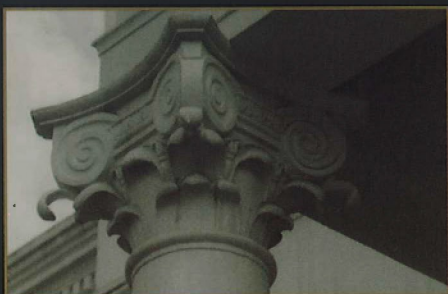
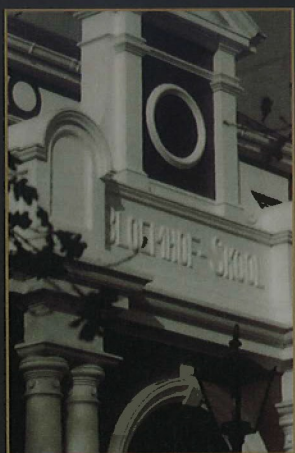




UNIVERSITEIT • STELLENBOSCH • UNIVERSITY
jou kennisvennoot • your knowledge partner

Annual Report 2000



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Annual Report

"The principle of academic freedom implies the absence of outside interference, censure or obstacles in the pursuit and practice of academic work. It is a precondition for critical, experimental and creative thought and therefore for the advancement of intellectual inquiry and knowledge. Academic freedom and scientific inquiry are fundamental rights protected by the Constitution."

Government Gazette 18202, 15 August 1997, p.12.

Education White Paper 3: *A Programme for the Transformation of Higher Education.*

Message from the Chancellor



The landmark year 2000, a year that brought so much turmoil all over the world, was for the University of Stellenbosch a year that brought the finishing touches to a process of deliberation and renewal that began several years ago.

The important policy document *A Strategic Framework for the turn of the century and beyond* sets out the University's position in respect of a changed and still changing environment. It also brings to light the constants that characterize the manner in which the University carries out its task.

These newly defined characteristics of adaptability and commitment to traditional values have been encapsulated in a new slogan and a new logo that will convey the identity of the University in harmony with the demands of the time, while the dignified official coat of arms with its proud motto, *Pectora roborant cultus recti* – A true education builds inner strength, remains unchanged.

The new slogan presents the University as "your knowledge partner". The cordial milieu reflected by the slogan and typified by the word "partner" deserves our attention since it is a clear indication that the University wishes to enter into a direct and close-knit relationship of partners with whoever lays claim to it.

It is very much a characteristic of our time that those who lay claim to the services offered by universities come from a wide variety of backgrounds. In the mission statement of the University of Stellenbosch "for the turn of the century and beyond" its relationship with this wide variety of claimants is expressed thus: "In a spirit of academic freedom and of the



PROF ELIZE BOTHA
Chancellor

This study in oils by prominent South African portrait painter John Meyer was completed recently. It is on display in the University Council Chamber.

universal quest for truth and knowledge, the University as an academic institution sets itself the aim, through critical and rational thought, ... of being relevant to the needs of the community, taking into consideration the needs of South Africa in particular and of Africa and the world in general."

What is involved here is the national and international community of academics and professionals, but also the broader community consisting of those people so often labelled 'ordinary' who are, in reality, so unique and

un-ordinary! We can also include the community of ex-Maties who in their loyalty to their alma mater expect great things of her, and the community of students who expect their university to equip them well for a demanding and intellectually adventurous future.

But the University is also in a very special sense attuned to the broader South African community – to the extent that cultural diversity, including the multilingualism that goes with it in our country, is given proper respect in the University's policy. "Language friendliness", is what this attitude is called, "with Afrikaans as a point of departure".

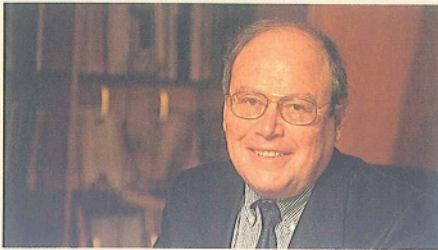
The new logo is often reduced to a lightly floating oak leaf: mobile, as joyful as the experience of a moment's beauty. It is just such a presence that the University of Stellenbosch wishes to be for all her partners.

Prof Elize Botha
Chancellor

Rectorate, registrar and chief directors

Members of the University Council

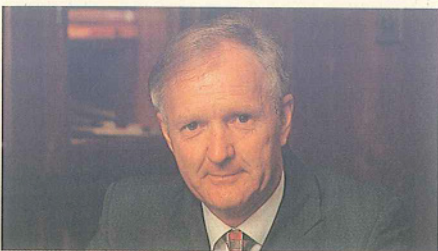
as at 11 June 2001



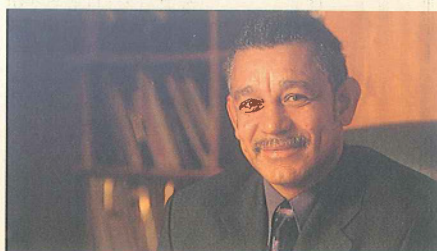
PROF ANDREAS VAN WYK
Rector and Vice-Chancellor



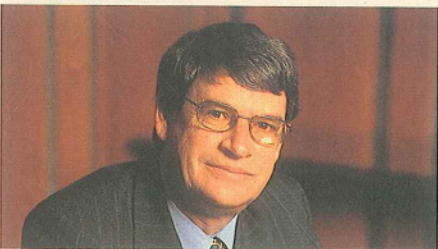
PROF WALTER CLAASSEN
Vice-Rector (Research)



PROF ROLF STUMPF
Vice-Rector (Teaching)



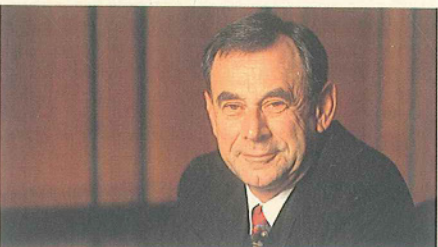
DR JULIAN SMITH
Vice-Rector (Operations)



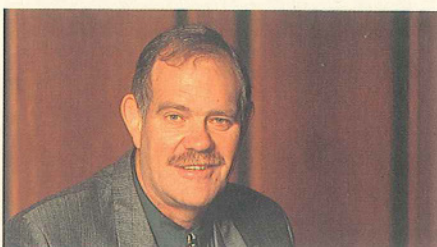
PROF SERF KRITZINGER
Registrar



PROF KOBUS VAN WYK
Chief Director: Human Resources



MR NICO BASSON
Chief Director: Finance and Services



PROF PIET DU PLESSIS
Chief Director: Student Affairs

- ■ Rector and Vice-Chancellor
Prof AH van Wyk
- Vice-Rector (Research)
Prof WT Claassen
- Vice-Rector (Teaching)
Prof RH Stumpf
- Vice-Rector (Operations)
Dr JF Smith
- Elected by the Senate
Prof JSA Fourie
Prof FJW Hahne
- Prof BC Lategan
- Elected by the permanent academic staff (non-Senate members)
Dr R Annas
- Elected by the permanent non-academic staff
Ms S Barnardo
- Elected by the Institutional Forum
Dr HP Müller (from October 2000)
- Appointed by the Minister of Education
Mr JH Momberg
Ms L Matthews
Dr Y Muthien
Mr M Yoyo
- Elected by Convocation
Mr JP Bekker
- Dr E de la H Hertzog
- ■ Mr RS de la Bat (Vice-chair)
- ■ Mr DK Smith (Chairperson)
- ▲ Mr PG Steyn
- Dr CH Wiese
- Appointed by the Council of the Municipality of Stellenbosch
Mr A van der Westhuizen
- Elected by the Donors
Mr GT Ferreira
▲ Dr PF de V Cluver
- ▲ ■ Mr GS van Niekerk
- Appointed by the Council of the National Research Foundation
Vacant
- Appointed by the business community of the Stellenbosch district
Ms ME Moolman
- Appointed by the Premier of the Western Cape Province
Dr L Kathan
- Appointed by representative bodies of civic society
Ms L Snyman
- Vacant
- Elected by the Students' Representative Council
Mr A Kruger
Ms CS Shackelford
- The University Council has appointed the following person, who is not a member of Council, as an additional member of the Audit Committee
Mr JP Bester
- ▲
- Member of the Executive Committee of Council
- ▲ Member of the Audit Committee of Council
- Member of the Human Resources Committee of Council

Report of the Chairperson of Council and of the Rector and Vice-Chancellor



In the year under review, higher education, including Stellenbosch University, had two major trends to contend with. These were the ever-faster rate of change and the uncertainty about the National Plan for Higher Education – the Plan was to set the course for the future but its finalization kept dragging on.

In spite of the conflicting demands that arose in these and other areas and that faced the University with tough challenges, the year 2000 was characterized by continuing stability, the maintenance of high standards and a sustained growth in student numbers.

The year's greatest highlight was without a doubt the country-wide launch in early September of the University's *Strategic Framework for the turn of the century and thereafter*. Our vision for the future is, in short, that Stellenbosch University has positioned itself to be a comprehensive research-oriented university of world quality. The Strategic Framework both poses the guidelines and creates the opportunities for turning this vision into a reality.

At the same time the University's new logo and the slogan – *Your knowledge partner* – were launched. The logo and the slogan both reflect the University's new identity as more corporate and business oriented – a modern organization but one with standing and with depth.

This standing and this depth are closely associated with an Afrikaans tradition. In March 2000 the first Afrikaans Word Festival was presented at Stellenbosch. This festival is an inclusive one, where Afrikaans within the context of contact languages such as Dutch, English and Xhosa makes a valuable contribution to reconciliation and multicultural cooperation in the sphere of language.



MR DESMOND SMITH (right),
Chairperson of the University Council, and
PROF ANDREAS VAN WYK,
Rector and Vice-Chancellor

Several changes occurred in the University's highest management echelons. In March 2000 Dr Julian Smith, previously registrar of the University of the Western Cape, joined the University to take over as Vice-Rector (Operations) from Prof Rolf Stumpf, who now holds the new position of Vice-Rector (Teaching). Concurrently, the Vice-Rector's portfolio in the care of Prof Walter Claassen changed from Academic to Research.

Good progress was made on the restructuring of the Faculties of Medicine and Dentistry into a single Faculty of Health Sciences. The new Faculty, that became operational at the start of 2001, consists of five schools: the School for Allied Health Sciences, School for Basic and Applied Health Sciences, School for Medicine, School for Oral Medicine and School for Public and Primary Health Sciences. The process of appointing a dean for the new Faculty was

finalized at the end of the year with the appointment of Prof Wynand van der Merwe.

In 2000, the University brought into operation a set of career-focused instructional programmes, thus putting its new academic offering firmly in place. To judge by the increase in first-year enrolments, particularly in Arts and in Science, the new academic offering is well in line with the needs of the labour market.

The University does not rely just on superb research, or just on excellent teaching, for the realization of its vision. To give recognition to the indispensable supporting role played by the members of staff in our non-academic environments, the Rector's Award for Service Excellence was created, and awarded for the first time, in 2000.

Another significant development was the establishment of an employment equity process, which is under the direction of the Vice-Rector (Operations). Already the University, through its employment equity plan, has committed itself to the removal of all forms of remaining unfair discrimination and to the creation of a more balanced staff corps and student body.

The increase in crime is a cause for concern – at Stellenbosch also, although most of it here fortunately is "petty" crime. Towards the end of 2000, management began the process of canvassing international expertise with the aim of addressing the security situation on our campuses in comprehensive terms.

As political and economic ties with countries in South Eastern Asia grow stronger, these countries also gain in academic importance for South African universities. Stellenbosch University leads the field in this regard.

Six of the University's 24 broad cooperation agreements with academic institutions abroad are with universities in China, Malaysia and Korea. An extended tour by the Rector to China in 2000 gave rise to cooperation agreements with the Universities of Henan and Nankai.

REPORT ON THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

Section 41(2) of the Higher Education Act, No. 101 of 1997 (as amended by Act No. 54 of 2000), requires universities to submit to the

Department of Education annual financial statements that comply with South African Statements of Generally Accepted Accounting Practice.

In January 2001 the Department of Education issued a Financial Manual for Higher Education Institutions in which it lays down the accounting bases, practices and policy, and also the format of reporting.

These new reporting requirements are to be adhered to as from the financial year ended 31 December 2000. They differ from the previous ones – the SAPSE (South African Post-secondary Education) requirements – mainly in that they base themselves on the accrual

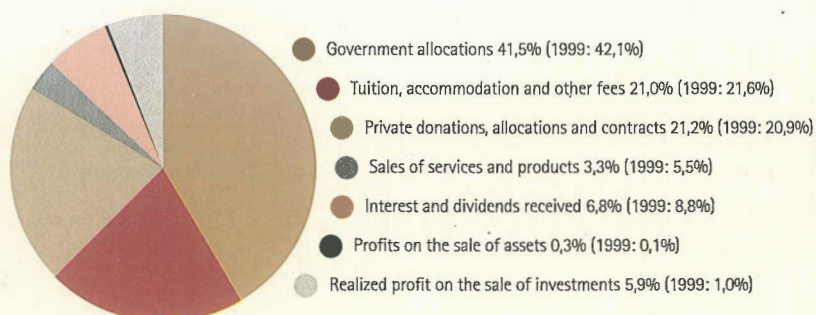
principle, as is in keeping with Generally Accepted Accounting Practice, whereas the previous approach – namely, fund accounting – based itself for the most part on cash flow.

The new reporting requirements ensure that the financial statements of higher education institutions are easier to compare with those of private sector bodies and are therefore more useful to the various interest groups.

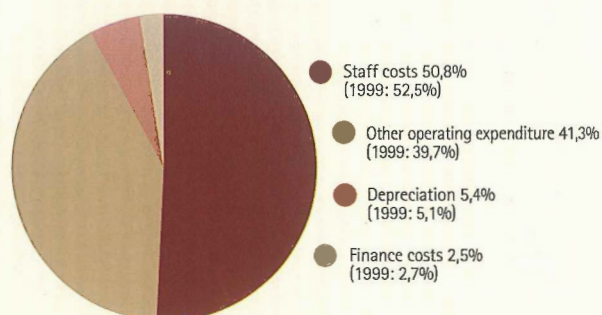
The net increase of R120,506 million in capital and reserves represents a decrease of R10,708 million in unrestricted funds, which are open to discretionary use by the Council, and an increase of R131,214 million in restricted funds, which are not open to discretionary use by the Council.

FINANCIAL REVIEW

TOTAL INCOME



TOTAL EXPENDITURE



		2000	Increase %	1999	Increase %	1998
<i>Total income of a recurring nature¹</i>	<i>Rm</i>	837	8,4	772	13,8	678
<i>Government allocations</i>	<i>Rm</i>	376	10,6	340	13,7	299
<i>% of income¹</i>	<i>%</i>	44,9		44,0		44,1
<i>Tuition and other fees</i>	<i>Rm</i>	191	9,8	174	8,1	161
<i>% of income¹</i>	<i>%</i>	22,8		22,5		23,8
<i>Private allocations</i>	<i>Rm</i>	192	13,6	169	25,2	135
<i>% of income¹</i>	<i>%</i>	22,9		21,9		19,9
<i>Total expenditure</i>	<i>Rm</i>	786	11,0	708	20,6	587
<i>Staff costs</i>	<i>Rm</i>	399	7,6	371	15,6	321
<i>% of expenditure</i>	<i>%</i>	50,8		52,4		54,7
<i>Capital and reserves</i>	<i>Rm</i>	967	14,2	847	13,2	748
<i>Investments</i>	<i>Rm</i>	674	13,5	594	9,0	545

¹ – Total income of a recurring nature, excluding rentals received by the Stellenbosch Development Trust in the amount of R13,6 million (1999: R27,2 million).

Report of the Chairperson of Council and of the Rector and Vice-Chancellor

(continued)

Restricted funds are made up of operating, loan, donation and fixed-asset funds the use of which is subject to specific conditions. The decline in unrestricted funds from R10,708 million to R3,579 million is due mainly to the increasing provision for post-retirement medical benefits for pensioners. The latter had gone up from R196,220 million to R224,420 million as at 31 December 2000. The continual increases, and the scope of the future obligation, are being looked into by management.

Total income of a recurring nature rose by a mere 8,4% to R836,989 million; total expenditure, however, rose by 11,0% to R785,733 million. This meant ongoing pressure on management's efforts to set up extra, expanding, sources of income besides the traditional ones (government allocations and student fees) and to keep expenditure in check.

Success towards the achievement of these goals is already apparent from the increase in the percentage of total income for private allocations and contracts, which increased by three percentage points from 19,9% for 1998 to 22,9% for 2000, and from the decrease in the percentage of total expenditure on staff costs, which fell by nearly four percentage points from 54,7% for 1998 to 50,8% for 2000.

Business processes are constantly assessed to ensure that the University functions optimally at the lowest cost possible.

The University held the following investment in unlisted subsidiaries at 31 December 2000:

NAME OF COMPANY: Unistel Group Holdings (Pty) Ltd

NATURE OF BUSINESS: Exploiting the intellectual property and resources of

Stellenbosch University with a view to research, training and commercial services

EFFECTIVE SHAREHOLDING: 100%

BOOK VALUE OF INTEREST:

– Shares R1 000

– Loan R35 659 157

PREVIEW

At the beginning of 2002 the University of Stellenbosch will enter a new era when a new rector takes up his position. The process for the appointment of a new rector was set in motion in early 2001. The registrar, Prof Serf Kritzing, retired at the end of March 2001; so a replacement for him too will need to be found. New deans moreover will be appointed in 2001 in the Faculties of Arts, of Science, and of Economic and Management Sciences.

Stellenbosch University will play a leading role in SAUVCA in 2001, when the chair will be taken by the rector, Prof Andreas van Wyk. The most important matter to come up for discussion will be the National Plan for Higher Education, which was made known early in 2001 and to which SAUVCA will have to respond in a leadership capacity. Government's announcement of its approach to the size and shape of higher education in South Africa and of its intended funding mechanism will be essential to greater efficiency in the higher education system.

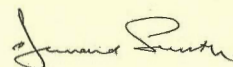
One of the major matters to receive attention within the University in 2001 is the implementation of its Strategic Framework. Specific objectives have to be set that will ensure that the University's vision for the future is translated into reality. For this purpose, a task force was established towards the end of 2000 that took up its duties early in 2001.

The Council has also requested that a risk management system be set up to identify the University's business risks.

Further challenges in the coming year will arise for the most part from the expected decisions in the National Plan for Higher Education. The University will have to take a strategic decision about the focus of its distance teaching activities and about the future utilization of the Bellville Park Campus. A possible recommendation on language policy in South Africa's higher education to the Minister by the Higher Education Council may also require a response from Stellenbosch University.

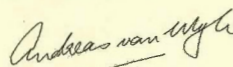
The review of the University's internal financial distribution formula has repeatedly had to be put on hold pending a new funding formula from the State. It is now thought that the long-awaited completion of the review will become possible in 2001. If so, it would at the same time be one more significant step ahead in the decentralization of decision-making to faculties and administrative divisions.

This is the last annual report to be signed by Prof Andreas van Wyk as Rector and Vice-Chancellor. It has been to him a joy and a mind-broadening experience to serve his Alma Mater in this capacity.



Mr DK Smith

Chairperson of the University Council



Prof AH van Wyk

Rector and Vice-Chancellor

11 June 2001

Statistics₂₀₀₀

STUDENT ENROLMENTS BY FACULTY - 2000

Arts	3 790
Science	1 961
Education	4 312
Agricultural and Forestry Sciences	938
Law	799
Theology	318
Economic and Management Sciences	4 895
Engineering	1 495
Medicine	2 340
Military Science	216
Dentistry	692
Total	21 756

* DIPLOMAS AND CERTIFICATES AWARDED - 2000

Undergraduate Diplomas/Certificates	91
Postgraduate Diplomas/Certificates	394
Total	485

PROVENANCE OF CONTACT-TUITION STUDENTS

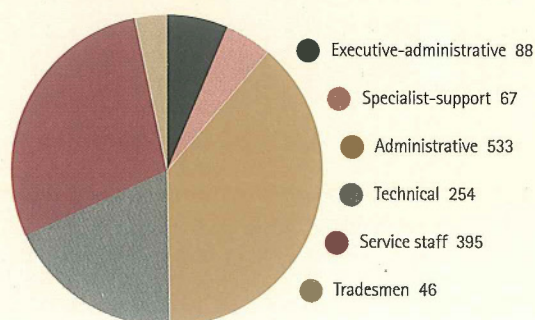
Western Cape	11 334
Northern Cape	702
Eastern Cape	1 277
Free State	466
Kwazulu-Natal	935
Mpumalanga	186
Northern Province	298
Gauteng	1 732
North West Province	192
Foreign countries	968
Total	18 090

* DEGREES AWARDED - 2000

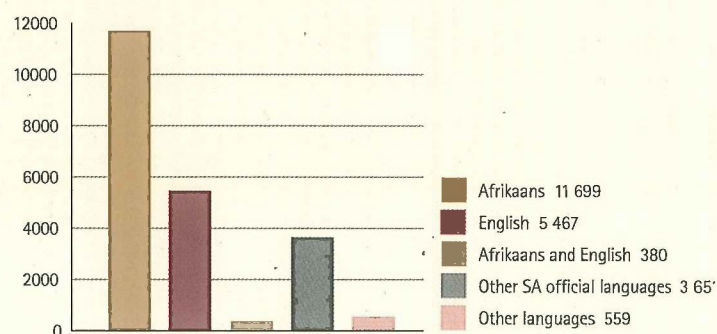
Bachelor's Degrees	2 297
Higher Bachelor's Degrees	150
Bachelor's Degrees with Honours	779
Master's Degrees	742
Dentistry	83
Total	4 051

* The figures above reflect the degrees and diplomas conferred by the University in December 2000 and March 2001, in respect of the 2000 academic year.

STAFF: NON-ACADEMIC



STATISTICS ON HOME LANGUAGES



Report of the Vice-Rector (Teaching)



Faculties and departments spent a great deal of time during 2000 on the ordering and replanning of their study and teaching programmes in accordance with the requirements set by the South African Qualifications Authority (SAQA) for the registration of qualifications for higher education.

Qualifications must, says SAQA, comprise at least 120 study and teaching credits – with one study and teaching credit being equal to ten so-called study and teaching hours. Furthermore, distinctive study and teaching outcomes must be clearly specified for each qualification.

SAQA distinguishes between different outcome types, which can vary from generic to specific outcomes unique to the qualification concerned. These study and teaching outcomes should also reflect the degree of difficulty of the various qualification levels.

The University has in this regard developed examples of study and teaching outcomes for the various qualification levels and has also developed a set of generic study and teaching outcomes for advanced postgraduate study at the master's and doctoral levels for use by the various study and teaching programme committees.

SAQA has stipulated that all qualifications approved in the past by either the Advisory Council for Universities and Technikons (ACUT) or by its successor, the Council for Higher Education (CHE), now qualify for interim registration, provided they were submitted to SAQA in the prescribed form before the end of July 2000.

This interim registration is valid until July 2003. SAQA has stipulated that all these qualifications must be resubmitted for registration before this

date through the system of "standards generating bodies" (SGBs) and "national standards bodies" (NSBs) for eventual registration by SAQA.

Under these arrangements a distinction is made between study and teaching programmes on the one hand and, on the other hand, qualifications in respect of which different study and teaching programmes lead to the attainment of the same qualification, for example various study and teaching programmes that can all lead to the BA qualification.

A lack of clarity in this regard led, however, to considerable confusion, and the CHE, SAQA and the Department of Education had to conduct several symposiums in order to enable universities and technikons to carry out this exercise in a meaningful way.

At Stellenbosch University the exercise was carried out with great diligence and it consequently led to further improvement of the University's programme offering. The requirement that qualifications should be distinguished from one another primarily by their study and teaching outcomes, rather than by their admission requirements or differences in study and teaching content, led to a thorough re-evaluation by the University of the purpose of and justifiable need for its various qualifications and their related study and teaching programmes.

This enabled the University to achieve further enhancement of its study and teaching programmes, and curriculums were adapted in various respects in order to ensure that the predetermined study and teaching goals would be met.

Various anomalies that arose in the past – such as different qualifications for what were largely the same study and teaching programmes – were identified, and principles were developed for eliminating them.

In addition, the University's qualifications were all converted from the University's own credits system to the SAQA credits system. Principles were also developed in respect of the preliminary study required in the case of learners who do not meet the normal admission requirements.

Shortcomings in the system for credit determinations were also identified. This is now, *inter alia*, the subject of an exhaustive evaluation project on postgraduate study at the University. This project will result in still further improvement in the quality of postgraduate study – which is already amongst the best in the country.

By undertaking this project the University has repositioned itself in respect of the country's development needs and the expectations of employers and students. The new set of teaching programmes has been thoroughly brought to the attention of prospective students.

Additionally, a start has been made with the development of a quality assurance system specifically for study and teaching programmes. This makes considerable demands on management since most study and teaching programmes are not offered in a single academic department or even in a single faculty.

This means that the University must develop a new quality assurance system that can be applied across the whole of its normal organizational structure.

During 2000 the structure and functioning of the Academic Planning Committee (APC) were radically revised. The Committee for University Education and the Committee for Academic Development, which functioned as separate senate committees, both became permanent subcommittees of the APC.

The Committee for University Education is now known as the Committee for Study and Teaching. The Task Group for Study and Teaching, which was founded in 1999 for the development of a new study and teaching strategy for the University, now reports to this renamed Committee.

A Programme Evaluation Committee (PEC) has also been established as a permanent APC subcommittee for the fundamental evaluation of all new study and teaching programmes before they are submitted to the APC.

The PEC has during this period played an important role in the enhancement of the quality of the University's study and teaching programmes.

During 2000 the development and promotion of e-study received a significant boost. An informal discussion group, the E-Forum, was established

to ensure that the University's e-study takes place within a holistic and integrated development strategy for electronic study.

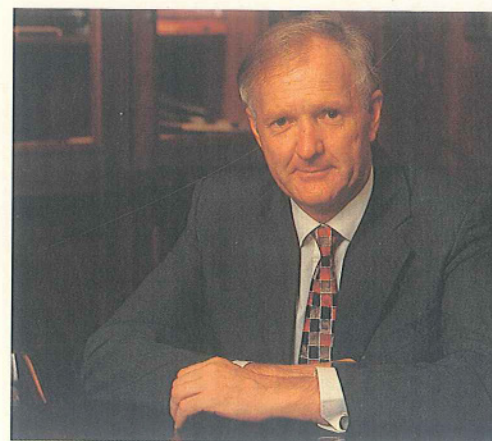
Based on this initiative a start has been made with the development of an e-campus strategy that will cover all facets of the University's area of functioning, but particularly the areas of study and teaching. Good progress has already been achieved. This strategy will be finalized in 2001 to support the University's new study and teaching strategy, which will also be finalized in 2001.

In the meantime the numbers of lecturers and students joining the University's e-study system (WEBCT) are increasing at a great pace. Approximately 5 000 students underwent some form of study and teaching within this e-study system.

One of the most serious problems that many students still experience is their inability to fulfil their financial obligations. The University has increased considerably the funds available for bursaries and loans in 2000, both from its own funds and by means of donations and legacies.

Additionally, new forms of support for students have been created so that particularly the prospective students from disadvantaged communities will not be prevented from successfully completing their studies at the University. Nevertheless, the need for financial support increases every year, and it has become clear that significantly higher levels of financial support for needy students are essential.

Further funds for this purpose will have to be found within and outside the University. Without significantly higher levels of financial support, the University's attempts to diversify the composition of its student community will not produce the desired results.



PROF ROLF STUMPF
Vice-Rector (Teaching)

Report of the Vice-Rector (Research)



Research is one of the University's primary functions, along with teaching and community service. The University is proud that the same high standards of research as in previous years prevailed in 2000 and that splendid results in various fields came from its comprehensive research portfolio.

In the course of the year, several Stellenbosch University researchers were honoured for superb contributions to their field of expertise.

Some 950 articles in professional journals, some 450 reports on national and international subject conferences and 45 specialist books were published by members of staff in 2000. The University awarded more than 80 doctorates.

It was heartening to be given such generous financial support by statutory councils and by a range of private sector bodies. Of our direct expenditure on research in the year 2000, more than R18 million came from University funds (not counting staff salaries and the availability of infrastructure), while R138 million came from outside funds. Of this second amount, R87 million was from the non-government sector.

The amounts spent on bursaries for postgraduate students were R4 million from University funds and R13 million from outside funds.

The University continued to carry out its policy for the ethics of research projects. It is the aim of this policy to make sure that the ethical aspects of all research of a sensitive nature undergo a process of scrutiny that will safeguard the rights of humans, animals and the environment.

The University management and the Division for Research Development again made use of various means in their ongoing efforts to sustain a climate favourable to research, and to create new stimuli for research. Some instances:

- The effective application of funds to meet the disparate needs of researchers – a good example being the University's strategy of purchasing and operating research equipment as part of its central analytical facilities.
- The Special Support Scheme for Research, under which the University grants funds for their discretionary use to researchers on the basis of their previous research outputs.
- Ample investment by the University in the bolstering of its sciences environment so as to attract highly rated scientists to our campuses.
- In 2000, the Office for Intellectual Property (OIP) continued to implement the University's policy on intellectual property, including in particular its commercialization.
- Surveys of the major research inputs and outputs at the University over the previous five years, made available annually both to University management and to academic departments.
- The publication of the annual Research Report, which is widely distributed and in which the University's research activities are exhaustively covered.
- The Medical Research Council continued to support three units at the University in 2000. These are the MRC Perinatal Mortality Research Unit under the direction of Prof Hein Odendaal, the MRC/US Centre for Molecular and Cellular Biology under the direction of Prof Paul van Helden, and the MRC Research Unit for Anxiety and Stress Disorders under the direction of Prof Dan Stein.
- The National Research Foundation (incorporating the former Centre for Science Development) again supported two units in 2000, namely the Research Unit for Experimental Phonology (RUEPUS) under the direction of Prof Justus Roux and the Research Unit for Legal and Constitutional Interpretation (RULCI) under the direction of Prof Lourens du Plessis. RULCI is run in partnership with the University of the Western Cape.
- At the end of the year under review, six of the University's researchers had A-ratings with the National Research Foundation (incorporating the former Foundation for Research Development). They were Professors Ben Burger and Pat Sandra (both of Chemistry), Detlev Kröger (of Mechanical Engineering), Sakkie Pretorius and Doug Rawlings (both of Microbiology) and Jannie Hofmeyr (of Biochemistry).

Our outstanding achievements in the arena of research also include the following:

- Over the last four years, the University has taken the lead in the Technology and Human Resources for Industry Programme (THRIP). In 2000, an amount of R29,3 million was earned from this source, which shows that the University again had ample success in the forming of partnerships with industry and statutory research councils.

The University is proud to be able to reflect in its research policy the diversity of priorities and emphases that marks the many branches of scholarship and science today.

THE LIBRARY SERVICE

The year under review was a particularly busy one, the two main reasons being the continuation of the Library Service's strategic planning and the implementation of the new library computer system, Aleph 500.

This system, which required a lot of input from our staff, was purchased by The Cape Library Co-operative (Calico) for the five Western Cape tertiary library services jointly.

Several members of staff gathered valuable information during visits abroad in 2000. Under a formal agreement, a Library Service member visited the Catholic University of Louvain for a month and one of its members of staff paid a one-month exchange visit to Stellenbosch.

Another highlight was a very successful symposium, "Virtual campus, virtual libraries: dancing with the devil", organized by the Library Service. More than 100 foreign and local delegates attended. The Library Service has been organizing such an important national symposium on an annual basis since 1998, with the accent on information technology in the world of libraries and information.

INFORMATION TECHNOLOGY

The Division for Information Technology (IT) fulfils an ever more important part in promoting the optimal use of technology in teaching, learning, research and administration at the University.

IT awaited 1 January 2000 with some misgiving and a big standby team. Thanks to thorough preparations, however, the Y2K virus affected not one of the University's core systems.

As part of the ongoing pursuit of the objective of the widest possible on-campus availability

of the technology, we made a start in 2000 with registering all members of staff and undergraduate students for network access. This includes a personal e-mail address and access to the Internet.

Student access to computers was further upgraded by an increase of some twenty per cent in the computers available in computer users' areas (CUAs). This means a ratio of about one computer for every ten students. The aim is to improve the ratio to one computer for every five students within the next three years.

IT made good progress with the installation of network points in rooms in University residences. The demand for such points is doubling annually. In all, 1 800 such points had been installed by the end of 2000.

Internet use continued the trend of the year before: the volume of e-mail and Internet traffic doubled again. Once again, therefore, greater Internet capacity had to be provided for. In this connection, satellite technology was also harnessed to expand capacity and extend the bandwidth.

Good headway was made in the use of computer and Internet technology for the electronic development and distribution of teaching and learning materials.

The University's telephone system was upgraded to make provision for the use of voicemail, a call centre and advanced integration with the computer. The value of this will be increasingly evident from the initiatives surrounding distance teaching.

The use of e-mail as an official means of communication has led to the successful implementation of more advanced office



PROF WALTER CLAASSEN
Vice-Rector (Research)

automation software. In addition to e-mail, several other facilities are offered, such as task scheduling and the synchronization of diaries among members of staff.

The use of intranet technology to give our students access to administrative systems is now in its first phase. Students' personal information, records and examination results have been made available on the web (so, too, has the staff leave system). The effects of these implementations will be increasingly evident as the University keeps up the move to an e-campus.

Report of the Vice-Rector (Operations)



The financial sustainability of the University remains ensured through the combined application of a number of strategies, but particularly through the judicious use of institutional funds under strict financial discipline.

FINANCE

During the year under review we succeeded in providing the University with sound support in the pursuit of its academic goals. The challenge for the future is to draw up and administer a business plan that will enable the entire institution to work purposefully for the realization of its strategic priorities.

By maintaining a suitable ratio between subsidy income and tuition fees, as well as by minimizing the increase in operating expenditure, we were able to balance the budget without having to draw on reserves.

Rapid progress was made on the development of the centre-of-responsibility budgeting model once certain key principles had been accepted, and it has been decided to phase in some components of the model during 2001.

Under this model greater responsibility for financial management is delegated to the academic, service and administrative functions.

This involves the creation of an Institutional Fund and the delegation of facets of the staff budget to deans and environment heads. The implementation of the entire model remains dependent on the implications of the

Department of Education's new funding framework.

Comprehensive training of deans and environment heads is being planned to equip them for implementing the new model. In addition, a process has been set in motion for developing a plan for the management of institutional risks.

Further refinement of systems and policies ensured that the University Council received informative reports on an ongoing and highly efficient basis. The monthly deviation reports are particularly significant here.

STAFF: ACADEMIC

	Professors	Associate professors	Senior lecturers	Lecturers	Junior lecturers	Total
Arts	31	17	32	57	15	152
Science	27	17	36	33	6	119
Education	7	3	9	18	2	39
Agricultural and Forestry Sciences	16	7	28	7	0	58
Law	12	3	9	6	0	30
Theology	5	3	2	1	0	11
Economic and Management Sciences	25	13	39	32	5	114
Engineering	20	12	31	5	1	69
Medicine	25	12	20	26	8	91
Military Science						*45
Dentistry	8	8	7	13	0	36
Total	176	95	213	198	37	764

* Non-comparable rank structure

HUMAN RESOURCES

The Human Resources Division succeeded, among other things:

- in computerizing and decentralizing leave administration;
- in establishing performance assessment as an important management, incentive and recognition mechanism;
- in introducing a Rector's Award for administrative and service staff;
- in creating significant training and development opportunities; and
- in launching a process of direct interaction with faculties, and with administrative and service sectors, in order to evaluate the quality of the service it provides to them.

The approval of the Employment Equity Plan by Council in December 2000 has been a landmark event for the University. Under this plan, adopted after a process of wide consultation, a far-reaching policy of employment equity has been established and demographic targets have been set.

Several significant redress decisions have also been taken and the appropriate actions carried out. The implementation and monitoring of the above-mentioned plan will take place over the next three years.

PHYSICAL INFRASTRUCTURE AND SERVICES

The creation of a high-quality infrastructure and the provision of effective services are

key requirements for university excellence. In this regard the planning, maintenance and service divisions were able to make a considerable contribution to the success of the academic project.

Planning activities and approval processes were refined to such an extent that projects – from the largest to the smallest – were successfully carried out. The quality of new facilities and the maintenance of existing ones continue to meet the stringent requirements set for them, thus giving the University an important strategic advantage over its competitors.

In order to make full use of resources and to combine functions effectively, the Divisions for Physical Planning and Maintenance were integrated, in December 1998, under one head. In 2000, a corresponding restructuring of staff functions was completed and successfully implemented.

The creation and maintenance of a safe academic and residential environment for students and employees remains an absolute high priority.

Comprehensive steps were taken during the year under review to ensure the effectiveness and functionality of the University's security services. This process included consultation with foreign experts.



DR JULIAN SMITH
Vice-Rector (Operations)

Deans' Reports



ARTS

The Faculty of Arts provides competent and critical thinkers, as well as professional people who are able to make exceptional contributions to the cultural enrichment of society and the provision of knowledge.

The year 2000 was a period of implementation and consolidation of the preceding years' planned academic changes and repositioning.

The Faculty's training programmes, research activities and service-provision functions were once again excellent.

The main function is the training of students. In 2000, 17 innovative and imaginative new undergraduate and 102 postgraduate degree programmes were introduced.

The immediate 10% increase in registration of first-year students was a clear vote of confidence by the students in the innovative academic offering.

About 3 800 students – a fifth of the University's total – studied in this faculty in 2000. This is an indication that there is still a strong desire to study in the human sciences.

The faculty is especially proud of the fact that 38% of its students are postgraduate. In 2000 a total of 1 010 degrees were awarded to students in the Arts.

To provide quality tuition for this large group of students, conventional contact lecturing is supplemented by distance education and computer technology.

The area assigned for computer users in the human sciences (Humarga) has increased to such an extent that the present capacity of 330 computer work-stations has already been exceeded and extensions are being planned.

The faculty is progressing well with its efforts to align its demographic student profile (a quarter of the total number of students are non-white), while everything possible is being done to make the composition of our staff body more equitable.

In the area of research, the faculty has maintained a good record, as witness the 112 accredited research publications that were published by the 150 staff members.

During 2000, statutory councils and other outside bodies granted staff members of the faculty some R6,5 million for research projects. Two members of staff received the Rector's Award for Excellence in Research.

The faculty's international networks and partnerships in cooperation, strongly established in Europe, are also developing well in Africa.

The faculty has played a particularly active role in the area of community service through various departmental projects. The Arts building is moreover open every Saturday to about 600 black learners from Kayamandi.

A partnership between the faculty and a pharmaceutical group, Janssen-Cilag, has resulted in a substantial sponsorship enabling five doctoral students from disadvantaged communities to gain valuable experience as academic assistants in selected departments.

In its annual report, *Spirit of the Arts 2000*, the faculty offers a full review of its many and varied activities.

Active as the faculty is at the centre of the culture and knowledge market, at the same time it strives to produce graduates who not only hold their own in the job market but also make a vital contribution to the enrichment of the human spirit and of society at large.

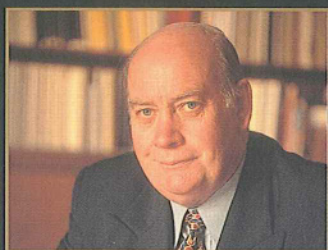
It is a responsibility which the faculty's 19 departments each accept with the greatest academic commitment.

AGRICULTURAL AND FORESTRY SCIENCES

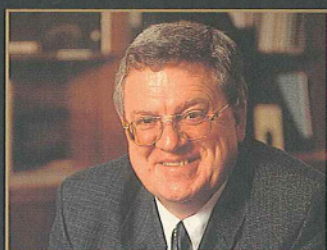
The new Faculty of Agricultural and Forestry Sciences came into being on 1 January 2000 through the amalgamation of the Faculties of Agricultural Sciences and Forestry. Based as it is on operational reasons, the move is in line with the worldwide trend among training and research institutions to go for bigger management units.

The amalgamation does more than save cost. Strategically, it makes it easier for the faculty to reposition itself in academic terms in response to client interests and changing conditions. The amalgamation thus gives rise to new opportunities, which enable the new faculty to continue constructively on the firm foundations that were laid by the two former faculties. A substantial amount of money was invested in the faculty by the University in 2000 for capacity building.

The faculty's new instructional programmes were jointly implemented and cover six broad business areas, namely Crop Production Systems, Animal Production Systems, Food



PROF IZAK VAN DER MERWE
Dean, Faculty of Arts



PROF LEOPOLDT VAN HUYSTEEN
Dean, Faculty of Agricultural and
Forestry Sciences



PROF JOHAN MATTHEE
Dean, Faculty of Economic and
Management Sciences

and Wine Production Systems, Agricultural Economics and Management, Forestry and Natural Resource Sciences, and Development Forestry. A wide range of fields of study, with a number of options for the combination of major subjects, offer exciting prospects for students who are serious about using the applied sciences to the benefit of the country and its people.

By their very nature, the Agricultural and Forestry Sciences oblige the faculty to orient its teaching, research and service delivery to agribusiness and associated industries. Increasingly, research and development are paid for by these partners.

The faculty therefore held intensive talks with several branches of agribusiness about mechanisms of cooperation and priorities in research – always keeping in mind the implementations in practice. Already, the success of these talks helps ensure that the faculty is able to keep providing these clients with teaching, research and services that are internationally at the leading edge.

A good example of the very close cooperation between the faculty and agribusiness is the Institute for Wine Biotechnology, which in 2000 celebrated its fifth anniversary. After just five years, the institute already has exceptional achievements to its credit.

The faculty has a very considerable standing in the national context – as witness the fact that the presidents of four scientific subject associations are Stellenboschers, namely the Southern African Association for Horticultural Sciences, the Southern African Association for Plant Pathology, the South African Association of Animal Scientists and the Soil Science Association of Southern Africa.

Five further members of the faculty serve as vice-presidents, chairpersons and/or members of the managements of six subject associations. Faculty members also serve on various councils/boards and governing bodies where service is performed at the national level, such as the Agricultural Research Council, college councils, national business bodies and ministerial advisory committees.

In the international context, cooperation with several universities was continued and a number of researchers worked abroad for longer or shorter periods – including some of the faculty's food scientists at the Amsterdam "Vrije Universiteit".

In terms of publications, 2000 turned out to be a bumper year. A large number of papers were successfully presented at international meetings. Dr Vlok Ferreira of the Department of Animal Sciences, for instance, received a research prize from the Belgian Secretary of State.

The stream of scientists from abroad who come to visit the faculty for exchanges of knowledge and cooperation keeps growing. The rector of the University of Hohenheim, Germany, visited the faculty for instance for talks about cooperation. Liaison and cooperation, especially with other countries in Africa, are both on the increase.

ECONOMIC AND MANAGEMENT SCIENCES

It was a festive year for this faculty; we reached no less a milestone than our 75th anniversary. Fittingly enough, early in 2000 a further doctorate was awarded to 82-year-old Prof Jan Sadie, outstanding economist and demographer, whose full-time

association with the faculty had spanned more than four decades.

Like previous years, this festive year too was marked by development, growth and progress in all areas.

In line with its policy of constant innovative leadership through teaching that responds to the latest market trends and needs, the faculty put in place new BComm programmes in Financial Analysis and in Logistical Analysis, as well as bachelor's programmes in Logistics and in Public Management and Planning.

A postgraduate diploma in the management of HIV-Aids in the workplace was developed in conjunction with Medunsa and with support from the office of the State President.

Cooperation and exchange agreements with leading universities, mainly in Western Europe, were expanded. The Graduate Business School provided a high point in this connection when it secured the sought-after Equis accreditation; no other business school in Africa has yet been able to do as much – indeed, only one other outside Western Europe has been able to equal this feat to date.

The faculty plays an ever greater role in supplying Africa with high-level academic expertise. An example of its initiatives was the MPhil programme in Economic Policy, which started to run in 2000, and which was well supported.

The appointment of visiting professors from non-academic bodies and from abroad was one further means by which the faculty ensured that its academic offering and research continued to maintain their relevance and their high quality.

Deans' Reports (continued)



The Bureau for Economic Research and the Institute for Futures Research likewise continued their record of progress. Both, together with various academics, furnish important inputs to the formulation of policy and strategy in the government and private sectors.

EDUCATION

In 2000, as in the past, this faculty strove to take a constructive part in the transformation of the South African education system, so that all learners may have equal access to quality teaching.

To this end, the faculty oriented its academic training programmes, its research projects and its community service actions not only to challenges for education that are characteristic of South Africa, but also to forums of education in the international sphere.

The relevancy of the faculty's academic offering led to a lively student demand for its programmes and has set off a change in the composition of its student body.

This represents a start towards achieving the national goal for student participation rates and towards bringing the demographic mix of the student body closer to that of the country. Interactive television broadcasts have also begun to be presented as part of the interdisciplinary MPhil programme.

The academic offering has been so structured as to cater for the diverse needs of teachers, whether pre-service or practising. Provision is made for study at all levels, to foster lifelong learning.

In line with the University's goal of keeping a strong focus on research, the faculty took specific steps towards making the academic milieu still more favourable to research.

The development of human potential in a diverse society. These words express the overall focus of the faculty's research efforts; the various departments have chosen their subfocuses and mounted their research programmes to tie in with it. By means of this set-up, the faculty was able in the year under review to stimulate and promote sustainable research into education and teaching needs and related matters, both present and future.

The faculty's research outputs in the form of publications and of participation in national and international conferences showed a substantial growth. The faculty presented a very successful research open day, where its research focus and contributions were publicized.

By way of addressing the educational need of communities, the faculty presented a range of in-service training programmes under the aegis of the Centre for Education Development and the Institute for Sport and Movement Studies. Further training for education leaders, and the empowerment of teachers, both make a worthwhile contribution to meeting the needs for equality and equity in education.

Various members of our academic staff were invited to work as visiting lecturers at well-known universities abroad, to serve as members of international subject committees, or to take part in inter-institutional research projects.

Members of our academic staff also distinguished themselves in other ways. Five were chosen to serve on national standards-generating bodies. Prof Justus Potgieter was appointed sport psychologist of the South

African Olympic team that travelled to Sydney, Australia. Ms Corn  Rossouw again managed the South African Paralympic Team that participated in Sydney; she was, in addition, a finalist for the Shoprite/Checkers *Woman of the Year Award*. Ms Bronwyn Bock captained the national Protea Netball team in several tests. Dr Floris van der Merwe received the Rector's Award for Excellence in Research. Three other people in the faculty were honoured with the Rector's Award for Service Excellence. Two education students were awarded honorary academic colours.

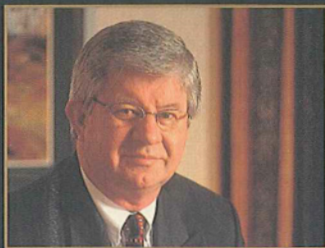
ENGINEERING

The faculty has adapted its organizational structure by creating two associate deanships – one for strategic planning and industrial liaison and the other for research development and fostering partnerships with foreign universities.

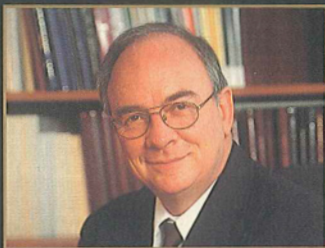
The new structure also incorporates a science and technology writer for publicizing the faculty's activities to industry and to the public, and for promoting an awareness of science in society.

To stay at the forefront of technological innovation, the Global Competitiveness Centre (GCC) of the Industrial Engineering Department has acquired several new machines. One of these is the Zcorp rapid product development machine, first of its kind in South Africa and part of the quickest rapid prototype system in the world.

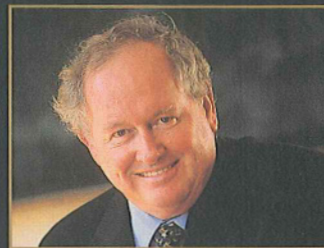
The system's operational speed and the types of material it uses for constructing models make it one of the most cost-effective systems in use.



PROF TOM PARK
Dean, Faculty of Education



PROF PW VAN DER WALT
Dean, Faculty of Engineering



PROF JAMES FOURIE
Dean, Faculty of Law

The GCC's acquisition of this type of machine will be a major boost to South Africa's industrial competitiveness at national and international level.

The Chemical Engineering Department made history when Bingcui Qi and Denise Venter became the first two women to be awarded a PhD in Chemical Engineering at the University.

The new pyrometallurgical engineering laboratory, funded by the faculty and by industry and commissioned last year, illustrates the excellent cooperation in chemical engineering between the University and other Western Cape tertiary institutions at regional level.

The Sunsat microsatellite, which has captured the imagination of thousands and created great excitement, has led to the Department of Electrical and Electronic Engineering's creation of its first delegate company: Sun Space and Information Systems (SSIS), which is aimed at commercializing microsatellite technology and related information systems.

The faculty's aim with delegate companies is the strengthening of industry, extending the faculty's own research capacity, exploring alternative revenue sources for the faculty and creating employment for the faculty's graduates.

Power electronics was again in the public eye during 2000. The power electronics group does basic and applied research on converter technology, energy storage, supply quality and renewable energy.

The Centre for Automobile Engineering (CAE), which falls under the Department of Mechanical Engineering, is the faculty's second delegate company.

CAE conducts research and development, and provides a testing service to the motor industry. Its clients include motor manufacturers, oil companies and lubricant suppliers as well as their various clients and suppliers. CAE has two highly competitive development and testing facilities, one at the University and one at ADE in Atlantis. Related research in human vibration was highlighted as a new feature in 2000.

The extension of laboratory facilities for solar energy research took a significant step forward with the creation of a solar laboratory and the erection of an experimental sun tower providing a platform for high-level research.

The Department of Civil Engineering has gained a new sponsor for the Sabita chair in paving engineering. This sponsorship, from the South African National Road Agency Ltd (Sanral), has been provisionally secured for the next five years. The third research institute in the department, the Institute for Hydraulic and Environmental Engineering, was created in 2000 to coordinate research in these two disciplines.

The programme for the new degree of BEngSci (Computer Systems) focuses on software, hardware, pattern recognition, and signal and image processing. Thanks to its topicality, it has been attracting lots of students.

The faculty decided some time ago to devote serious attention to the urgent need for qualified engineers. Several outreach programmes were initiated to create an awareness of career possibilities among learners, and to stimulate their interest in engineering.

Coordinating these various programmes has been facilitated by creating a Schools Centre. The faculty is proud of its contribution to fostering a love for science and technology

among the younger generation. The Schools Centre consists of an electronic classroom and computerized science laboratory for the Trac programme and a studio for the Sunstep programme, which will be fully operational by early 2001.

The faculty is also intimately involved in the University's presence at the MTN Science Centre in Africa's biggest shopping mall, Canal Walk in Cape Town. All current outreach programmes are located in the University's SunZone workshop area, where work sessions are presented.

The postgraduate diploma in satellite Engineering, instituted in 1999 at the request of the National Department of Communications, was followed up in 2000 with a programme for the Master's degree. Fourteen of the previous year's diploma students have continued their studies in this new programme.

LAW

The past year saw the growth in student numbers in the Faculty of Law continue, both undergraduate and postgraduate. The large numbers of first-years mean ever heavier demands on the teaching staff, who in addition to their teaching duties also carry on research and perform community service.

Undoubtedly the major academic exercise for the faculty in 2000 was the rethink of the programmes it teaches. As well as the traditional BA (Law) and BComm (Law), followed by the postgraduate LLB,

Deans' Reports (continued)



students can now take an undergraduate four-year LLB programme. The past year's registrations confirmed that the four-year LLB has become just as popular as the BComm (Law) programme. In addition, students holding a bachelor's degree in any discipline can now after screening be admitted to the postgraduate three-year LLB.

In 2000, the wraps came off the five-year BAccLLB – an innovative programme, and the first of its kind in South Africa. It offers above-average students the chance to combine two professional programmes in one, and will be running from 2001.

Those who complete this programme successfully will have the choice of joining either the legal or the accountancy profession. The faculty has high expectations for this programme and is confident that it will draw many a future student.

The modular LLM programme, which allows a choice of specializing in mercantile law, private law or public law, attracts many postgraduate candidates, notably from abroad. The large number of cooperation agreements with universities in Europe, Scotland and the USA likewise lends a strong international flavour to the faculty.

As in previous years, the faculty was visited by many jurists from abroad; as in the past, they made valuable contributions to both teaching and research.

The Legal Aid Clinic, one of the most important of the University's community service arms, provides free professional services in an area that reaches from Saldanha on the West Coast up to Bredasdorp in the Overberg. At the clinic, senior LLB students have the opportunity to gain

experience of the same kind as in an attorney's practice. Recognition for services rendered by students in the clinic is in future going to be given in the formal LLB programme.

MEDICINE AND DENTISTRY

For more than a decade the University has been aware that doctors, dentists and other medical staff must be equipped with special skills and a new focus to face the challenges of the 21st century. These challenges include the AIDS and tuberculosis epidemics and other diseases inherent to developing countries.

During the past year the faculties of Medicine and Dentistry merged, giving rise to the new Faculty of Health Sciences at the beginning of 2001.

The new faculty consists of a number of professional schools, each covering its own specific fields: Medicine, Dentistry, Public and Primary Health Sciences, Allied Health Sciences, and Basic and Applied Health Sciences.

The Dean, together with two Associate Deans, will head the faculty, while each school will have its own head.

According to the new curricula, being phased in since 1999, students will also receive training at smaller hospitals and other health-care centres in the outskirts of urban areas. This is in line with the national and provincial health care policy, namely that provision is to be made to strengthen the peripheral infrastructure for service delivery outside the academic complexes.

Training them inside the community ensures that future health practitioners will be able to see and treat patients as part of the community.

It is not only the new curricula that expose the faculty's students to the realities of South Africa's health problems. As all students on the Tygerberg campus are trained for a career in which service to their fellow men is a crucial factor, they are exposed to community service from the outset.

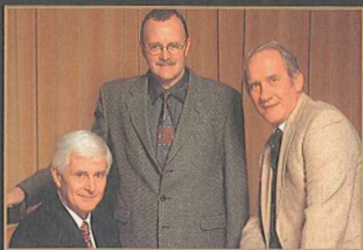
An example of this is the voluntary work they do through Matie Community Service (MCS). MCS runs several health care projects in squatter communities, in less privileged residential areas and in small rural communities.

Large numbers of students from the various health disciplines also serve on the Phelophepa train. This train travels through rural areas, stopping in places where medical and dental students from different universities can treat patients.

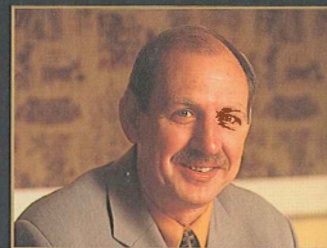
Almost all departments in Health Sciences have projects that involve students in the health needs of communities.

Starting in 2001, first-year students will no longer attend classes on Stellenbosch Campus. To enable Tygerberg Campus to cope with the new numbers, major structural changes were carried out there in the year under review.

Previously, there were two University Residences for students, now there are five. Besides the large student centre, which was erected only a few years ago, all sports facilities have been upgraded, a new swimming pool has been built and a new gymnasium installed.



PROF WYNAND VAN DER MERWE (centre), Dean of the new Faculty of Health Sciences. With him are PROF WYNAND DREYER (left), who retired as Dean of Dentistry at the end of 2000, and PROF JAN LOCHNER, who retired as Dean of Medicine.



PROF JOHAN MALAN
Dean, Faculty of Military Science

The faculty maintains close ties with Tygerberg Hospital, the main training centre, and its management and staff. The joint clinical platforms set up with the University of the Western Cape have been very successful.

The private sector has played an important role in the maintenance of acceptable standards. It has provided sponsorships for research activities and drug tests. It has made donations towards the upgrading of certain wards in Tygerberg Hospital and strengthening the academic and service atmosphere on campus.

The faculty remains firmly committed to working for optimal health in Southern Africa, by:

- contributing within a culture of learning to the development of independent professionals, able to hold their own within the community;
- adding to the store of knowledge in the health care sciences through research that is appropriate to Africa; and
- adding value to the wider community by means of participation and service delivery.

The unique combination of first-world knowledge, technology and research, as well as third-world pathology in South Africa, together with the pioneering work that is being done in various fields in the faculty, gives increasing rise to greater collaboration between the academic staff of the faculty and staff from other universities, elsewhere in Africa and further abroad.

The diversity of the ever-increasing numbers of both undergraduate and post graduate applications received in 2000 for 2001 is apparent from the 138 applications from African countries outside South Africa, and another 46 from other countries. This is proof of the faculty's good name and increasing popularity.

Foreign senior medical and dentistry students view the faculty as a sought-after institution for further clinical training for periods of one to four months. For 2001, 45 applicants were selected. Of these, 23 were from Germany – the country with the highest number of successful applicants. There was also an increase in interest from Belgium and the Netherlands.

Various modular postgraduate programmes are now available to professional people in remote areas.

In accordance with the University's efforts to improve the student mix in terms of race and gender, the new faculty is committed to being even more accessible to the broader community. GESOGI (The Health Care Opportunities Development Programme) is a good example of what the faculty offers.

The faculty also endeavours, as does the rest of the University, to make an effort to accommodate English-speaking students. This is done by offering all tutorials and study guides in both Afrikaans and English.

MILITARY SCIENCE

It was a demanding year for this faculty, with quite a number of notable developments.

In 2000, the Military Academy celebrated its 50th anniversary and a doctoral dissertation by Lt-Col (Dr) GE Visser saw the light of day that dealt with *The History of the South African Military Academy in the period 1950-1990*.

In the first semester, the faculty rewrote its entire undergraduate and postgraduate

programme offering. The upshot: three technology-related programmes, two programmes focusing on military management, and one that focuses on Security and African Studies.

In addition a bridging programme of just one semester's duration was created; this can now be presented twice in a single calendar year. The new programmes, with their contextualized approach, were warmly welcomed by the National Defence Force.

In the second semester the new programmes were marketed country-wide and interested officers underwent scrutiny in terms of the approved mechanisms.

The year was also marked by large-scale organizational restructuring. The 16 academic departments were converted into five academic schools, to create larger organizational structures, capable of optimally exploiting the dynamics that underlies these synergistic partnerships.

The same processes also led to a restructuring of the faculty's committee system, so that the strategic management objectives can be achieved.

Several reorganizations were also carried through. Organizational structures were put in place to ensure that diversity – along with a common overall identity – characterizes the Military Academy's organizational culture.

On the personnel front, progress was made with the extension of the academic staff's salary structure through the addition of a salary level.

Deans' Reports (continued)



The faculty also succeeded in making it possible to use postgraduate students as academic assistants and in negotiating a 30% expansion of its staff body. The appointment process will probably get under way in the second semester of 2001.

The faculty organized two conferences in 2000. As a side effect, the teaching staff and post-graduate students produced an exceptionally large number of conference papers.

Besides the required publication outputs, staff members distinguished themselves through service to the local community in the form of public lectures, development work and involvement in councils/boards and community structures. The Department of Military Management, in cooperation with the local Small Businesses Development Centre, presented a highly successful management course for entrepreneurs.

Other lecturers, through newspaper articles, radio talks and television appearances, helped raise broad public awareness of the faculty's existence and activities.

Faculty members supported the National Defence Force by presenting lectures at the various training centres and acting as external examiners of those attending the courses.

Thanks to prompt action by individuals, the faculty's inputs concerning the training of pilots and preparation for the Navy's new weapons systems were consolidated in the form of fixed agreements.

These actions, and also the general understandings arrived at over time, have brought the faculty appreciably closer to the ideal of cooperative higher education, in terms

of which the client – the SANDF – is able to provide more direct inputs about its educational needs and the faculty, for its part, is able to provide academic leadership.

The academic staff actively involved themselves in the projects of Matie Community Service (Military). At the same time several educational excursions, planned in conjunction with the students, were made to nearby places of historic or general educational interest.

One of the initiatives of the Military Academy Political Science Association was to organize an educational tour to Swaziland.

The faculty, in short, believes that its performance in the year under review was well in line with the ideal it sets itself in its vision: *Academic Excellence in Professional Military Education*.

SCIENCE

This faculty can once again look back over a year that brought with it a number of highlights. One of the most important was the completion of the new Biological Sciences Building, which houses the Departments of Biochemistry, Genetics and Microbiology.

At the elegant inauguration of this building Dr Lynn Margulis, Professor of Geoscience at the University of Massachusetts, and internationally renowned as a biologist, gave a public lecture. Entitled *Symbiotic Planet: A New Look at Evolution*, it was fascinating.

The Biochemistry Department successfully hosted the 9th International BioThermoKinetics Congress. In the course of the year, too, this department was joined from Amsterdam by Prof Jacky Snoep, who has a B-rating with the National Research Foundation.

At the Zoology Department, a new laboratory for Molecular Biology was installed. Also, with the arrival of Prof Terry Robinson from Pretoria and Drs Barbara Cook, Mike Cherry and Conrad Mathee, this department gained a whole new dimension, in which Molecular Biology and Ecology are both important.

The further extensions made to the Natural Sciences Computer Users' Area (Narga) meant that the Computer Science Department now had excellent facilities on the central campus. It also drew good support from industry, which in turn led to more THRIP funds.

As the chair of Medecos 2000, Dr Karen Esler of the Botany Department presented a successful international congress on Mediterranean ecological systems. Of the 121 contributions, most came from abroad.

The 27th Geoscience Congress of the Geological Society of South Africa was hosted by the Geology Department. It was attended by 275 geoscientists, several of them from abroad. The appointment of Prof Gary Stevens, mineralogist and metamorphic petrologist, has completed an academic team that will be well suited to ensuring the Geology Department's renewal and growth. Prof Stevens, holder of a National Research Foundation presidential award, this year also received the Meiring Naudé Medal of the Royal Society.

The Department of Consumer Science celebrated its 75th anniversary with an extensive



PROF FRITZ HAHNE
Dean, Faculty of Science



PROF BERNARD COMBRINK, (left),
who retired as Dean of Theology, and
his successor, PROF DANIËL LOUW

programme that involved the Chancellor, Prof Elize Botha, as one of the guests. Several members of the department participated in international meetings at Iowa State University and in Accra, Ghana.

The arrival in the Physics Department of Prof Hubertus von Bergmann means that expertise in lasers and laser applications is being established and developed. This in turn gives rise to unique opportunities for Materials Science and the Health Sciences.

The Boland Senior Mathematics Olympiad team, led by Dr Louis le Riche from the Mathematics Department, was the winner of the Interprovincial Mathematics Olympiad for the second year running.

Prof Barry Green took the initiative and boosted the development of collaboration in mathematics amongst the universities of Stellenbosch, Cape Town and the Western Cape.

Prof Klaus Koch of the University of Cape Town accepted a chair in Chemistry with us with the aim of promoting Analytical Chemistry as a new subject at Stellenbosch. Formally established at our University only recently, already Analytical Chemistry has risen to great importance here.

Following the arrival of Prof Joachim Herzig from abroad, a start has been made on reorientation and renewal in the Physiology Department. This department plays an important role in the new Human Life Sciences programme.

The growth in numbers in our undergraduate ranks was moderate; that in postgraduate ranks was considerable. These increases and the addition of the facilities and experts referred to above have contributed to a sense of great vibrancy and excitement in the Science Faculty.

THEOLOGY

For the Faculty of Theology, the year under review was above all a year of unity, reconciliation and consolidation.

The major event was the formalization of the agreement between the Uniting Reformed Church and the University. Profs Hannes Adonis, Russel Botman and Dirkie Smit transferred to us from the University of the Western Cape, and this not only put the seal on the agreement, but also represented an enrichment that bode well for the faculty's future.

Some 50 students came over along with these three teachers, which necessitated certain adjustments to the faculty set-up – with implications for the training it offers and the programmes it teaches.

In that way the concepts of unity, reconciliation and justice, which are of the essence in theological training, have been given a visible embodiment. This is of great significance both from the viewpoint of the churches and in terms of the University's mission of service delivery to the diverse cultural mix that is the Western Cape.

The Churches Liaison Board also became a reality. This body plays an important role in the communication between the University and the churches. It provides a structure that assists with teaching appointments by reinforcing trust in the faculty and in the University alike.

Since 2000 the Churches Liaison Board has been drawing its members from the Dutch Reformed Church, Uniting Reformed Church, Moravian

Church, Anglican Church and Volkskerk, along with observers from the Apostolic Faith Mission. The liaison effected in this way imparts a truly ecumenical character to the faculty.

The faculty has been taking seriously the University's policies on affirmative action and the establishment of the principle of employment equity. As well as the three professors from the Uniting Reformed Church, the faculty appointed its first woman teacher, Prof Elna Mouton, in the Department of New Testament.

Prof Daniël Louw was honoured by the Suid-Afrikaanse Akademie vir Wetenskap en Kuns with its Totius Prize for Original Languages of the Bible and Theology.

The new programmes in Christian Theology, Church Ministry and Leadership were implemented.

There is no doubt that outcomes-based education has been a paradigm shift for the faculty. Calling as it does for more than merely the training of clergymen, it has broadened the scope of our programme offering. Also it has obliged the faculty to face up to needs in society such as poverty, AIDS, gang violence and community problems. The paradigm shift has been a high point, in fact, for greater relevancy in both research and training.

University Tributes



HONORARY DOCTORATES

During the past year the University approved the award of six honorary doctorates.

In December 2000 honorary doctorates were conferred on a Zimbabwean jurist, Prof Walter Kamba, on the internationally renowned church leader Dr Beyers Naudé and on Prof Flip Smit, former vice-chancellor and rector of the University of Pretoria.

In March 2001 the University awarded a further three honorary doctorates at the supplementary graduation ceremony for the academic year 2000 to the celebrated Afrikaans writer Elsa Joubert, to a Scottish gynaecologist and life peer, Lord Naren Patel, and to Dr Ton Vosloo, a well-known figure in the South African newspaper industry.

Naudé, Smit and Joubert are alumni of Stellenbosch University.



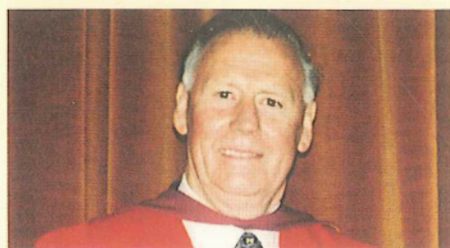
Prof Walter Joseph Kamba received the LLD degree, *honoris causa*, for his contribution as a jurist, academic administrator and international advisor on South African issues.

He studied at Yale and Cape Town Universities. After filling various academic positions, he was professor in law at the University of Namibia from 1994 to 1999, where he created the law faculty from scratch.



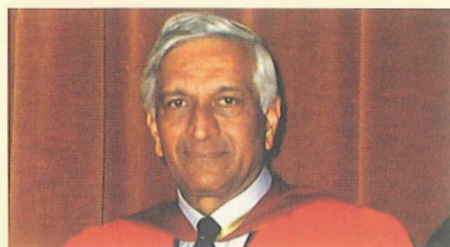
Dr Christiaan Frederick Beyers Naudé received the DTh degree, *honoris causa*. He was honoured as a nationally and internationally respected church leader with a strong sense of justice, who provided leadership and support in a period of difficult transformation in South Africa.

Naudé is one of the most respected, honoured and influential church leaders the University has ever produced. Various universities across the world have awarded him honorary doctorates.



Prof Philippus Smit received the DPhil degree, *honoris causa*, for his contribution to demography, research management and university affairs in South Africa.

He was only 36 years old when he received an award for geography from the Suid-Afrikaanse Akademie vir Wetenskap en Kuns. Smit lectured at Stellenbosch during the early part of his career and was an honorary professor there in 1993 and 1998. He is a former vice-president of the Human Sciences Research Council.



Lord Naren Patel received the MD degree, *honoris causa*, for pioneering contributions in obstetrics and gynaecology that brought him international acclaim for the resulting benefits to expectant mothers and their unborn children.

Originating from Tanzania, he grew up and studied in Scotland. He has been a member of the Royal College of Obstetricians and Gynaecologists since 1970 and a fellow of that college since 1988.



Dr Elsabé Antoinette Murray Steytler (née Joubert) received a DLitt degree, *honoris causa*, for her contribution to Afrikaans literature in the genres of the novel, travel-novel and short-story. Elsa Joubert is one of South Africa's most celebrated writers. She received several awards, including one from Britain, for her novel *Die Swerfjare van Poppie Nongena*. It was published in another 14 languages, including her own English translation. This literary work has had a profound influence on thousands of South Africans, making them aware of the effects of the apartheid system.



Dr Theunissen Vosloo received the DComm degree, *honoris causa*, for his leading contributions to the newspaper industry, the business community, nature conservation and community service. He excelled as a journalist and business leader. A former editor of the daily newspaper *Beeld*, he was only 47 years old when he became the managing director of Naspers. He still serves as chairman or director of a number of Naspers subsidiaries and as the deputy chairman of Sanlam.



THE PRO BENE MERITO MEDAL

This award honours individuals for exceptional services to the University. It involves a gold medal and a framed address.

In 2000 this tribute was awarded to Marius Fürst, an alumnus of the University who has made a substantial contribution to the University's head start in the field of information technology.

He earned his BSc and MBA degrees from the University and has been a loyal supporter of his Alma Mater throughout his extremely successful business career.

Fürst was managing director of Hewlett Packard South Africa, then in 1994 became managing director of Compaq Computer. Within five years he had built that company into the country's strongest supplier of high quality computers.

He made an important contribution to the University's infrastructure in the field of computers and networks, enabling the University to enlarge its infrastructure with state of the art equipment. He has several times donated computer equipment to the University.

Fürst, who serves on the advisory board of Stellenbosch University's Graduate School of Business, is the seventh recipient of the Pro Bene Merito medal since this was instituted by the University in 1997.



THE CHANCELLOR'S MEDAL

The Chancellor annually awards this much-sought-after medal to the most outstanding final-year student at the University.

Geo Quinot, who received the medal in December 2000, is regarded as one of the ablest students that the Faculty of Law has produced in the past decade.

He obtained both the BA (Law) degree and, in December 2000, the LLB degree with distinction. His has been an academic record of sustained brilliance, as witness his aggregate of 80%.

The Chancellor's Medal is not awarded for excellent academic achievements only – versatility and a meaningful contribution to university life are also taken into consideration. In this respect Quinot has performed exceptionally well. On top of academic colours, he was given honorary colours for leadership. He was a member of the executive committee of the Students' Representative Council for two years, senior editor of the *Stellenbosse Student* and chairman of the University's student court.

He has been granted a Fulbright scholarship to further his studies in the USA in 2001.

Corporate Affairs

The implementation of the University's Strategic Framework necessitated a regrouping of some key functions, including those previously carried out by the Marketing and Communication (M & C) Division.

A new division, Corporate Affairs (CA), was consequently established to provide an organizational home for this new group of functions. With the establishment of CA certain activities of the University that are not directly involved in teaching or research but that nevertheless make a significant contribution to this mainstream function were placed under one roof. CA now deals with certain other institutional matters, for example, the University's policy on HIV/Aids, sexual harassment and gender issues.

Corporate Affairs consists of six separate portfolios:

- The Stellenbosch Foundation, which includes the former unit for Financial Resource Development (international and corporate fund-raising, alumni and legacies).

A Partnership Campaign was launched in 2000 to obtain income for the University from, *inter alia*, legacies, contract research, intellectual property and donations. It is expected that this campaign will already begin to bear tangible fruit in 2001.

- Marketing & Communication, the new name of the portfolio previously known as Communication. The "new" M&C handles internal and external communication, liaison services, publications, media releases, language editing, the University's Internet

home page, corporate identity management and other marketing initiatives, such as promotions and advertisements.

The Marketing & Communication team was responsible for a very successful countrywide campaign in September 2000 which introduced and publicized the University's Strategic Framework and new corporate identity.

- Prospective Students, which focuses on, among other matters, career guidance and the marketing of the University's academic programmes, admission requirements, bursary possibilities and the evaluation of prospective students by means of access tests.
- The International Office, which handles, among other matters, the University's formal exchange and other agreements with more than 60 foreign universities, provides services for the more than 1 000 foreigners from approximately 66 countries who come to study at Stellenbosch, and publicizes overseas teaching and study opportunities among the University's students and lecturers.
- The University Museum, which is responsible for the control and expansion of the University's large art and cultural-history collections. This includes the Sasol Art Museum and the University's art gallery in Dorp Street, Stellenbosch, both of which came into being largely as a result of donations.

- The Community Service Unit, which, as a new portfolio, coordinates and facilitates the community service activities of the University. The University's Strategic Framework contains a commitment to provide service to the broader community.

This approach is also encapsulated in the new slogan, *Your knowledge partner*. Community service is, besides teaching and research, one of the University's three core functions.

The University is already involved in a wide variety of community initiatives. The Community Service portfolio is not itself involved in the implementation of community projects, but coordinates and facilitates these activities while helping to reinforce the cooperation between the University and its partners in the communities it serves.

A high priority is the integration of community service with teaching and research at the University. For this purpose emphasis is placed on in-service learning opportunities within academic faculties and departments.

Academic Support Services

This division is involved in academic support for the university community in areas ranging from psychological and academic development support to admission mechanisms and instruments. Academic Support Services has three subdivisions:

Academic Development Programmes, with the basic aim of providing supplementary assistance to students who are inadequately prepared for university study. As many of these come from historically disadvantaged schools, this task is also part of the University's equal opportunities drive.

This subdivision is involved in a broad spectrum of activities. Among the most important are outreach efforts to historically disadvantaged schools, where the support benefits not only the learners, but also their teachers (through in-service training and materials development).

A large variety of academic development programmes are regularly offered, such as bridging, basic, language, tutoring and mentoring programmes, and initiatives to recruit high-potential learners for the University.

There is no comprehensive subsidy from government for this vitally important work. As a result, the University must largely fund this itself. Fund-raising is thus one of the subdivision's major tasks.

The Centre for Student Counselling and Development that played a contributory role in 2000 in enabling the student community to deal successfully with the following matters:

- the implications of the University's Strategic Framework,
- the demands of learner-centred teaching,
- the realities of life skills challenges, and

- the part of the University's vision about gaining national and international standing by means of "... its production of graduates who are sought-after for their well-roundedness and for their creative, critical thinking".

Apart from the centre's existing services in therapy, counselling, development and consultation, the year was characterized in particular by a new focus on the holistic wellness of every student. This approach consists of two programmes:

- the Alpha programme (Academic Guidance and Facilitation of Adjustment), which is aimed mainly at first-year students;
- the Omega programme (Development Mechanisms for Effective Degree Completion), which is aimed more at preparing and rounding off senior students to face the realities and demands of the professional world.

The overall aim of the wellness approach is to help prepare students to realize their intellectual, emotional, social, career, spiritual and physical potential to the fullest extent.

Other milestones were the extension of this centre's services on the Tygerberg Campus; advances in the more effective application of computer technology (especially the University's Intranet) for psychometric assessment and for presenting development programmes; a new performance-driven management system; a range of multidisciplinary case discussions attended by more than 100 registered psychologists, and the harnessing of external funds to help meet the most pressing challenges.

Access and Merit Bursary tests

During the past year the University extended this initiative, which has been in existence since 1998, so that all applicants in selection

programmes in the health sciences with aggregates of below 85% in the Grade 11 final examinations are now required to sit for the access tests.

As in the past two years, it will be compulsory for all other applicants to the University with aggregates of below 70% in the Grade 11 final examinations and a total of less than 1 440 marks in the Grade 12 final examinations to sit for the tests.

A total of 2 593 candidates wrote the access tests with a view to the 2001 intake on five separate occasions since June 2000, and of these more than 60% were eventually expected to attend the University. The intention with these tests is to broaden access, to give candidates even better guidance – in the choice of a career, a field of study and subjects – and to establish criteria that are specific to the University.

Merit bursary tests were developed to assess prospective students from educationally disadvantaged backgrounds before their Grade 12 year and to offer them bursaries on the basis of their test results. 1 049 candidates were tested for the 2001 intake; 393 bursaries were offered, 269 of which were taken up for studying at the University.

With these tests the University has developed a powerful additional recruitment tool, especially for identifying and recruiting educationally disadvantaged students who have a high potential.

Uni-Ed

(Division for University Education)

Uni-Ed was established in 1998 and entrusted with the task of promoting innovative student-centred study and teaching (including e-study) at the University.

From January 2000 it was given a further two functions: to serve as the home base for the development, registration and accreditation of study and teaching programmes, and to provide facilitation and support for the University's quality assurance processes for study and teaching. This includes liaison with the national bodies responsible for the regulation of qualifications, programmes and quality assurance in higher education.

In carrying out these newly added tasks Uni-Ed played a supportive role, and provided input about the University's teaching task, in various committees and policy-making bodies of the University.

Exacting demands were made on Uni-Ed by the coordinating role it played in the preparation and internal approval of submissions on the University's qualifications to the SA Qualifications Authority. June 2000 saw submissions formally presented for the interim registration of the 189 qualifications offered by the University (and the more than 600 programmes that lead to these qualifications). In 2000, thirty new programmes were also submitted for registration and accreditation; in the development of these, Uni-Ed similarly played a facilitative and supportive role.

A new position of deputy director was created for the execution of these and other additional tasks.

In September 2000 the Quality Committee of the Council for Higher Education published its *Founding Document* containing a wide range of new expectations regarding quality assurance at universities. As part of its efforts to further refine the University's policy and instruments in this regard, Uni-Ed invited two foreign experts to give presentations on quality assurance to members of the Academic Planning Committee, deans and others in management positions.

In 2000 Uni-Ed again presented to new members of the teaching staff the University's programme on professional instructional development. It was attended by 50 people from 38 different academic departments.

A new questionnaire for student feedback was developed in 2000. As well as core questions (approved by Senate in 1999) it contains a few questions that apply to particular faculties only. Feedback from it by more than 5 000 students on 1 200 of the modules presented by the University in 2000 were processed. The results were forwarded to the relevant lecturers, deans, departmental chairpersons, section heads and/or module chairpersons, etc.

The implementation of the web instructional management system Web Course Tools (WebCT) gained further momentum in 2000. Uni-Ed's WebCT training occasions were attended by some 80 members of the teaching staff; in all, 160 have been registered on the system as chief designers. By the end of the year 9 000 students were registered for the 156 WebCT-driven programmes, while a further 75 programmes were still in the development stage. The training in and support for the use of the web instructional management system are integral parts of an 'e-campus' – the umbrella term for

the electronic activities of the University's core functions and support services. Following an investigation by a working group of the Task Group for Study and Teaching (TGST), an E-Campus Forum was set up in June 2000 to coordinate the development of the e-campus.

Uni-Ed was also closely involved during 2000 in the development and implementation of new curricula for the Medical and Dental Faculties. To help meet the requirements in this regard, a new position of senior advisor for instructional development was created for Uni-Ed on the Tygerberg Campus in July 2000.

Uni-Ed continued to play a supportive role in the work of the Task Group for Study and Teaching (TGST) during 2000. In January, members of the Task Group were invited to a week-long working session facilitated by Prof Graham Gibbs of the Open University. Prof Gibbs is an expert on the development of institutional strategies for study and teaching.

Distance Education

Distance education in the year 2000, like higher education in general, was marked country-wide by a large measure of uncertainty. With a view to ensuring stability, the Department of Education in the end placed a blanket moratorium on any new distance education (DE) programmes.

Keeping up the momentum

Our own DE activities were not significantly affected, however, thanks to the following:

- From the outset, the University has been highly conservative in its approach to DE, especially in its requests for subsidies on programmes.
- From the outset, too, the University has been quite firm that the academic responsibility for DE programmes is to be its own entirely – even in the few instances of programmes presented in terms of collaboration agreements with private sector bodies.
- As far as strategy is concerned, the University consistently goes for the clear definition of focal areas. This means in practice that it creates and teaches DE programmes only in niche areas in which it has significant core expertise. And so the focus of our DE is now exclusively on graduate programmes and continuing education.

In short, a clearly defined approach to DE programmes has always been adhered to. It was this, along with the momentum built up in previous years, that enabled the University to continue to impart impetus to DE initiatives in 2000.

Modes of presentation

The year saw DE programmes presented to widely differing target groups by a variety of

modes of transmission. Noticeable, however, is the growing use of one or another mix of modes.

Still, in most cases by far the choice fell on interactive telematic broadcasts – because they make possible instant first-hand interaction, not just between presenter and student, but also student to student.

In 2000, the technology for interactive telematic broadcasts had to be taken over from the private supplier. The decision was a tough one for the University, above all because as a matter of principle it prefers to be a user of technology rather than an owner.

In practice, the University now has two studios and a network of electronically linked centres country-wide.

Programmes – old and new

Within the limits laid down by the moratorium, the University continued to teach a number of already prepared DE programmes and to develop new ones for teaching as from 2001.

The programmes that were successfully added in 2000 included three MPhils (Leadership in Education, Agricultural Sciences and Futures Studies), one BScHons in Health Sciences and two nursing diplomas (in the Administration of Nursing and in Clinical Nursing).

Programmes being developed since 2000, for introduction in 2001 and 2002, include selected modules of the MBA programme and three more master's degrees – in Nutrition, in Family Medicine (MFamMed) and in Public Administration (MPA).

With all of these programmes, the decision to develop was based on feasibility studies that

took into account not only the financial realities but also factors such as the following:

- How well would the new programme answer to the University's stated DE policy?
- To what extent did the University have the institutional capacity to set up and keep up the new programme?
- To what extent could the new programme help to meet national priorities?

A typology of our own

Capitalizing on the experience it has gained since 1998, the Division for Distance Education during the year under review made good progress in articulating the University's distinctive DE typology in a special document. This goes by the title *The context, content and processes of distance education at Stellenbosch University*.

The aim is to put in place standardized procedures for the presentation of DE programmes, thus making sure that the same high quality will characterize all the University's DE initiatives. The document should be completed, and pass through the University's formal decision-making mechanisms, in the course of 2001.

The Division for Student Affairs and the Sports Bureau

THE DIVISION FOR STUDENT AFFAIRS

The Bacchus conferences, where the Stellenbosch community and the student community deliberated together on how to promote responsible alcohol consumption, resulted in the revision of all the traditional rules and regulations that governed this issue. From now on, every University residence has to decide for itself what is acceptable consumption. Linked to this freedom, however, is the acceptance of liability and responsibility should things get out of hand. We trust that these decisions will go a long way towards promoting sound habits of sobriety and accountable consumption.

The University residences are insufficient to cope with the demand for student accommodation. The number of students has in the past year grown for the first time to more than 20 000 – some 13 000 of whom come to the Stellenbosch Campus every day. The University itself, however, has lodgings for a mere 6 000.

Two student housing complexes, both of which were erected on University premises by the private sector, have recently become available: Academia at Stellenbosch since 1999 and Meerenhof at Tygerberg during the past year. But these are still not enough to meet the demand for student accommodation.

The men's residence Hombré received the bad news that after several decades it would have to close. Since the demolition of the commercial building in which Hombré had always existed, the residence carried on for another two years in the building of the women's residence Sonop, and for a further year during which the men could share that building with the women students. However, because of the relatively more rapid growth in

women student numbers, the University has decided to use the building exclusively as a women's residence from 2001 on.

All University residences and PSO Wards were asked to state in writing, early in 2001, the values they stand for and the ethos they wish to live by. It is natural for such a group to accept ownership of its own statement; so it is confidently expected that the attitudes, behaviour and management in these environments will markedly improve as a result.

THE SPORTS BUREAU

Matie sport once again experienced an exceptional year, with the undisputed highlight being the performance of the Maties first rugby team.

The Maties not only took the WPRFU's Grand Challenge Cup but they also ended up as the M-Net Supersport National Club Champion for 2000 after decisively beating Tukkies in the final of the competition at Loftus Versveldt in Pretoria.

It was the third time since the competition was reintroduced four years ago that Maties won the title. And in achieving this triumph, Maties have now won the title nine times – an impressive record.

The University's women's hockey team, men's hockey team, underwater hockey team and water polo team won their respective SASSU tournaments. Forty-four Maties were chosen for the various SA student teams.

The University's first teams in women's and men's hockey, cricket and rugby walked victorious from the field in their respective leagues in the Western Province and Boland. The cricket club won both the Two-day Super-league and the One-day League in the Boland.

As in previous years, the Maties once again made up the core of the Western Province and Boland

teams. In all, 70 Maties were members of the WP and Boland senior teams – 37 in the provincial B teams and 91 in the age-group teams.

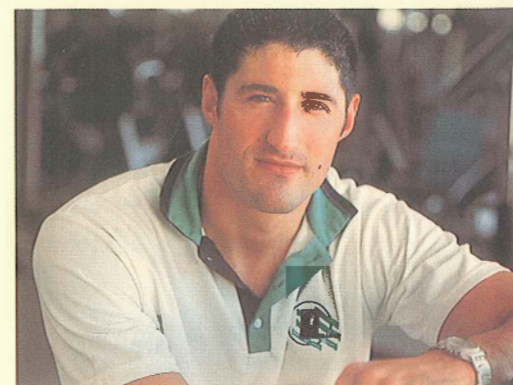
Maties and former Maties also excelled at the international level. Twenty-six Maties and nine former Maties were selected for national teams, while 17 Maties were chosen for the various age teams.

A variety of foreign sportspersons again used Coetzenburg and its excellent facilities for out-of-season preparation.

The Matie hockey player Anli Kotzé and the disabled sportsman Ernst van Dyk were chosen as the University's sportsman and sportswoman for 2000.



ANLI KOTZÉ
Sportswoman of the year 2000



ERNST VAN DYK
Sportsman of the year 2000

University Council's Declaration on Corporate Governance



Stellenbosch University was established in 1918 by Act No 13 of 1916, as superseding the Victoria College.

THE COUNCIL of the University is accountable to all interest groups. Committed to sound management principles, the Council sees to it that the University is managed in a responsible and transparent way. The Council, which meets six times a year, consists of 31 members. The names of the current members appear on page 3.

The Council has created structures to see to it that its obligation to all interest groups is properly fulfilled at all times.

THE EXECUTIVE COMMITTEE OF THE COUNCIL, which meets six times a year, confers with senior management in the periods between Council meetings in order to manage the University's affairs. It consists of seven members, as set out on page 3.

THE AUDIT COMMITTEE OF THE COUNCIL, which meets at least twice a year, assesses matters relating to internal control, including internal and external audit, accounting policy, and financial reporting. The auditors, both internal and external, have unrestricted access to the Audit Committee. The Audit Committee, which has been functioning since 6 November 1992 in terms of a written Council directive, consists of four members, as set out on page 3.

THE HUMAN RESOURCES COMMITTEE OF THE COUNCIL is responsible for considering, and making recommendations to the Council on matters such as remuneration and fringe benefits of senior management. It consists of five members, as set out on page 3.

SYSTEMS OF EFFECTIVE, EFFICIENT AND TRANSPARENT FINANCIAL MANAGEMENT AND INTERNAL CONTROL are used to ensure the accuracy of the University's accounting records and the integrity of the data used for the drafting of financial statements and for other purposes, such as South African Post-Secondary Education (SAPSE) statistics.

There are inherent limitations on the effectiveness of any internal control system, including the possibility of human errors and the circumvention or subversion of control measures. Consequently, even an effective internal control system can at best provide only a reasonable assurance in regard to financial information and, in particular, the information presented in financial statements.

The effectiveness, efficiency and transparency of the financial management and internal control systems are assessed by the internal and external auditors. Weaknesses in the systems are brought to the notice of management and, where appropriate, to the notice of the Audit Committee. Whenever deficiencies of control are identified, or opportunities for improvements to the systems are identified, steps are taken to rectify them or turn them to advantage, respectively.

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 financial statements has been delegated to management.

Council is of the opinion that Stellenbosch University is run as a going concern and the financial statements have accordingly been prepared on this basis.

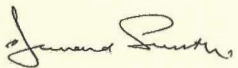
It is the responsibility of the external auditors to express an independent opinion on the consolidated financial statements based on their audit. They have had unrestricted access to all financial records and related data, including minutes of meetings of the Council and all Committees of Council.

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

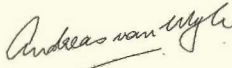
Council is satisfied that the consolidated annual financial statements fairly present the financial position, the results of operations, changes in equity and cash flows in accordance with the relevant accounting policy based on South African Statements of Generally Accepted Accounting Practice.

No material facts or circumstances have arisen between the dates of the balance sheet and of this report that materially affect Stellenbosch University's financial position.

The consolidated annual financial statements on pages 32 to 48 have been approved by Council and were signed on Council's behalf by:



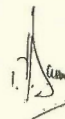
Mr DK Smith
Chairperson of the University Council



Prof AH van Wyk
Rector and Vice-Chancellor



Mr PG Steyn
Chairperson of the Audit Committee



Mr NJ Basson
Chief Director: Finance and Services

11 June 2001

Report of the independent auditors

We have audited the consolidated annual financial statements of Stellenbosch University, as set out on pages 32 to 48, for the year ended 31 December 2001. These financial statements are the responsibility of the Council of Stellenbosch University. Our responsibility is to express an opinion on these financial statements based on our audit.

SCOPE

We conducted our audit in accordance with Statements of South African Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

QUALIFICATION

In the light of a legal opinion indicating that the Stellenbosch Trust need not be consolidated in terms of the Education Department's Financial Manual for Higher Education Institutions, the Council of the University decided not to deal with the Stellenbosch Trust in the consolidated statements. In terms of our interpretation of the South African Statement of Generally Accepted Accounting Practice (RE 412: Consolidation – Special-purpose entities) the Stellenbosch Trust should be consolidated by the University since the Trust in essence exists and operates to the benefit of the University. The financial effect of the exclusion is the understatement of amounts as follows:

	2000 R'000	1999 R'000
Non-current assets	257 964	224 521
Current assets	3 578	3 059
Reserves	258 294	225 146
Current liabilities	3 248	2 434
Net income for the year	13 190	12 517

QUALIFIED OPINION

Except for the effect on the consolidated annual financial statements of the matter referred to in the previous paragraph, these annual financial statements in our opinion fairly present, in all material respects, the financial position of the Stellenbosch University at 31 December 2000, and the results of its operations, changes in equity and cash flows for the year then ended, in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Minister of Education under section 41 of the Higher Education Act (Act 101 of 1997, as amended by Act 54 of 2000).

Price Waterhouse Coopers Inc.

PRICEWATERHOUSECOOPERS 

Chartered Accountants (SA)
Registered Accountants and Auditors

Stellenbosch
11 June 2001

Accounting Policy

The consolidated annual financial statements are prepared on the historical cost basis in conformity with South African Statements of Generally Accepted Accounting Practice. The policies are in all material respects consistent with those adopted in the previous year, except where otherwise stated.

1. BASIS OF CONSOLIDATION

All companies that are defined as subsidiary companies under the Companies Act are included in the consolidated financial statements. The results of subsidiaries that were acquired in the course of the year are included from the date on which effective control was obtained. Assets acquired with the purchase of a subsidiary are valued at a reasonable value and, where necessary, provisions are made as at the date of acquisition.

Operations that are conducted in partnerships or trusts, but that are in effect under the University's control, are fully consolidated in the income statement and balance sheet. The interests of other members in the partnerships, or of other beneficiaries in the trust, are shown as minority interests.

2. ASSOCIATED COMPANIES

An associated company is a company, other than a subsidiary, in which the University holds a long-term investment and upon which, therefore, the University because of the size of its investment is able to exercise a significant influence. The results of associated companies have been accounted for by applying the equity method of accounting.

3. FOREIGN EXCHANGE

Foreign exchange transactions are recorded at the exchange rate as at the date of the transaction. Any foreign exchange differences that arise from the settlement of such transactions are recognized as income or expenditure in the period in which they originate.

4. FINANCIAL INSTRUMENTS

Financial instruments include cash, bank balances, investments, debtors, creditors and loans. These instruments are generally shown at the expected fair value, except if otherwise specified.

5. RESEARCH AND DEVELOPMENT COSTS

Research and development costs are written off in the year in which they arise, since both these types of cost are inherent to the normal operations of a university.

6. INVESTMENTS

Donations are shown at the reasonable market value as at the date of the donation. All other listed and unlisted investments are shown at cost price less write-offs for diminutions in value that are deemed not to be of a temporary nature. Such write-offs, and similarly profits and losses on realization, are accounted for in normal income. Dividends on listed shares are recognized as income on the last day for registration; dividends on unlisted shares are recognized as income when they are declared.

7. PROPERTY, BOOKS AND EQUIPMENT

All property, books and equipment are shown at cost price, with the exception of donations, which are appraised at fair market values by independent, external valuers.

Accounting Policy (continued)

Land and buildings are not depreciated, since land has an unlimited lifetime and buildings are subject to continuous maintenance and are therefore deemed to have an unlimited lifetime. Maintenance costs are recognized as expenditure in the period in which they arise.

Computer and other equipment are depreciated on the straight-line method over their expected useful life.

Library books are fully written off at the date of purchase.

8. INVENTORIES

Inventories, consisting mainly of consumables and stationery, are valued at the lower of cost price, using the average cost method for all categories, or net realizable value.

9. CASH AND CASH EQUIVALENTS

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

10. RECOGNITION OF INCOME

Tuition and accommodation fees are recognized as the service is provided.

Central government allocations are recognized in the period for which they are received.

Research grants are recognized when they are received and are not deferred over the term of the research. Similarly, expenditure is not deferred over the term of the research but is offset when it is incurred.

Interdepartmental income and expenditure are eliminated.



Consolidated Balance Sheet



At 31 December 2000

Notes

2000

1999

R'000

R'000

ASSETS

NON-CURRENT ASSETS

1 092 107

907 915

Property, books and equipment

3

582 917

522 011

Investments

4

509 190

385 904

CURRENT ASSETS

292 217

316 985

Inventories

4 010

3 358

Trade and other debtors

5

81 146

80 745

Cash and cash equivalents

13

207 061

232 882

TOTAL ASSETS

1 384 324

1 224 900

EQUITY AND LIABILITIES

CAPITAL AND RESERVES

967 041

846 535

Unrestricted reserves

1

3 759

14 467

Restricted reserves

1

963 282

832 068

NON-CURRENT LIABILITIES

342 802

306 530

Interest-bearing loans

2

118 382

110 310

Retirement benefit liability for medical scheme

15

224 420

196 220

CURRENT LIABILITIES

74 481

71 835

Trade and other creditors

6

59 845

61 755

Student deposits and other deposits on call

3 802

4 533

Current portion of interest-bearing loans

2

5 935

5 410

Bank overdraft

13

4 770

-

Short-term acknowledgements of debt

129

137

TOTAL EQUITY AND LIABILITIES

1 384 324

1 224 900

Consolidated Income Statement

For the year ended 31 December 2000

		Educational and general (restricted and unrestricted)	Students and staff accom- modation (restricted)	2000 Total R'000	1999 Total R'000
	Notes	R'000	R'000	R'000	R'000
TOTAL INCOME		846 473	59 766	906 239	807 174
RECURRENT ITEMS					
Government grants		372 622	3 130	375 752	339 798
Tuition, accommodation and other fees		141 279	49 434	190 713	174 176
Private donations, allocations and contracts		191 313	592	191 905	169 033
Sales of services and products		25 603	4 499	30 102	44 562
Subtotal		730 817	57 655	788 472	727 569
Interest and dividends received	10	60 006	2 111	62 117	71 369
		790 823	59 766	850 589	798 938
NON-RECURRENT ITEMS					
Profit on sales of assets		2 297	–	2 297	535
Realized profit on sales of investments		53 353	–	53 353	7 701
		55 650	–	55 650	8 236
TOTAL EXPENDITURE		733 502	52 231	785 733	708 326
RECURRENT ITEMS					
Staff costs	8	390 889	8 338	399 227	371 488
Academic, professional		209 539	834	210 373	193 470
Other		181 350	7 504	188 854	178 018
Other operating expenditure	9	280 604	43 893	324 497	281 427
Depreciation	9	42 329	–	42 329	36 148
Subtotal		713 822	52 231	766 053	689 063
Finance charges		19 680	–	19 680	19 263
		733 502	52 231	785 733	708 326
ALLOCATION TO RESERVES		4 405	(4 405)	–	–
TRANSFER TO EDUCATIONAL AND GENERAL		3 130	(3 130)	–	–
		7 535	(7 535)	–	–
NET INCOME FOR THE YEAR		120 506	–	120 506	98 848

Consolidated Statement of Changes in Equity

For the year ended			Student		Endowment		
31 December 2000		Educational	and staff	Subsidiary	Loan-	and similar	Fixed asset
	Notes	and general	accommodation	companies	funds	funds	funds
		R'000	R'000	R'000	R'000	R'000	R'000
							Total
							R'000
BALANCE AT							
1 JANUARY 1999		79 135	12 946	(1 128)	34 495	113 944	510 638
Surplus for the year		98 848	-	-	-	-	-
Change in accounting policy	11	(2 343)	-	-	-	-	-
Allocation to reserves		(34 104)	3 914	2 355	3 851	73 944	(49 960)
Transfers to reserves		(24 650)	(2 421)	-	5 495	(47 647)	69 223
BALANCE AT							
31 DECEMBER 1999		116 886	14 439	1 227	43 841	140 241	529 901
BALANCE AT							
1 JANUARY 2000		116 886	14 439	1 227	43 841	140 241	529 901
Surplus for the year		120 506	-	-	-	-	-
Allocation to reserves		(14 981)	4 405	3 229	2 110	17 705	(12 468)
Transfers to reserves		(83 160)	(1 917)	-	7 038	(17 001)	95 040
BALANCE AT							
31 DECEMBER 2000		139 251	16 927	4 456	52 989	140 945	612 473

Consolidated Cash Flow Statement

For the year ended 31. December 2000

Notes

2000
R'000

1999
R'000

CASH FLOW FROM OPERATING ACTIVITIES

Cash received from government grants and allocations		375 752	339 798
Cash received from tuition and other fees		186 760	174 619
Cash received from private donations, allocations and contracts		191 905	172 267
Cash received from coincidental sales and services		27 634	44 561
Cash paid for staff costs		(400 289)	(365 648)
Cash paid for supplies and services		(295 265)	(291 496)
Cash generated by operations	12	86 497	74 101
Plus: Interest received		56 352	71 927
Dividends received		8 514	5 965
Minus: Finance costs		(19 680)	(19 263)
Net cash inflow from operating activities		131 683	132 730

CASH FLOW FROM INVESTMENT ACTIVITIES

		(170 871)	(135 211)
Additions to investments		(123 286)	(47 650)
Realized surplus on investments		53 353	7 701
Additions to property, books and equipment		(103 235)	(95 797)
Proceeds on disposal of property, books and equipment		2 297	535

CASH FLOW FROM FINANCING ACTIVITIES

Increase in interest-bearing loans		8 597	20 708
------------------------------------	--	-------	--------

NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR

CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

13

(30 591)	18 227
232 882	214 655
202 291	232 882

Notes to the Consolidated Annual Financial Statements

For the year ended 31 December 2000

1. ACCUMULATED FUNDS

The accumulated balances at 31 December are as follows:

	2000			1999		
	Restricted R'000	Unrestricted R'000	Total R'000	Restricted R'000	Unrestricted R'000	Total R'000
Educational and general	261 696	(122 445)	139 251	231 812	(114 926)	116 886
Accommodation for students and staff	16 927	–	16 927	14 439	–	14 439
Subsidiary companies	4 456	–	4 456	1 227	–	1 227
Loan funds	52 989	–	52 989	43 841	–	43 841
Endowment funds	41 403	99 542	140 945	40 497	99 744	140 241
Fixed asset funds	585 811	26 662	612 473	500 252	29 649	529 901
	963 282	3 759	967 041	832 068	14 467	846 535

2. INTEREST-BEARING LOANS

	2000 R'000	1999 R'000
Two loans with government at different interest rates , repayable in equal biannual installments, ending in 2012 and 2018 respectively.	2 430	2 518
Several loans with pension and provident funds at different interest rates and for different periods, repayable in biannual installments.	423	588
Several loans with insurance companies at different interest rates and for different periods, repayable in biannual installments.	42 739	47 501
Several loans with other financial institutions at different interest rates and for different periods, repayable in biannual installments.	62 537	49 764
Several loans with private individuals at different interest rates and for different periods, repayable in biannual installments	107	119
Bank overdrafts to finance the University's various motor vehicle schemes.	16 081	15 230
	124 317	115 720
Less: Portion repayable within one year	5 935	5 410
	118 382	110 310

Notes to the Consolidated Annual Financial Statements

(continued)

For the year ended 31 December 2000

3. PROPERTY, BOOKS AND EQUIPMENT

	2000			1999		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
	R'000	R'000	R'000	R'000	R'000	R'000
Fixed property	450 536	–	450 536	412 192	–	412 192
Computer equipment	83 891	40 068	43 823	69 419	36 260	33 159
Other equipment	199 441	111 901	87 540	177 872	102 103	75 769
Library books	97 336	97 336	–	80 356	80 356	–
Livestock	1 018	–	1 018	891	–	891
	832 222	249 305	582 917	740 730	218 719	522 011

Depreciation rates are as follows:

	2000	1999
	%	%
Fixed property	0	0
Computer equipment	25	25
Other equipment	15	15
Library books	100	100

	Fixed property	Computer equipment	Other equipment	Library books	Live-stock	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Reconciliation of the carrying amount:						
Net book value at beginning of year	412 192	33 159	75 769	–	891	522 011
Additions	38 460	28 044	31 483	16 980	127	115 094
Disposals	(116)	(6 786)	(4 957)	–	–	(11 859)
Depreciation per income statement	–	(10 594)	(14 755)	(16 980)	–	(42 329)
Net book value at end of year	450 536	43 823	87 540	–	1 018	582 917

The register containing the full particulars of land and buildings is available at the University's offices. The market value of buildings, on which no depreciation is written off, exceeds the book value.

The University ceded all its rights as a beneficiary to income and capital in The Stellenbosch Development Trust to a financing partner for any debts of the University or the Stellenbosch Development Trust to the financing partner. At 31 December 2000 the total liability of The Stellenbosch Development Trust to the financing partner was R25,6 million, while the book value of the fixed property in The Stellenbosch Development Trust amounted to R32,8 million.

Notes to the Consolidated Annual Financial Statements

(continued)

For the year ended 31 December 2000

4. LONG-TERM INVESTMENTS

The book values and market values of investments at 31 December are as follows:

	2000	2000	1999	1999
	Book value	Market value	Book value	Market value
	R'000	R'000	R'000	R'000
Government stock	105 209	116 176	88 874	97 353
Shares	327 228	389 736	291 011	432 588
– Listed shares	326 325	388 833	291 006	432 583
– Unlisted shares	903	903	5	5
Fixed deposits	6 993	7 158	493	493
Investment property	1 275	1 275	1 275	1 275
Other	68 485	71 810	4 251	4 251
	509 190	586 155	385 904	535 960

A complete register of investments is available at the office of the University. Unlisted shares, debentures and the investment in fixed property are valued by the Council at book value.

The Long-term Investments: Other include the following investment in an associated company:

Name	Number of shares	Interest	Nature of operations
Unistel Medical Laboratories (Pty) Ltd	350	35%	Provides genetic and diagnostic test facilities and services

	2000	1999
	R'000	R'000
Investment in associated company at the beginning of the year	674	–
Investment in associated company during the year	–	650
Share in associated company's earnings	149	24
Share in pre-taxation earnings	213	38
Tax	(64)	(14)
Investment in associated company at the end of the year	823	674

This unlisted investment is valued by the Council at book value.

Notes to the Consolidated Annual Financial Statements

(continued)

For the year ended 31 December 2000

4. LONG-TERM INVESTMENTS (continued)

The assets, liabilities and operating results of the associated company are as follows:

	2000 R'000	1999 R'000
Fixed assets	1 647	1 794
Current assets	1 616	951
Total assets	3 263	2 745
Non-current liabilities	226	535
Current liabilities	541	141
Total liabilities	767	676
Revenue	3 054	404

A fixed annual amount from the University's long-term investments, R15,9 million for the year ended 31 December 2000, was ceded to a financing partner for any debts of the University to the financing partner, in terms of the subletting and deposit agreements with the financing partner. This cession will lapse on 31 December 2008.

5. DEBTORS

	2000 R'000	1999 R'000
Tuition fees	13 591	16 485
Student fees outstanding	17 168	18 468
Less: Provision for doubtful student fees	(3 577)	(1 983)
Student loans	22 306	19 055
Student loans owing	23 806	20 555
Less: Provision for doubtful student loans	(1 500)	(1 500)
Government debtors	2 099	1 917
Motor vehicle loans	11 675	12 049
Interest receivable on investments	7 341	10 091
Other	24 134	21 148
	81 146	80 745

6. CREDITORS AND PROVISIONS

Provision for leave gratuity	17 174	21 160
Tuition fees received in advance	8 877	13 398
Other	33 794	27 197
	59 845	61 755

Notes to the Consolidated Annual Financial Statements

(continued)

For the year ended 31 December 2000

7. CAPITAL COMMITMENTS

The following liabilities existed at 31 December 2000 in respect of capital commitments made or orders placed with regard to buildings, library books and library journals, equipment and trading inventories:

	2000 R'000	1999 R'000
Buildings	4 279	6 121
Library books and library journals	1 707	1 713
	5 986	7 834

8. STAFF COSTS

Remuneration and fringe benefits	371 027	351 268
Provision for post-retirement medical benefits	28 200	20 220
	399 227	371 488

The average number of full-time employees per month is 3 154 (1999: 2 890).

9. OTHER OPERATING COSTS was calculated after the following items have been charged:

DEPRECIATION	42 329	36 148
– Computer equipment	10 594	8 448
– Other equipment	14 755	12 604
– Library books	16 980	15 096
RENT	12 225	2 998
– Buildings	8 976	627
– Equipment	3 249	2 371
MAINTENANCE AND REPAIRS	30 974	30 875
AUDITORS' REMUNERATION	1 075	867
– For audit	487	433
– Current year	470	375
– Underprovision for previous year	17	58
– For other services	588	434

10. INTEREST AND DIVIDENDS RECEIVED

Interest received		
– Operating investments	22 066	35 081
– Non-operating investments	23 549	20 125
– Other	7 752	10 144
Dividends received	8 750	6 019
	62 117	71 369

Notes to the Consolidated Annual Financial Statements

(continued)

For the year ended 31 December 2000

11. CHANGE IN ACCOUNTING POLICY

In the course of the year, the University changed its accounting policy with regard to the treatment of the provision for doubtful debts on student fees and student loans. It now makes accounting provision for such debts at year-end. This is in contrast to funds accounting, where funds sufficient for the provision calculated were provided for solely by way of a transfer to limited funds for this specific purpose. The corresponding amounts have been restated accordingly. The effect of this adjustment is as follows:

	2000 R'000	1999 R'000
Decrease in net profit as a result of the accounting provision made for doubtful student fees and student loans at year-end	1 594	1 140
Restatement of accumulated income of the previous year	3 483	2 343

In the course of the year, the University changed its policy as regards the accounting of internal loans. Internal loans are now eliminated rather than being shown at year-end. This is in contrast to funds accounting, where internal loans are shown as investments and donation income in the various groups of funds, respectively. The corresponding amounts have been restated accordingly. The effect of this change is as follows:

Reduction in net profit as a result of the elimination of internal loans between fund groups at year-end	-	3 043
Restatement of accumulated income of the previous year	-	36 174

12. RECONCILIATION: Income with cash flow:

Net income according to the income statement	120 506	98 848
Adjustments for:		
Investment income	(115 470)	(79 070)
Finance charges	19 680	19 263
Proceeds from the sale of property, books and equipment	(2 297)	(535)
Provision for leave gratuity	(3 986)	(25 840)
Provision for post-retirement medical aid benefits	28 200	20 220
Provision for uncollectable student fees and loans	1 594	1 140
Depreciation	42 329	36 148
Operating income prior to changes in working capital	90 556	70 174
Changes in working capital	(4 059)	3 927
(Decrease)/Increase in debtors	(1 995)	14 331
Decrease in debtors for investment income outstanding	(2 749)	(6 523)
Increase in inventories	(653)	(447)
Increase/(Decrease) in creditors	1 338	(3 434)
Cash generated by operations	86 497	74 101

Notes to the Consolidated Annual Financial Statements

(continued)

For the year ended 31 December 2000

13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, balances with banks and investments in money market instruments. Cash and cash equivalents that have been included in the cash flow statement consists of the following balance sheet amounts:

	2000 R'000	1999 R'000
Bank balances	42 657	24 826
Short-term investments	164 404	208 056
	207 061	232 882
Bank overdrafts	(4 770)	-
	202 291	232 882

14. FINANCIAL RISK MANAGEMENT

FOREIGN EXCHANGE

The University has some exposure to foreign exchange, but maintains a cautious approach to forward cover. The current exposure is negligible; hence there are at present no term contracts relating to foreign exchange.

The following operating assets and liabilities for foreign exchange transactions, as shown in the balance sheet, had no forward cover by way of term contracts relating to foreign exchange:

	Foreign exchange 2000 R'000	Rand value 2000 R'000	Foreign exchange 1999 R'000	Rand value 1999 R'000
Trade debtors		118		259
US Dollar	15	118	43	259
Trade creditors		758		436
US Dollar	20	157	64	397
Pound	12	137	3	27
DEM	2	7	3	10
NLG	137	457	1	2
Net foreign exchange obligation		640		177

INTEREST RATES

The interest rate properties of new and existing loans are reviewed on an ongoing basis. Up to and including 31 December 2000, the University did not enter into any agreements regarding instruments derived from interest rate swaps.

Notes to the Consolidated Annual Financial Statements

(continued)

For the year ended 31 December 2000

14. FINANCIAL RISK MANAGEMENT (continued)

CREDIT RISK

Potential credit risk exists mainly in respect of student fees and student loans outstanding, trade debtors and cash resources. Students with student fees and/or loans outstanding are not allowed to register for a subsequent academic year or to receive a degree certificate. Trade debtors consist of a large number of clients, and their creditworthiness is constantly assessed by the University. Cash surpluses are invested only with financial institutions of exceptionally high standing. The University is of the opinion that there was no material credit risk on 31 December 2000 that had not been adequately provided for.

15. RETIREMENT BENEFIT INFORMATION

CONTRIBUTIONS TO THE ASSOCIATED INSTITUTIONS PENSION FUND (AIPF)

The AIPF is administered by the State; an actuarial valuation is therefore not necessary.

CONTRIBUTIONS TO THE UNIVERSITY OF STELLENBOSCH RETIREMENT FUND (USRF)

Employees who are not members of the AIPF are required to join the University of Stellenbosch Retirement Fund, which came into being on 1 November 1994.

USRF, which is governed by the Pension Funds Act of 1956, is a defined-contribution plan for permanent employees of the University. The Fund is valued at least once in three years by independent actuaries. Any shortfall on conversion from the AIPF is funded by the employer. The valuation on 1 January 2000 shows a shortfall, which will be funded through additional employer contributions of R13,9 million per annum for a period of four years. Membership as at 1 January 2001 was 2 171. The rate of contribution is 17,36% of pensionable earnings. Contributions to the separate Disability Income Insurance Scheme are made at 0,94%. The actuaries have declared the Fund to be financially sound.

POST-RETIREMENT MEDICAL AID BENEFITS

In line with current personnel practice, contributions for retired employees are made to the medical aid fund. The liability is actuarially calculated at least once in three years by the independent actuaries and is reviewed on an annual basis. The actuarial review on 31 December 2000 shows a liability of R224,4 million. The next actuarial valuation will be done not later than 1 January 2002.

16. TAX

Stellenbosch University is exempt from South African income tax.

17. CONTINGENT LIABILITY

The University is a defendant in a pending case that arose from a lease agreement. The outcome of the case is uncertain, but the estimated loss to the University may amount to R700 000.

18. RELATED PARTY TRANSACTIONS

Transactions with related parties include the payment of administrative services, finance charges and investment income earned.

During the year the University and its subsidiaries entered into mutual agreements, as well as agreements with other interested parties. All these transactions were conducted at market-related prices.

Interested parties did not in the course of the year have any substantial interest in any agreement of significance, with either the University or any of its subsidiaries, that could have given rise to a conflict of interest.

Annexure 1 to the Consolidated Annual Financial Statements

EXPENDITURE PER CATEGORY OF OPERATIONS (EDUCATIONAL AND GENERAL) FOR THE YEAR ENDED 31 DECEMBER 2000

ACTIVITIES	Staff R'000	Supplies and services R'000	Cost of services out- sourced R'000	Leases (including fixed property) R'000	Deprecia- tion and capital items written off R'000	Bursaries R'000	Total R'000
Teaching	109 854	22 986	–	10	–	53 504	186 354
Research	71 745	51 932	–	33	–	–	123 710
Community service	3 600	21 046	–	235	–	–	24 881
Academic support	103 907	23 955	–	5 866	–	–	133 728
Student services	8 361	4 985	–	10	–	–	13 356
Institutional support	62 401	35 902	5 607	15	–	–	103 925
Operation and maintenance of physical amenities	22 589	32 966	878	–	42 329	–	98 762
Independent enterprises	8 432	20 569	–	105	–	–	29 106
TOTAL	390 889	214 341	6 485	6 274	42 329	53 504	713 822

Annexure 2 to the Consolidated Annual Financial Statements

OPERATING AND NON-OPERATING INVESTMENTS BY TYPE OF INVESTMENT AS AT 31 DECEMBER 2000

TYPE OF INVESTMENT			Total		Net	Increase/ (decrease)			Income
	Book value 1 Jan R'000	Market value 1 Jan R'000	additions book value R'000	drawals market value R'000			Book value 31 Dec R'000	Market value 31 Dec R'000	
NON-OPERATING INVESTMENTS	385 905	535 960	1 193 329	1 123 397	53 353	(19 737)	509 190	586 155	32 299
Government stocks	88 874	97 353	356 817	345 025	4 543	7 031	105 209	116 176	9 090
Public corporations	–	–	4 193	–	–	152	4 193	4 345	114
Shares: Listed	291 008	432 584	740 901	752 535	46 951	(32 117)	326 325	388 833	9 006
Shares: Unlisted	4	4	899	–	–	–	903	903	–
Fixed deposits	493	493	28 688	24 047	1 859	2 024	6 993	7 158	2 381
Investment in property	1 275	1 275	–	–	–	–	1 275	1 275	189
Other	4 251	4 251	61 831	1 790	–	3 173	64 292	67 465	11 519
OPERATING INVESTMENTS	208 056	208 056	–	43 652	–	3 914	164 404	168 318	22 066
Short-term deposits	208 056	208 056	–	43 652	–	3 914	164 404	168 318	22 066
TOTAL	593 961	744 016	1 193 329	1 167 049	53 353	(15 823)	673 594	754 473	54 365

Annexure 3 to the Consolidated Annual Financial Statements

OPERATING AND NON-OPERATING LOANS BY SOURCE OF FINANCING AS AT 31 DECEMBER 2000

TYPE OF LOAN FINANCING	Total	Portion repayable within one year
	R'000	R'000
Government loans received	2 430	95
Private loans received	121 887	5 840
Pension and provident funds	424	141
Insurers	42 738	4 965
Other financial institutions	62 537	721
Bank overdrafts	16 081	-
Other	107	13
TOTAL	124 317	5 935




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