000	Level 3 R000	Total R000
Government bonds	353 430	–	–	353 430
Shares				
– Listed shares	4 917 519	–	–	4 917 519
– Unlisted shares		4 867	–	4 867
Fixed deposits	598 842	–	–	598 842
Other	191 896	–	–	191 896
	6 066 554	4 867	–	6 066 554

The fair value of listed investments, government bonds, fixed deposits and other investments is based on current market prices. Other investments mainly consist of cash instruments forming part of the University's long-term investment pool. The University determines the fair value of unlisted investments and investments for which there are not an active market by making use of relevant valuation techniques. At 31 December 2012 government bonds, listed shares, fixed deposits and other investments were classified as level 1 and unlisted shares as level 2.

The fair value of financial instruments not traded on the securities exchange is determined by means of relevant valuation techniques. These techniques mainly take available market data into account. The use of entity-specific estimates is limited. Should inputs comprise available market data only, the instrument is shown at level 2. Specific valuation techniques include the use of quoted or dealer prices of similar instruments, taking risk factors into account.

Should any of the inputs not be based on available market data, the item is shown at level 3.



Financial liabilities

	Carrying value R000	Contractual cash flow R000	< 1 year R000	1–5 year R000	> 5 year R000
31 DECEMBER 2013					
Interest-bearing borrowings	92 440	140 772	14 292	73 493	52 987
Operating lease liability	10 602	10 602	10 602	–	–
Trade and other payables	739 387	739 387	739 387	–	–
Total financial liabilities	842 429	890 761	764 281	73 493	52 987
31 DECEMBER 2012 (Restated)					
Interest-bearing borrowings	98 153	156 220	13 059	81 981	61 180
Operating lease liability	5 223	5 223	5 223	–	–
Trade and other payables	509 754	509 754	509 754	–	–
Short-term debt instruments	2 152	2 152	2 152	–	–
Total financial liabilities	615 282	673 349	530 188	81 981	61 180
31 DECEMBER 2011 (Restated)					
Interest-bearing borrowings	109 870	177 953	19 495	87 686	70 772
Operating lease liability	4 061	4 061	4 061	–	–
Trade and other payables	396 947	396 947	396 947	–	–
Short-term debt instruments	2 210	2 210	2 210	–	–
Total financial liabilities	513 088	581 171	422 713	87 686	70 772

26.6 Management of available funds

Stellenbosch University manages its funds in order to ensure that it will continue as going concern. Funds consist of restricted and unrestricted funds. Restricted funds consist of operating, loan, endowment and fixed-asset funds with specific conditions for application. Unrestricted funds are those funds that the Council may use at its discretion.

27. STAFF BENEFITS

Contributions to the University of Stellenbosch Retirement Fund (USRF)

USRF, established on 1 November 1994 and managed in terms of the Pension Funds Act of 1956 (as amended), is a defined-contribution plan for permanent employees of the University. The fund is valued by independent actuaries at least every three years. At 1 January 2014 USRF members totalled 3 182 (2013: 3 118). Membership contribution rates vary from 10% to 20% of pensionable earnings. The actuaries declared the fund financially sound. Total contributions paid amounted to R137,6 million (2012: R122,3 million). The most recent audit had been done for the year ended 31 December 2012 and an unqualified opinion was expressed.

Other benefits

Post-retirement medical benefits are provided to certain retired employees. Access to this benefit is limited to employees appointed before 1 June 2002.

The group life insurance scheme provides life insurance at the death of the member. Membership of the scheme is compulsory for all permanent employees of the University.

Liabilities are calculated by the independent actuaries at least every three years and are reviewed annually. A complete actuarial valuation was performed at 31 December 2013. The next actuarial valuation will be performed no later than 1 January 2016.

27. STAFF BENEFITS (CONTINUED)

The actuarial valuation method is the projected-unit-credit method. The main actuarial assumptions are as follows:

	2013	2012
Discount rate	8,9%	8,2%
Medical inflation	8,3%	8,2%
Salary inflation	7,8%	7,7%
Retirement age	60,0	60,0
Expected average retirement age	65,0	65,0
Age difference between principal member and spouse: continued	Actual	Actual
Age difference between principal member and spouse: active	4,0	4,0
Income at retirement	75,0%	75,0%
Proportion married at retirement	75,0%	75,0%
Maximum age for orphan contributions	21,0	21,0
Continuation at retirement	100,0%	100,0%

Reconciliation of the carrying amount:

	Medical liability R000	2013 Group life insurance R000	Total R000	Medical liability R000	2012 Group life insurance R000	Total R000
Liability at the beginning of the year	442 934	38 948	481 882	373 847	35 082	408 929
Adjustments in the consolidated income statement:						
– Current service charges	5 342	2 213	7 555	4 615	1 992	6 607
– Interest charge	35 245	3 105	38 350	31 566	2 965	34 531
– Expected contributions payable by the employer	(24 436)	(2 036)	(26 472)	(22 063)	(2 014)	(24 077)
Adjustments in the statement of comprehensive income	(5 993)	(2 059)	(8 052)	54 969	923	55 892
	453 092	40 171	493 263	442 934	38 948	481 882

The actuarial loss is attributable to the following:

	2013 R000	2012 R000
Change in valuation methodology	10 920	(379)
Change in actuarial basis	(31 509)	(39 755)
Increase in contributions	2 485	(10 637)
Change in membership numbers and details	10 052	(5 121)
	(8 052)	(55 892)

The liability at the end of the year is as follows:

	2013 R000	2012 R000
Continued members	327 840	323 520
Inservice members	165 423	158 362
	493 263	481 882

The expected increase in the liability for the next 12 months for inservice members is R20,9 million (2012: R19,7 million).

Long-service benefits

After 25 years' service employees qualify for a gratuity to the value of 50% of the employee's monthly salary, with a minimum value of R400 and a maximum value of R5 000.

The liability at the end of the year is as follows:

	2013 R000	2012 R000
Active members	2 493	2 450
	2 493	2 450

Total staff benefits:

	2013 R000	2012 R000
Post retirement medical benefits and group life insurance	493 263	481 882
Long-service benefits	2 493	2 450
	495 756	484 332



The history of staff benefits is as follows:

	2013 R000	2012 R000	2011 R000	2010 R000	2009 R000
Current value of liability	495 756	484 332	411 181	367 103	331 850
Actuarial loss/(profit) due to experience	31 698	39 755	17 259	28 344	(13 825)

28. INCOME TAX

The University is exempted from normal income tax in terms of section 10(1)(cA)(i). Some of the subsidiaries of the University are, however, liable for tax. Refer to note 10.

29. RELATED-PARTY TRANSACTIONS

29.1 The institutions below are regarded as related parties of the University

Party	Relationship
Stellenbosch Trust	University is sole beneficiary
Stellenbosch Development Trust	University is sole beneficiary
US Investment Trust	University is sole beneficiary
Stellenbosch Legal Faculty Trust	University is sole beneficiary
Innovus Technology Transfer (Pty) Ltd	Wholly owned subsidiary
Unistel Properties (Pty) Ltd	Wholly owned subsidiary
Unistel Technologies (Pty) Ltd	Wholly owned subsidiary of Innovus Technology Transfer
Stellenbosch University Sport Performance Institute (Pty) Ltd	Wholly owned subsidiary of Innovus Technology Transfer
Stellenbosch Wind Energy Technologies (Pty) Ltd	Wholly owned subsidiary of Innovus Technology Transfer
Stellenbosch Nanofiber Company (Pty) Ltd	Associate company of Innovus Technology Transfer
GeoSUN Africa (Pty) Ltd	Associate company of Innovus Technology Transfer
Unistel Medical Laboratories (Pty) Ltd	Associate company of Innovus Technology Transfer
Stellenbosch Information Systems (Pty) Ltd (previously Sun Space and Information Systems)	Associate company of Innovus Technology Transfer
Aquastel (Pty) Ltd	Wholly owned subsidiary of Innovus Technology Transfer
Sun Media Stellenbosch (Pty) Ltd	Subsidiary of Innovus Technology Transfer
USB Executive Development Ltd	Associate company of the University
Stellenbosch Financing Partnership	Partnership under University's control

Members of the executive management are also deemed as related parties of the University. Refer to note 16 for a list of the executive management members and payments made to them during the year.

29.2 Transactions with related parties

Transactions with related parties include payment for administrative services and finance charges as well as investment income earned.

During the year stakeholders had no material interest in any material agreement of the University or any of its subsidiaries that could lead to a conflict of interest.

Transactions between Stellenbosch University and its subsidiaries are eliminated on consolidation.

The following related-party transactions took place between the University and related parties:

29.2.1 Income

From subsidiaries:

	2013 R000	2012 R000
Contributions received	215 462	196 472
Services	929	1 335
Interest	497	791
	216 888	198 598

From associate companies:

	2013 R000	2012 R000
Services	14 155	12 191
Rental	478	765
	14 633	12 956

29. RELATED-PARTY TRANSACTIONS (CONTINUED)

29.2.2 Expenditure

To subsidiaries:

	2013 R000	2012 R000
Services	877	13 571
Allocation to Stellenbosch University Sport Performance Institute (Pty) Ltd from contingency reserve	–	7 063
Interest	192	209
	1 069	20 843

To associate companies:

	2013 R000	2012 R000
Services	1 459	1 775
Allocation to Stellenbosch Information Systems (Pty) Ltd from contingency reserve	1 000	–
	2 459	1 775

29.2.3 Amounts outstanding at year-end

Receivable from:

	2013 R000	2012 R000
Subsidiaries	10 211	4 340
	10 211	4 340

Payable to:

	2013 R000	2012 R000
Subsidiaries	3 879	5 385
Associate companies	4	–
	3 883	5 385

29.2.4 Loans granted to related parties

	2013 R000	2012 R000
Stellenbosch University Sport Performance Institute (Pty) Ltd	3 706	4 626
Unistel Technologies (Pty) Ltd	4 970	4 970
Innovus Technology Transfer (Pty) Ltd	2 323	2 323
	10 999	11 919

The loan to Stellenbosch University Sport Performance Institute (Pty) Ltd bears interest linked to the prime rate and has fixed terms for repayment.

The loans to Unistel Technologies (Pty) Ltd and Innovus Technology Transfer (Pty) Ltd bear interest linked to the prime rate and are repayable by mutual agreement.

30. CONTINGENT LIABILITIES

The University guarantees a percentage of the outstanding amount on mortgage loans of qualifying employees. The maximum exposure at year-end amounts to R430 398 (2012: R430 398).

The University undertook to provide financial support to some subsidiaries and associate companies, where necessary.



31. COMPARATIVE FIGURES

The following adjustments had been made during the current year, which also had an impact on the comparative figures:

31.1 Actuarial profit and loss

In terms of IAS 19 all actuarial profit and loss must be shown in the statement of comprehensive income and no longer in the income statement. In terms of the University's accounting policy the full movement in respect of staff benefits, including all actuarial profit and loss, is recognised in the income statement.

The impact was as follows:

	2013 R000	2012 R000	2011 R000
Increase/(Decrease) in staff costs	8 052	(55 892)	(30 047)
(Increase)/Decrease in other comprehensive income	(8 052)	55 892	30 047

There was no impact on funds.

31.2 Government grants for fixed assets

In terms of IAS 20 entities has the option to apply the government grant received for the acquisition of assets against the cost of the asset in the year in which the asset is capitalised or to write the grant off over the life of the asset. Since 2010 the University has received earmarked government grants for the erection of buildings and the purchase of large equipment. In the past these were fully recognised in the income statement as government grants. A policy decision was made to apply the grant against the cost of the asset.

The impact was as follows:

	2013 R000	2012 R000	2011 R000
Decrease in government grants	105 386	97 100	25 200
Decrease in cost of buildings	24 451	44 978	23 750
Decrease in depreciation for the year	1 811	1 305	749
Net decrease in restricted funds	103 575	95 795	24 451
Net increase in creditors	80 935	52 122	1 450



GLOSSARY

TERMS AND DEFINITIONS

← Horizontal arrow means the figure is on the same level as the previous year.

↑ Up or down green arrow means a positive trend compared to the previous year.

↓ Up or down red arrow means a negative trend compared to previous year.

attributes of graduates

To create sustainable hope in Africa, Stellenbosch University aims to equip each graduate, during the course of his or her studies, with desirable and enduring attributes. A Stellenbosch University graduate should:

- have an enquiring mind (be a lifelong learner, use scientifically based methods of enquiry, think critically);
- be an engaged citizen at the local, regional and global level (be socially and environmentally accountable, exercise leadership, participate in a diverse, multilingual society);
- be a dynamic professional (apply and communicate knowledge, seize opportunities and solve problems, innovate, behave ethically); and
- be a well-rounded individual along social and intellectual dimensions (benefit from opportunities for personal growth, seek enriching experiences).

blended learning

Modules are offered by means of conventional lectures, and information and communication technology.

community of practice

A group of people who share a profession. The group may evolve naturally because of the members' common interest in a particular domain or area, or it may be created specifically with the goal of gaining knowledge related to their field. It is through the process of sharing information and experiences with the group that the members learn from each other, and have an opportunity to develop themselves personally and professionally.

Reference: en.wikipedia.org/wiki/Community_of_practice

conditional admission

If applicants are in Grade 12 when they apply for admission to a University degree programme, we use their final Grade 11 marks to decide whether they qualify for conditional admission. Conditional admission means that we admit applicants on condition that their final Grade 12 results also meet the admission requirements and selection criteria for the relevant programme. Only then can we finally admit applicants to the programme.

dual-medium instruction

Classes are offered bilingually in Afrikaans and English; teaching takes place at least 50% of the time in Afrikaans and the teaching and learning material is, as far as possible, in Afrikaans and in English. Modules thus presented are marked with a T specification in the University's Calendar. Also see language specification.

income stream

The University's financial capital is divided into four income or money streams, which are numbered for ease of reference. The four streams depend upon different financial inputs:

- first-stream income: state subsidy;
- second-stream income: tuition fees paid by students;
- third-stream income: from (contract) research, investment income, income earned from commercialisation and sales; and
- fourth-stream income: philanthropic donations and bequests.

interpreting

The class is presented entirely in either Afrikaans or English, and an interpreter simultaneously translates the lesson into the other language. The interpreter uses a headset or hand microphone, and students listen to the lecture through earphones.

language specification

In the University's Calendar, all modules are marked with a language specification according to the University's Language Policy and Plan. Further particulars at www.sun.ac.za/language.



Language specification	Characteristics
The A specification (Afrikaans as the principal medium of instruction)	<ul style="list-style-type: none"> – The teaching is done mainly in Afrikaans. – The teaching and learning materials (textbooks excluded) are in Afrikaans and English as far as possible.
The T specification (Bilingual classes: 50% English and 50% Afrikaans)	<ul style="list-style-type: none"> – The teaching is done in Afrikaans for not less than 50% of the time. – The teaching and learning materials (textbooks excluded) are in Afrikaans and English as far as possible.
The E specification (English as medium of instruction)	<ul style="list-style-type: none"> – The teaching is done mainly in English. – The teaching and learning materials (textbooks excluded) are in English and in Afrikaans as far as possible.
The A&E specification (Separate 'streams' in Afrikaans and in English)	<ul style="list-style-type: none"> – This could mean that there are separate classes that are presented entirely in Afrikaans and entirely in English, or it could mean that the class is presented entirely in either Afrikaans or English, and that interpreting into the other language is offered.

module	A module is a set of classes/lectures, seminars or practicals forming a unit within a subject.
parallel-medium instruction	Instruction is offered in separate classes in Afrikaans and in English; or the class is offered completely in either Afrikaans or English and is simultaneously interpreted into the other language. The interpreter uses a headset or hand microphone, and students listen to the lecture through earphones. Modules offered in this way are marked with an A & E specification in the University's Calendar. See also language specification.
postgraduate bachelor's degrees	Bachelor's degrees which may be taken as second bachelor's qualifications, for example BPhil and the two- and three-year LLB degrees
programme	A combination of modules making up a curriculum for a degree qualification, for example BA, BEd, BEng, BAcc, BSc. Also known as learning programme, instructional programme or study programme. We differentiate between undergraduate programmes – the first university qualification in a certain field of study – and postgraduate programmes – programmes that follow on the first qualification, for instance postgraduate diploma, honours, master's and doctorate. We also differentiate between degree programme, diploma programme and certificate programme.
scholarship of engagement	A scientific and societal approach to community interaction through which capacity is built by means of transdisciplinary cooperative methodologies. Also community-engaged scholarship.
Soudien Report	Report of the Ministerial Committee on Transformation and Social Cohesion and the Elimination of Discrimination in Public Higher Education Institutions (2010). The compiler of the report was Prof Crain Soudien. His portfolio as Assistant Vice-Chancellor of the University of Cape Town entailed supporting the Vice-Chancellor in implementing institutional transformation. In 2009 he was the Chairman of the ministerial committee which investigated transformation in higher education. Despite important legislation promulgated in 1995/6, 1996/7 and 2000/2001 to achieve equality, South Africa has the greatest gap between rich and poor in the world. This gap has increased notwithstanding the advent of democracy in South Africa in 1994. Against this background universities have a difficult task.
Technology platform	The University offers technology-supported teaching to students by means of a technology platform that integrates satellite, cell phone, internet and video conferencing technology.
Vision 2030	The University, as a 21st century institution, plays a leading role in the creation of an advanced society. Our goal of inclusivity focuses on the talents and contributions of individuals; innovation deals with the need specifically to address the challenges of a more sustainable future creatively; the energy of students and academics is directed at creating the future imaginatively from courageous efforts to tackle current problems and issues actively; discovery happens when theory and practice



are interwoven in the education process; and the Stellenbosch experience delivers thought leaders that have a better insight into world issues, an innovative unlocking of creative abilities to solve problems, and an encouragement of meaningful action to serve society through knowledge. This all happens in a context of transforming the University to be future fit and globally competitive. (*Stellenbosch University Institutional Intent and Strategy 2013–2018*, page 17).

ABBREVIATIONS

AIMS	African Institute for Mathematical Sciences
ASSAf	Academy of Science of South Africa
BA	Bachelor of Arts
BEdHons	Bachelor of Education Honours
BEng	Bachelor of Engineering
BSc	Bachelor of Science
BScHons	Bachelor of Science Honours
CBI	coloured, black and Indian
CHEC	Cape Higher Education Consortium
CPUT	Cape Peninsula University of Technology
DHET	Department of Higher Education
DST/NRF	Department of Science and Technology / National Research Foundation
ECSA	Engineering Council of South Africa
ERWAT	East Rand Water Care Company
FIMS	Fédération Internationale de Médecine du Sport (International Organisation of Sports Medicine)
FVZS	Frederick van Zyl Slabbert Institute for Student Leadership Development
HEMIS	Higher Education Information Management System
ISI	Institute for Scientific Information
MEdPsych	Master of Educational Psychology
NDFA	Namibian Defence Force Academy
NRF	National Research Foundation
PGCE	Postgraduate Certificate in Education
PhD	Doctor of Philosophy
PRISA	Public Relations Institute of South Africa
PSO	Private Students' Organisation
SANDF	South African National Defence Force
SAPS	South African Police Services
SARChI	South African Research Chair Initiative
STIAS	Stellenbosch Institute for Advanced Studies
THRIP	Technology and Human Resources for Industry Programme
TIA	Technology Innovation Agency
UCT	University of Cape Town
URDR	Unit for Religion and Development Research
UWC	University of the Western Cape

Published by the Communication and Liaison Section

Stellenbosch University
Victoria Street
Stellenbosch
Private Bag X1, Matieland 7602
Tel: 021 808 4977 / Fax: 021 808 3800
E-mail: info@sun.ac.za
Website: www.sun.ac.za

ISBN: 978-0-7972-1475-0

Editorial team

Editor: Mattie van der Merwe
Creative manager: Susan van der Merwe
Financial report: Faiza Majiet and Annemi Murray
Editing and translation: Bittie Smook (financial report),
Julie Streicher (writer), Walter Winckler
Photography arrangements: Dorothy van Kerwel

Design and layout: G Studio Branding Agency
Printing: SUN MeDIA
Photography: Peter Rimell, Johan Wilke (hands),
Werner Roux (portraits)

Auditor: PricewaterhouseCoopers Inc., Stellenbosch