



UNIVERSITEIT  
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STELLENBOSCH  
UNIVERSITY

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1918 - 2018

*forward together  
saam vorentoe  
masiye phambili*

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# ANNUAL INTEGRATED REPORT 2019







# OUR JOURNEY

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## *towards*

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# INTEGRATED REPORTING

Without a long-term vision and a strong strategy, integrated reporting is not possible. On its journey to integrated reporting, Stellenbosch University (SU) has enjoyed the benefit of a sound Institutional Intent and Strategy 2013–2018 (IIS) for direction. This strategy is now giving way to the new Vision 2040 and the new Strategic Framework 2019–2024, adopted by the University Council in 2018.

To better serve the needs of our stakeholders, management decided to publish two annual reports. This report, our fifth integrated report, will meet the requirements of the Department of Higher Education and Training's Regulations for Reporting by Public Higher Education Institutions and the principles of the *King IV Report on Corporate Governance for South Africa 2016* (King IV). A separate stakeholder report will be published to meet the information needs of our other valued stakeholders in a more targeted way.

As befits a good corporate citizen, we will continue to enhance our institution's structural capital by complying with all relevant laws and with good practice, and by improving our management and control structures and processes. Linked to our Strategic Framework's core strategic themes, we have identified four priorities going forward:

- a research-intensive university, for instance the establishment of the School for Data Science and Computational Thinking;
- digitalisation, for instance digital learning, and such systems as SUNFin and SUNStudent;
- alignment of processes, for instance the focus on systems and policies; and
- a focus on staff, for instance the establishment of the Strategic Personnel Fund.

We plan to improve our understanding of true materiality and accountability across all our operations. We anticipate that integrated thinking will eventually become second nature to us, so that we will be able to make better decisions, and manage more efficiently and sustainably, as would be expected from a knowledge-driven institution such as ours.

## OUR SCOPE AND BOUNDARIES

Our integrated report covers the full scope of University operations over the reporting period, 1 January to 31 December 2019. We add a few months more – until April 2020 – to enable us to include all our graduation data for the year under review. We present the University Council who approved this report, as at 22 June 2020, listing the

retired members who were active in 2019 (see page 19). As a result of the unprecedented Covid 2019 pandemic declared by the World Health Organisation early in 2020, we also share some of the early measures we took to deal with the crisis and to mitigate its impact on our sustainability as a business.

Our report contains financial data about our operations over the 2019 financial year and the first semester of 2020 in dealing with the Covid-19 pandemic, and for the reader's convenience, our full financial report is still published as part of our integrated report. The University's financial statements, including those of the subsidiaries, associate companies and trusts, are prepared in accordance with the relevant policies of International Financial Reporting Standards (IFRS), and, like our integrated report, comply with the Department of Higher Education and Training's Regulations for Reporting by Public Higher Education Institutions as published in the *Government Gazette*, No. 37726 of 9 June 2014.

You will find the customary reports of the Chancellor (now describing the context in which the University operates), the Chair of the University Council (now describing the Council's governance resolutions over the cycle of the new Strategic Framework) and of the Rector and Vice-Chancellor, the Chief Operating Officer and Vice-Rectors (now describing their performance according to our strategic themes). To these we add the faculty reports. Most of these reports, however, now highlight the value created over the reporting period in line with selected strategic themes identified in the future-focused Strategic Framework that guided us in 2019. This focus on value accords with the principles provided by the International <IR> Framework of the International Integrated Reporting Council (IIRC), which believes that "communication about value creation should be the next step in the evolution of corporate reporting". It also accords with the King IV principles, arguably the world's leading corporate governance standard.

## APPROVING THE ANNUAL INTEGRATED REPORT

The Rectorate is closely involved in writing and compiling the Annual Integrated Report. The Audit and Risk Committee of Council and the Social and Business Ethics Committee of Council examine the report and, with adjustments if required, recommend it for tabling at the University Council meeting in June, where Council, acknowledging its responsibility for ensuring the integrity of the integrated report, considers and approves it for publication.

# — Foreword by — THE CHANCELLOR



*Dr Johann Rupert*  
Chancellor

Change is a given. The question is:  
How will we navigate it?

Higher education does not appear to handle change particularly well. “The very institutions that exist to develop innovative ideas and question traditional ways of doing things” seem to be “so resistant to change that they often stifle it,” higher education scholar Jeffrey Buller (2015:55)<sup>1</sup> points out. This is a problem, he continues, since there is no luxury of choice about whether we should change – the point at issue is how we will change. “Change is already here,” he says. This begs the question: What type of change do we want for our universities?

Opportunities for change abound. Student funding remains a most pressing issue, and student accommodation and transport emerged as major challenges in the higher education sector in 2019.

When government introduced fee-free higher education and training for poor and working-class students in 2018, state funding started increasing significantly. By 2019, the level of state expenditure on higher education had grown to more than 1% of the gross domestic product (GDP). Nevertheless, problems with the National Student Financial Aid Scheme (NSFAS) continued. The appointment of Dr Randall Carolissen as NSFAS administrator in August 2018 did lead to considerable improvements, but not all difficulties were immediately resolved.

At the same time, other sources of state funding – the National Research Foundation (NRF) and the Technology and Human Resources for Industry Programme (THRIP) – diminished markedly, with dire consequences for universities. Major donors such as the Mellon and Claude Leon foundations also cut back on their assistance to South African universities.

<sup>1</sup> Buller, Jeffrey L. 2015. *Change Leadership in Higher Education: A Practical Guide to Academic Transformation*. San Francisco: Jossey-Bass.



Moreover, Eskom loadshedding added to the pressure on institutions nationwide. Stellenbosch University had considerable unforeseen expenses relating to extra generators and diesel to keep the power on and prevent disruptions to the academic programme.

It was against this backdrop that the inaugural National Higher Education Conference, organised by Universities South Africa (USAf), took place in Pretoria in October 2019. Academics and other staff from both public and private higher education institutions attended, along with researchers, government policymakers, and representatives from business and industry.

In view of Buller's words and the realities we as a university have to contend with, the South African higher education sector certainly needed a gathering such as this. The debate on the future of tertiary institutions is not unique to our country, however. Globally, universities are confronted with critical questions, all related to those asked in the introduction. Are those universities still relevant? Does a university education guarantee good employment? Why should one attend university if the world's best professors are sharing their knowledge for free online? Are universities not too elitist and exclusive?

Universities cannot shy away from their challenges. They play an important part in society. They have a vital contribution to make to national development, helping our country and its citizens tackle the numerous challenges we face now, and those awaiting us in the future.

In South Africa, we come from a particular past that continues to influence the present. For this reason, the theme of the USAf conference – "Reinventing South Africa's universities for the future" – was especially relevant. On the one hand, it is imperative that South Africa's universities change their institutional cultures to better accommodate new generations of students and staff. And on the other, they need to respond appropriately to the challenges and opportunities presented by the rapid technological developments associated with the Fourth Industrial Revolution. Our universities must keep up with the times, not only for their own sake, but also for the benefit of society at large.

This brings us back to the question Buller and I have been pondering: How will we navigate this much-needed change? The challenge becomes how we can "work together constructively to produce an academic culture that responds well to each new challenge or opportunity, capitalise on evolving possibilities when times are good, and demonstrate resilience when times are bad" (Buller 2015:xii). Fortunately, as displayed at the USAf conference, there are promising signs that South Africa's higher education sector is taking up the challenge of working together constructively.

To me, personally, this represents a good note on which to finish my tenure as SU Chancellor, having served two terms since 2010. It was an honour for me to be of service to our higher education sector, which I will continue to watch with interest going forward.

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# Our INSTITUTION

## OUR VISION 2040 AND STRATEGIC FRAMEWORK 2019–2024 – A GUIDING STRATEGY FOR THE FUTURE

Vision 2040 and Strategic Framework 2019–2024 articulate the envisaged positioning of Stellenbosch University (SU) as Africa's leading research-intensive university, with a global reach. The aim of this strategic framework is to guide SU's future positioning, direct its strategy and illustrate where and how the University is positioned. In 2018, Council adopted the Vision 2040 and Strategic Framework 2019–2024 as the University's only plan going forward.

## VISION 2040

Stellenbosch University will be Africa's leading research-intensive university, globally recognised as excellent, inclusive and innovative, where we advance knowledge in service of society.

## CORE STRATEGIC THEMES



A thriving Stellenbosch University



A transformative student experience



Purposeful partnerships and inclusive networks



Networked and collaborative teaching and learning



Research for impact



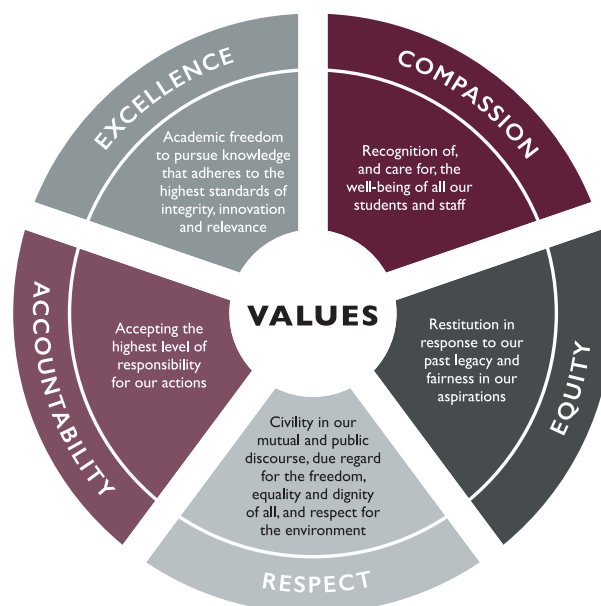
Employer of choice

## MISSION

Stellenbosch University is a research-intensive university where we attract outstanding students, employ talented staff and provide a world-class environment; a place connected to the world, while enriching and transforming local, continental and global communities.

## VALUES

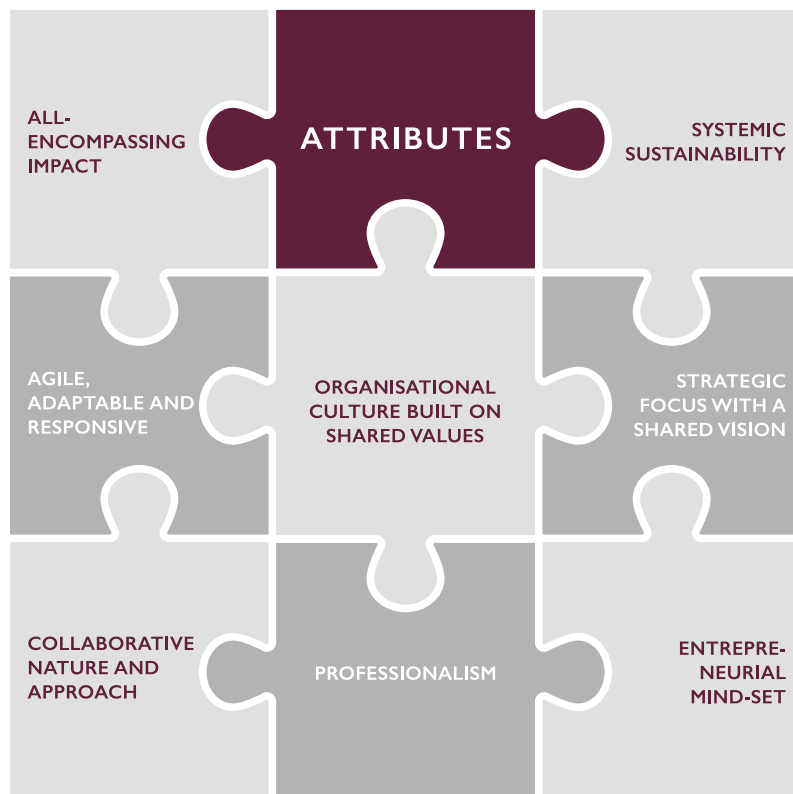
Our values are the beliefs and attitudes that guide our behaviour ('our action guides'). All of the values are equally important, are interconnected and supported by SU's ethics code.



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## ATTRIBUTES

Our attributes define the qualities and characteristics of the University. The following eight attributes embody what we stand for:



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## OUR STAKEHOLDER GROUPS

We serve our stakeholders, who are:

- students (present, past and prospective, residential and hybrid learning, full-time and part-time);
- parents and sponsors of students;
- staff;
- Government;
- industry;
- donors;
- research foundations (local and international);
- investors (including venture capital); and
- the community (civil society, non-governmental organisations, other universities, schools, advisory councils, service providers and the media).



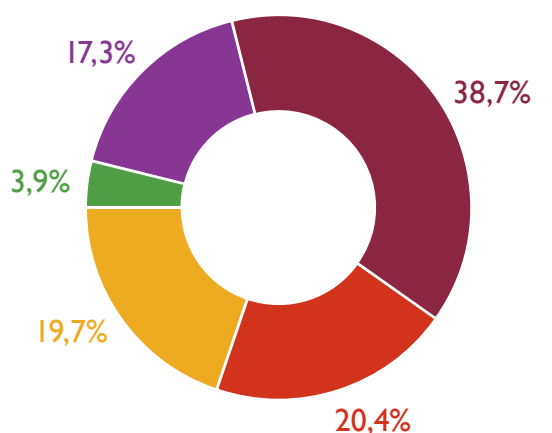
# Our BUSINESS MODEL

The University focuses on its key stakeholders and how to satisfy their needs by means of value-adding activities, such as the effective delivery of academic programmes, quality research, effective engagement with stakeholders, proactive corporate communications, and good corporate governance. The degree to which the University manages to do this in a sustainable manner determines the income streams to the University. At the same time, the offering of its various value-adding programmes requires resources and, where appropriate, collaborating with other organisations. This obviously has cost implications for the University.

WHAT WE OFFER	HOW OUR PRODUCTS ARE OFFERED
<p><b>Value proposition</b></p> <ul style="list-style-type: none"> <li>• Wide range of quality and affordable academic programmes</li> <li>• High academic success rate and career success of graduates</li> <li>• Impactful research of international stature</li> <li>• Successful technology transfer and business incubation</li> <li>• Empowering co-curricular programme and outstanding facilities for sport and societies</li> <li>• Multilingual university</li> <li>• Beautiful, safe and technologically enabled campus in a historic university town</li> </ul>	<p><b>Key resources and capabilities</b></p> <ul style="list-style-type: none"> <li>• Academic and PASS (professional and administrative support services) staff</li> <li>• Intellectual capital in academic programmes, research output and intellectual property</li> <li>• Facilities</li> <li>• ICT system</li> <li>• Library</li> <li>• Efficient administrative systems</li> <li>• SU brand</li> <li>• Strong partnerships</li> </ul>
<p><b>Clients</b></p> <ul style="list-style-type: none"> <li>• Students (present, past and prospective, residential and hybrid learning, full-time and part-time)</li> <li>• Parents and sponsors of students</li> <li>• Government</li> <li>• Industry</li> <li>• Donors</li> <li>• Research foundations (local and international)</li> <li>• Investors (including venture capital)</li> </ul>	<p><b>Key activities</b></p> <ul style="list-style-type: none"> <li>• Effective delivery of academic programmes</li> <li>• Research that meets high scientific standards</li> <li>• Effective engagement with external stakeholders</li> <li>• Effective and pro-active corporate communications</li> <li>• Good corporate governance</li> </ul>
<p><b>Relationships with clients</b></p> <ul style="list-style-type: none"> <li>• Committed academics prepare students for life-long learning</li> <li>• Professional support services offer a well-run integrated service from application to graduation</li> <li>• Research projects are managed cost-effectively</li> <li>• Partnerships with industry, public sector and civil society to disseminate knowledge and build research agenda</li> <li>• Active relationships with informed and loyal alumni</li> </ul>	<p><b>Key partnerships</b></p> <ul style="list-style-type: none"> <li>• Staff</li> <li>• SU Council</li> <li>• Alumni</li> <li>• Donors</li> <li>• Industry</li> <li>• Government (national and local)</li> <li>• Local community</li> <li>• University associations</li> <li>• International associations and networks</li> <li>• Sport associations</li> <li>• Trade unions and service providers</li> </ul>
<p><b>Lead channels</b></p> <p><b>Learning and teaching:</b></p> <ul style="list-style-type: none"> <li>• On-campus face-to-face</li> <li>• Hybrid</li> <li>• Virtual</li> </ul> <p><b>Research:</b></p> <ul style="list-style-type: none"> <li>• Publications (papers and books)</li> <li>• Seminars</li> <li>• Laboratory research</li> <li>• Contract research</li> <li>• Technology transfer</li> </ul> <p><b>Social impact:</b></p> <ul style="list-style-type: none"> <li>• Learning and teaching and research with social impact</li> <li>• Joint projects with communities</li> </ul>	

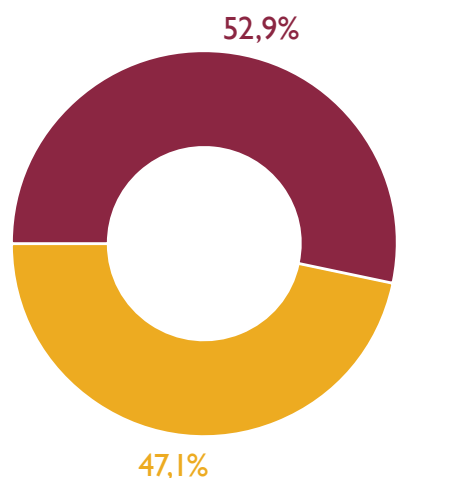
## FINANCE

### INCOME STREAMS



- First stream (government subsidy for teaching and learning and research) (38,7%)
- Second stream (student fees for academic programmes, accommodation and services) (20,4%)
- Third stream (research grants and contracts) (19,7%)
- Fourth stream (philanthropic donations) (3,9%)
- Fifth stream (investment income, commercialisation, technology transfer, short courses) (17,3%)

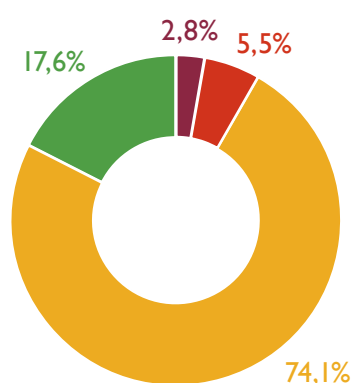
### EXPENSE CATEGORIES



- Remuneration (52,9%)
- Operational, equipment and other (47,1%)

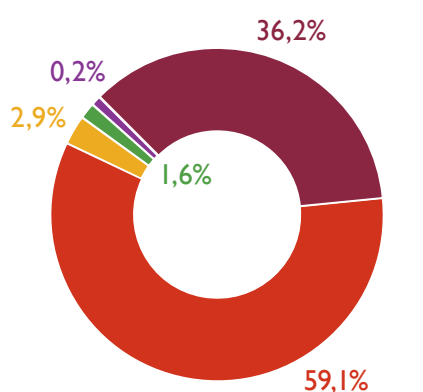
### *Available funds, assets and liabilities*

#### AVAILABLE FUNDS



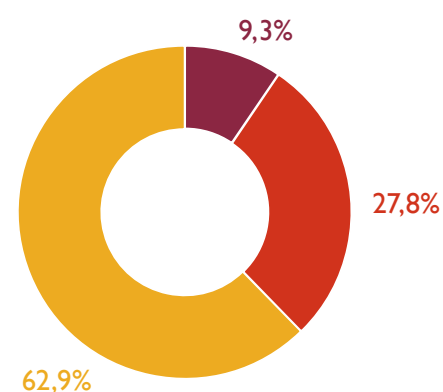
- Unrestricted and unearmarked (2,8%)
- Unrestricted and earmarked (5,5%)
- Restricted funds (74,1%)
- Other funds (17,6%)

#### ASSET CATEGORIES



- Property, books and equipment and right to use assets (36,2%)
- Investments (59,1%)
- Trade and other receivables and contract asset (2,9%)
- Cash and cash equivalents (1,6%)
- Other assets (0,2%)

#### LIABILITY CATEGORIES



- Interest-bearing borrowings (9,3%)
- Post-retirement medical and long service benefits (27,8%)
- Trade and other payables, contract and operating lease liability (62,9%)





## — GOVERNANCE —

# REPORT *of the* CHAIR OF COUNCIL



*George Steyn*  
Chair of Council

The Council of Stellenbosch University (SU) met on 25 March, 18 June, 25 September and 2 December 2019. Council discussed the challenges and opportunities in the current higher education landscape in the country and noted SU's achievements and contributions to society. Council also took a number of key decisions in support of the University's mission to be "a place connected to the world, while enriching and transforming local, continental and global communities". In what follows, I will highlight some of our most important decisions.

## REVISED SU STATUTE COMMENCES

Our new institutional Statute was signed by the Minister of Higher Education, Science and Technology on 10 July 2019, having been adopted by Council in November 2018.

The document had been drafted by a task team led by SU Registrar Dr Ronel Retief in conjunction with experts. Consultations included a range of workshops, a month-long process of public participation, and inputs by stakeholders such as faculty boards, the Students' Representative Council (SRC) as well as various Council Committees and the executive of the Convocation.

The Statute functions as SU's constitution. It provides the institutional framework for the effective governance and administration of the University. All rules, policies or other instruments issued by University bodies and functionaries are subject to the Statute.

It covers, among others, the composition and functioning of Council, Senate, faculty boards, the SRC, the Institutional Forum and the Convocation. It also spells out the duties and responsibilities of such office-bearers as the Chancellor, Rector and Vice-Chancellor, vice-rectors and deputy vice-chancellors, Chief Operating Officer, Registrar and deans. It also deals with donors, employees and students, and it covers the qualifications and honorary doctorates conferred and awarded by the University.

The Statute, in turn, is subject to the Constitution of South Africa, 1996, and aligned with the Higher Education Act 101 of 1997. It commits the University to open, responsible and accountable governance and administration, and contains various checks and balances to ensure this. In addition, the document aims to bind together the University community in the pursuit of academic and administrative excellence that benefits society as a whole.

Council took note that the Registrar had initiated interim measures to give effect to the new Statute. She provided an undertaking that this would be done within the 24 months that SU has to align the composition of statutory bodies with the new Statute as well as to review all SU's policies. The revised Statute is available on the University's official webpage for policies and regulations.



## FRAMEWORK FOR SENIOR APPOINTMENTS AND REAPPOINTMENTS

In 2019, Council approved a new Framework for the Appointment/Reappointment of Senior Professional, Administrative, Support and Service Staff at SU. The aim was to simplify and speed up these processes, which had previously been cumbersome and time-consuming.

The framework covers post levels 1–4 (Rector and Vice-Chancellor, vice-rectors, Chief Operating Officer, Registrar, deans, chief directors and senior directors). It was envisaged that appointments and reappointments at these levels would now be completed in a shorter time frame thanks to smaller selection committees, the input of appropriate external experts, and more authority afforded to bodies and persons who best know the position and candidates.

In the new framework, a senior appointments committee will play a pivotal role. The committee will operate based on duly delegated responsibilities, authority and accountability. Its membership must reflect diversity in terms of race and gender.

## REAPPOINTMENT OF THE RECTOR

Council unanimously appointed Prof Wim de Villiers as SU Rector and Vice-Chancellor for a second five-year term – from 1 April 2020 to 31 March 2025. This was with the concurrence of SU's Institutional Forum and Senate, statutory bodies who had earlier recommended Prof De Villiers's reappointment.

Earlier, Council had resolved that a shortened procedure would be followed to consider the reappointment of the Rector, on the recommendation of its Human Resources Committee. The Rules of Procedure regarding the Appointment of a Rector and Vice-Rectors, which Council approved on 26 June 2006, provide that a shortened procedure may be followed once. Council considered the Rector's curriculum vitae, results achieved since his appointment on 1 April 2015, and his vision for a potential second term. Based on this, Council unanimously opted for the shortened procedure.

Council expressed appreciation for SU's excellent performance with the Rector at the helm, and was of the opinion that Prof De Villiers had tabled a compelling vision for his second term. The Rector made it clear that SU's students and staff remained his top priority, as there would be no University without them. Therefore, he would continue to promote their success and development.

## NEW CHANCELLOR ELECTED

An electoral college comprising Council and the Executive Committee of Senate as well as the president and vice-president of the SU Convocation elected Justice Edwin Cameron – academic, jurist, author and recently retired Constitutional Court judge – to the position of SU Chancellor by an overwhelming majority. His term will be from 1 January 2020 to 31 December 2025. He succeeds Dr Johann Rupert, whose second term expired at the end of 2019.

Council thanked Dr Rupert for his service to the University since he had become Chancellor in 2010 and congratulated Justice Cameron on his election. Justice Cameron is an SU alumnus who had received an honorary doctorate from his alma mater in 2015, and was nominated for the office of Chancellor by members of the Convocation.

## REPORT BY JUDGE BURTON FOURIE

Council noted the decision by its Executive Committee (EC(C)) on 31 October 2019 to launch an independent inquiry following allegations that the Rector had attempted to interfere with the Language Policy case before the Constitutional Court.

The inquiry was conducted by retired Judge Burton Fourie, and Council received, discussed and accepted his report. Judge Fourie could find “no evidence to support a finding that the conduct of the Rector with regard to the nomination of Justice Cameron for the position of Chancellor of the Stellenbosch University constituted a serious violation of the law or serious misconduct”.

Council published Judge Fourie's report in full, and resolved that no further action be taken with regard to the Rector's contact with Justice Cameron to ask him if he would make himself available as a candidate for the SU Chancellorship, and to regard the entire matter as finalised.

## ARTICLE ON RACE AND COGNITION

In April 2019, a controversy erupted following the publication of a journal article about race and cognition by SU researchers. The article “Age- and education-related effects on cognitive functioning in Colored South African women”, published in the journal *Aging, Neuropsychology and Cognition*, was subsequently retracted by the editors and the publisher.

Council welcomed the University taking a firm stance against the use of racial categorisation in the article, apologising unconditionally, and launching an extensive inquiry.

Likewise, Senate adopted a motion calling for the University to develop a critique of how ‘race’ is used in science and research and making concrete proposals to specific structures. The University used this opportunity to conduct critical introspection and to examine its research ethics approval processes. Efforts were made to ensure that all students would receive exposure to learning material on gender and critical race studies.

On the recommendation of Senate, Council granted SU approval to officially adopt the Global Code of Conduct for Research in Resource-Poor Settings ([www.globalcodeofconduct.org](http://www.globalcodeofconduct.org)). The Code, which is based on fairness, respect, compassion and honesty, will be adhered to across SU. It will serve as a guideline for equitable and fair relationships between researchers and the communities – particularly poor and marginalised groups – where they conduct their research.

The comprehensive inquiry into the publication of the article was completed at the end of 2019. The Formal Investigation Committee (FIC) emphasised that the research design submitted for the purposes of ethical clearance allowed for within-sample comparisons between age and educational level categories, correlational analyses between the different variables, and cautious comparisons with other norm groups, but not for the extrapolations to racial or ethnic populations that occurred in the article. There had therefore been no indication to the Research Ethics Committee (REC) that the results of the study would be presented in terms of racial generalisations, and they did not approve the study as such.

However, FIC did not find deliberate intent by the authors of the article to mislead the REC and found that the authors naively regarded the content of the article as compatible with the research trends in their discipline. FIC therefore recommended that SU should follow a broad educational and preventative approach rather than take disciplinary action against the authors of the article. This recommendation was accepted by Council at its final meeting for 2019.

## ANTI-CORRUPTION AND ANTI-BRIBERY POLICY

Council noted that its Audit and Risk Committee (ARC) had approved an Anti-Corruption and Anti-Bribery Policy as part of the University's overarching Financial Policy. The ARC has the necessary power of decision in this regard. The Social and Business Ethics Committee of Council had also provided input.

The Policy will be implemented in accordance with SU's values, including accountability. It forms part of the University's commitment to the highest ethical standards and legal compliance. The policy commits SU to professional, honest, transparent, fair, equitable and ethical conduct, and a zero-tolerance approach to corruption and bribery.

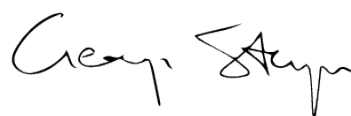
It applies to all SU staff and students – including volunteers, temporary staff and part-time students, and all service providers – as well as to associated structures, entities and businesses. The policy contains guidelines for recognising and dealing with corruption and bribery, definitions of key terminology, and guidance on issues such as when gifts and other tokens of appreciation would be deemed acceptable and when not. It also deals with facilitation payments, kickbacks and donations. A useful annexure to the policy outlines red-flag circumstances for potential corruption and bribery, along with illustrative examples.

## POLICY ON QUALITY ASSURANCE AND PROMOTION

Council approved a Policy on Quality Assurance and Promotion for SU. The Policy provides for cyclical reviews of academic departments and professional and administrative support services, and for the periodic review and renewal of faculties, organisational structures, and academic programmes and qualifications. The aim is to continuously enhance the quality of all functions of the University.

## TOWARDS A NEW CENTURY

The year under review – 2019 – was the first year of the second century of Stellenbosch University, which had achieved university status in 1918. A hundred-and-one years later, SU embarked on the next leg of its journey into the future guided by Vision 2040 and Strategic Framework 2019–2024, which Council approved in 2018. In line with this vision, Council will continue fulfilling its oversight responsibility in order to help SU carry out its mission of being a research-intensive institution attracting outstanding students, employing talented staff and providing a world-class environment for research, learning and teaching as well as having a social impact with relevance and significance. I wish to thank all Council members and the knowledgeable members of the various Council committees, who selflessly contribute their time and expertise to the governance of the University. The loyalty and hard work of the University community are also sincerely appreciated.



*George Steyn*  
Chair of Council

## ENROLMENT AND EFFECTIVENESS TARGETS FOR THE UNIVERSITY

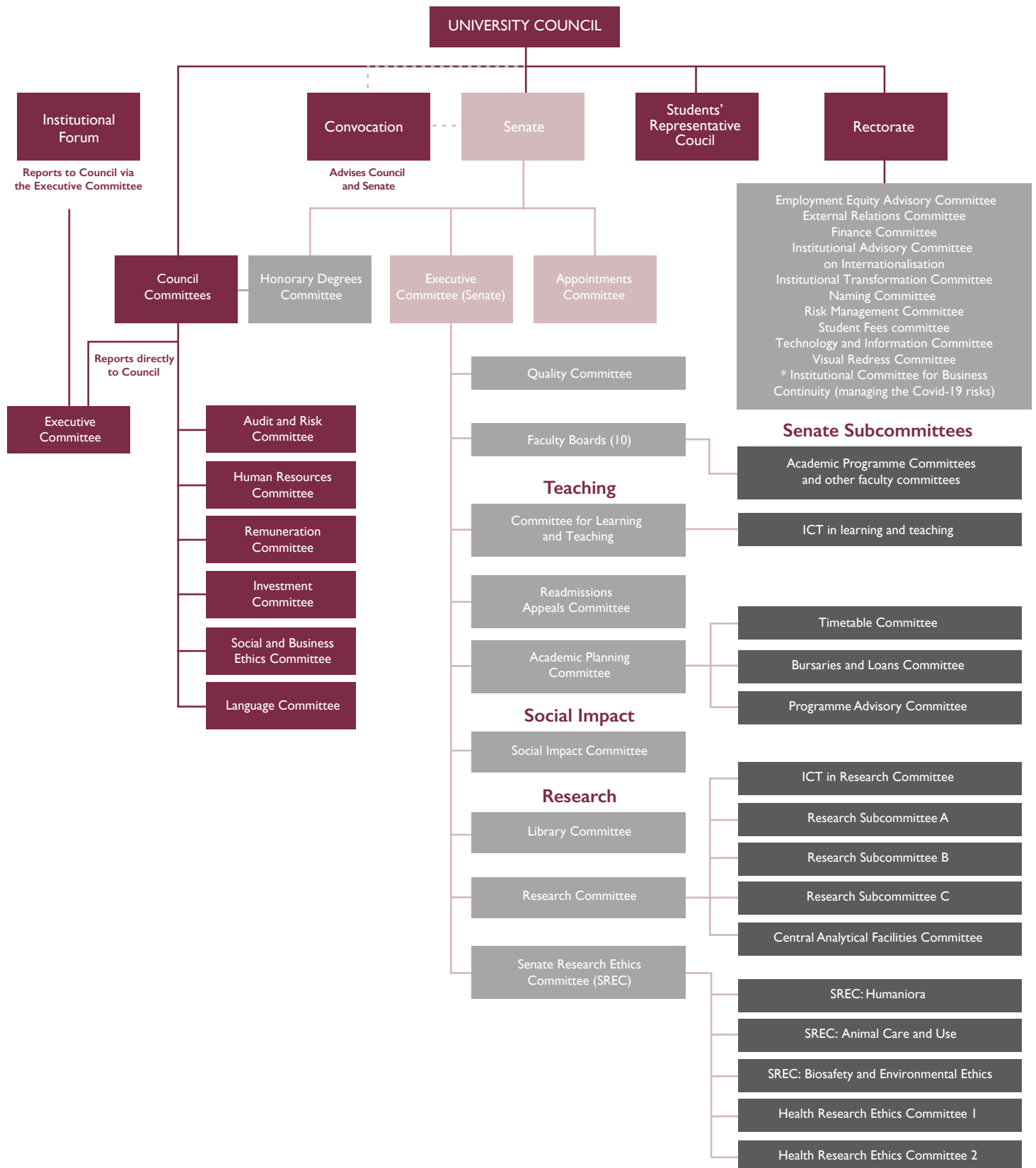
MINISTERIAL ENROLMENT AND EFFECTIVENESS TARGETS FOR 2019 AND STELLENBOSCH UNIVERSITY'S PERFORMANCE, 2017-2019				
STUDENTS AND TEACHING INPUTS	MINISTERIAL TARGET FOR 2025	SU IN 2017	SU IN 2018	SU IN 2019
HEAD COUNT	30 809 in 2019 to increase to 33 383 in 2025, annual increase of 1,3% between 2019 and 2025	31 114	31 260	31 523
FULL-TIME EQUIVALENT STUDENTS	25 330 in 2019 to increase to 26 923 in 2025, annual increase of 1,0% between 2019 and 2025	24 311	24 526	24 745
FUNDED TEACHING INPUT UNIT (WEIGHTED FULL-TIME EQUIVALENT)	77 965 in 2021 to increase to 81 775 in 2025, annual increase of 1,2% between 2019 and 2025	79 828	80 672	81 923
FIRST-TIME ENTERING FIRST-YEARS	5 230 in 2019 to increase to 5 604 in 2025, average annual increase of 1,2% from 2019 to 2025	5 200	5 190	5 054
MAJOR FIELDS OF STUDY %				
SCIENCE, ENGINEERING AND TECHNOLOGY	48,4% in 2025	48,5	48,9	48,6
BUSINESS AND MANAGEMENT	21,4% in 2025	21,7	21,3	21,3
EDUCATION	5,2% in 2025	4,3	5,1	5,4
HUMANITIES	25,0% in 2025	25,5	24,7	24,7
LEVELS OF STUDY %				
UNDERGRADUATE	63,8% in 2025	62,4	63,0	64,2
POSTGRADUATE BELOW MASTER'S	13,5% in 2025	12,8	13,2	12,4
MASTER'S	14,7% in 2025	15,9	15,7	15,4
DOCTORAL	4,9% in 2025	5,4	5,4	5,4
OCCASIONAL STUDENTS	3,1% in 2025	3,5	2,7	2,6
TOTAL GRADUATES	To increase from 8 130 in 2019 to 9 342 in 2025	8 932	8 899	8 975
GRADUATES IN SCARCE SKILLS				
ENGINEERING	579 in 2025	541	579	610
LIFE AND PHYSICAL SCIENCES	486 in 2025	474	441	467
ANIMAL AND HUMAN HEALTH SCIENCES	453 in 2025	413	477	474
INITIAL TEACHER EDUCATION	399 in 2025	328	410	536
GRADUATES AT DIFFERENT LEVELS				
POSTGRADUATE BELOW MASTER'S	3 115 in 2025	2 691	2 651	2 540
RESEARCH MASTER'S	1 034 in 2025	928	882	888
DOCTORAL	313 in 2025	305	305	359
TARGETED SUCCESS RATE %	85,7% in 2025	87,1	86,4	87,2

\* In the absence of a ministerial target for the 2025 funded teaching input share units, the target is calculated as the average head count and full-time equivalent student growth between 2019 and 2025.

### INTERPRETATION OF COMPARATIVE ENROLMENT AND EFFECTIVENESS VALUES AND THE MINISTERIAL TARGETS FOR 2025

The table above shows how Stellenbosch University fared in 2017, 2018 and 2019, measured against the enrolment and effectiveness targets set by the Minister of Higher Education, Science and Technology for the University for 2025. These statistics are extracted annually from the Higher Education Management Information System (HEMIS) and submitted to the Department of Higher Education and Training, who compares the performance of universities in South Africa. Stellenbosch University's success rate performance of **87,2%** for 2019 exceeds the Minister's target of **84%** which was set for 2019. The target for 2025 is **85,7%**. (To see how this percentage is calculated, see "HEMIS-based success rate of undergraduate and postgraduate students (%)" on page 175.)

# Our GOVERNANCE STRUCTURE and REPORTING LINES



# The UNIVERSITY COUNCIL *as at 22 June 2020*

The University Council governs Stellenbosch University (SU) subject to the Higher Education Act 101 of 1997 and the institutional statute. The functions and composition of Council are set out in the Stellenbosch University Statute. Council members are listed below as at 22 June 2020, the date on which Council approved the Stellenbosch University Annual Integrated Report 2019 for publication. Members who have served in 2019, but whose term on the Council concluded before the Report was approved, are indicated with "Retired".

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>● Member of the Audit and Risk Committee of Council</li> <li>● Member of the Executive Committee of Council</li> <li>● Member of the Honorary Degrees Committee</li> <li>● Member of the Human Resources Committee of Council</li> <li>● Member of the Institutional Forum</li> </ul> | <ul style="list-style-type: none"> <li>● Member of the Investment Committee of Council</li> <li>● Member of the Language Committee of Council</li> <li>● Member of the Remuneration Committee of Council</li> <li>● Member of the Social and Business Ethics Committee of Council</li> <li>● Member of Senate</li> </ul> |
|--|--|

Our statutory Council and Senate committees and their reporting lines are shown in the diagram on the previous page. For information on the roles of the abovementioned committees, see "Committees of Council", on page 22.

COMMITTEE	NAME	AGE	QUALIFICATIONS	TERM OF OFFICE
<b>EX OFFICIO MEMBERS</b>				
Rector and Vice-Chancellor				
● ● ● ● ● ● ● ●	Prof WJS de Villiers	59	MBChB, MMed (Int) (SU), FCP(SA), DPhil (Oxon), MHCM (Harv), DSc hc (Coventry)	1.4.2020–31.3.2025
Chief Operating Officer				
● ● ● ● ● ●	Prof SA du Plessis	47	BCom, BComHons (SU), MPhil (Cambridge), PhD (SU)	1.1.2018–31.12.2023
Vice-Rector (Social Impact, Transformation and Personnel)				
Retired ● ●	Prof NN Koopman	58	BA, BTh, HonsBTh, MTh, DTh (UWC)	1.7.2016–31.3.2020
Vice-Rector (Learning and Teaching)				
● ● ● ●	Prof A Schoonwinkel	63	BEngHons, MEng (SU), MBA (UCT), PhD (Stanford), PrEng	1.4.2020–31.12.2020
Vice-Rector (Research, Innovation and Postgraduate Studies)				
Retired ● ●	Prof TE Cloete	61	MSc (UOFS), DSc (UP)	1.8.2017–31.3.2022
<b>ELECTED BY THE PERMANENT ACADEMIC STAFF (NON-SENATE MEMBERS)</b>				
● ●	Prof J Fourie	36	MCom, PhD (Utrecht)	1.9.2018–31.8.2020
<b>ELECTED BY THE PERMANENT NON-ACADEMIC STAFF</b>				
● ● ●	Mr WP Davidse	49	BEcon, BPhil, MPhil (SU)	6.4.2020–5.4.2022
<b>APPOINTED BY THE MINISTER OF HIGHER EDUCATION, SCIENCE AND TECHNOLOGY</b>				
●	Mr AR Dietrich	59	PGCerts Globalisation (GLU Kassel), DevEcon (BSE, Germany), (EdMethod & Labour Ed) (ACTRAV, Turin), Empl & SocSecur Law, Adult Ed (UCT)	23.3.2017–22.3.2021
	Prof A Keet	54	MEd (UWC), PhD (UP)	1.12.2018–30.11.2022
	Ms TS Lingela	62	BA, UED (Fort Hare), BEd (Rhodes), MEd (UDW, USA)	1.1.2019–31.12.2023
	Dr T Ngomane	55	BHons (UZ), MAgricExt (Limp), PhD (Agric) (Penn State, USA)	1.10.2018–30.9.2022
●	Ms Z Stuurman	30	BAHons Political Science (SU)	13.7.2017–12.7.2021
<b>ELECTED BY THE CONVOCATION</b>				
● ● ● ● ● ●	Mr CD Cillié	44	BSc, BScHons (Med Phys), Bphil (Logistics & Transport Ec), Financial Man (USB), Project Man (IT)	2.4.2018–1.4.2022
Retired ●	Prof AR Coetzee	68	MBChB, Mmed (Anes), PhD, MD, PhD, DSc (SU), FCA(SA), FFARCS	2.4.2016–1.4.2020
Retired	Mr H Gonzales	31	LLB (SU), registered attorney	2.4.2016–20.12.2019



COMMITTEE	NAME	AGE	QUALIFICATIONS	TERM OF OFFICE
Retired ●	Prof JH Hambidge	63	BAHons (SU), MA (Pret), PhD (Rhodes), PhD (UCT)	2.4.2018–1.4.2020
● ●	Adv JJ Meiring	46	BA, BAHons (Latin), LLB (SU), BCL (Oxon)	2.4.2018–1.4.2022
	Mr JG Theron	56	BA Law, LLB (SU)	2.4.2018–1.4.2022
<b>ELECTED BY SENATE</b>				
Retired ●	Prof UME Chikte	65	PhD (SU), MSc (UCL), MDent (Wits), DHSM (Wits), BChD (UWC)	1.1.2018–31.12.2019
● ●	Prof MA Fataar	53	BA, HDE, BAHons, Mphil, PhD (UWC)	1.7.2020–30.6.2022
● ●	Prof A Gouws	60	MA (RAU), PhD (Illinois, Urbana-Champaign)	1.1.2020–31.12.2021
●	Prof RW Nel	53	BA, BTh, MTh (SU), DTh (Unisa)	1.1.2020–31.12.2021
<b>APPOINTED BY THE COUNCIL OF THE MUNICIPALITY OF STELLENBOSCH</b>				
	Adv GMM van Deventer	60	Dip Viticulture and Botany, Dip Cellar Master and Wine Maker (First Class) (Elsenburg), BA Law, LLB (SU)	1.12.2016–30.11.2021
<b>ELECTED BY THE DONORS</b>				
● ●	Mr HR Brody	55	BAccHons (SU), CA(SA), EMP (UCT)	2.4.2018–1.4.2022
● ● ●	Mr JJ Durand	52	BAccHons (SU), MPhil (Oxon), CA(SA)	2.4.2020–1.4.2024
● ● ● ●	Mr GM Steyn (Chair, re-elected on 18.6.2018)	60	BA Law, LLB (SU)	2.4.2018–1.4.2022
<b>ELECTED BY THE PREMIER OF THE WESTERN CAPE PROVINCIAL GOVERNMENT</b>				
●	Ms GSA Ngwenya	31	BSocSc (UCT), MSc Fin (Banking) (University of London), MIntEcon (UPE, France)	1.12.2018–31.7.2022
<b>ELECTED BY COUNCIL</b>				
● ● ● ●	Mr AV Moos (Vice-Chair from 18.6.2018)	41	BA, BPhil Journalism, MBA (SU)	1.6.2018–31.5.2022
Retired ● ●	Ms K Njobe	49	Biology (UCLA, USA), MSc (Zoology) (UP), MTE (IMD, Switzerland)	1.6.2018–6.3.2019
	Ms N Moodie	33	BPhil (Journalism) (SU)	18.6.2019–17.6.2023
<b>ELECTED BY THE STUDENTS' REPRESENTATIVE COUNCIL</b>				
Retired	Mr PG Joubert	24	-	1.1.2019–31.12.2019
Retired	Ms CA van Wyk	23	-	1.1.2019–31.12.2019
	Mr L Mboko	22	BCom (SU)	1.1.2020–31.12.2020
●	Ms I Heydenrych	23	BA Language and Culture, BAHons Afrikaans and Dutch (SU)	1.1.2020–31.12.2020
<b>COUNCIL APPOINTED THE FOLLOWING NON-COUNCIL MEMBERS AS ADDITIONAL MEMBERS OF THE AUDIT AND RISK COMMITTEE</b>				
● ●	Prof DP du Plessis		BSc (UCT), MBA, DBA (SU)	
● ●	Mr JP Bester		BComHons (Acc) (SU), BComHons (ManAcc), BComHons (InformSys) (UCT), CA(SA)	
Retired ●	Mr BHJ Wessels		BCompt (Unisa), GIA(SA)	
Retired ●	Mr H van der Ahee		BEng (Chem), BAcc, BComHons (Taxation) (SU), BComptHons (Unisa), CA(SA)	
<b>COUNCIL APPOINTED THE FOLLOWING NON-COUNCIL MEMBERS AS ADDITIONAL MEMBERS OF THE INVESTMENT COMMITTEE</b>				
● ●	Prof DP du Plessis		BSc (UCT), MBA, DBA (SU)	
●	Mr GT Ferreira		BCom, MBA (SU)	
●	Prof JD Krige		MCom (SU), FIA (London)	
●	Mr DK Smith		BSc (SU), FASSA, ISMP (HBS)	

COMMITTEE	NAME	AGE	QUALIFICATIONS	TERM OF OFFICE
COUNCIL APPOINTED THE FOLLOWING NON-COUNCIL MEMBERS AS MEMBERS OF THE SOCIAL AND BUSINESS ETHICS COMMITTEE				
● ●	Mr JP Bester		BComHons (Acc) (SU), BComHons (ManAcc), BComHons (InformSys) (UCT), CA(SA)	
●	Dr T Theron		BScHons, MSc, PhD (SU)	
Retired ●	Prof P Naudé		LicTheol, MA, DTh (SU)	
●	Prof P Pillay		BAdminHons, MAdmin, DAdmin (UKZN)	
●	Prof M Woermann		BA (Value and Policy Studies), BAHons (Philosophy), MA, PhD (SU)	
COUNCIL APPOINTED THE FOLLOWING NON-COUNCIL MEMBER AS A MEMBER OF THE HONORARY DEGREES COMMITTEE				
●	Prof HC Klopper		BCur (Unisa), MCur, PhD (UJ), MBA (Luton), DNursing hc (Oxford Brookes)	
COUNCIL APPOINTED THE FOLLOWING NON-COUNCIL MEMBER AS A MEMBER OF THE LANGUAGE COMMITTEE				
●	Prof C van der Walt		HED, MA (PU for CHE), DLitt (UP)	

# *Council's Statement* *on* **CORPORATE GOVERNANCE**

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

The Stellenbosch University Council (hereafter referred to as Council) governs the institution. Business allocated to Council for consideration and decision-making is set out in the Stellenbosch University Statute, either by established practices or in terms of the Higher Education Act 101 of 1997. Council has committed itself to sound governance principles, as set out in the *King IV Report on Corporate Governance for South Africa 2016* (King IV), to ensure that the University is managed effectively and ethically in its endeavour to be a good corporate citizen. Likewise, the University's financial reporting complies with the standards as codified in the International Financial Reporting Standards (IFRS).

In the year under review, the University's governance structures (structural/organisational capital) were enhanced by means of review processes to ensure compliance with all relevant laws and of application of the King IV principles. In this regard, the rewritten institutional Statute conforms to these principles and has been approved by the DHET on 16 August 2019.

## **COUNCIL ENSURES ACCOUNTABILITY**

At its meeting on 22 June 2020, Council approved the *Annual Integrated Report 2019*, which was compiled according to the guidelines of *The International <IR> Framework* and the King IV, and confirmed the University's status as a going concern. It declared SU's financial circumstances favourable and stated that the institution would be managed as a going concern over the following 12 months. These declarations were made on the recommendation of the Audit and Risk Committee of Council, who inspected the Report and also reported that the external audit of the University was unqualified and raised no material findings. Council is satisfied with the delegation of authority.

## **CONSTITUTION OF COUNCIL**

Council is composed of academic and non-academic members, the majority of whom are not staff members or current students of the University, duly appointed and nominated in terms of the Statute. The role of the Chair of Council is separate from the role of the Rector and Vice-Chancellor of the University.

Council was composed of 30 members in 2019, namely five executive Council members, 14 independent non-executive Council members, five employees of the University, four members appointed by the government and two appointed by the students. The names of the members, their membership of committees, qualifications and terms of office as at 22 June 2020 appear on page 19–21.

In 2019, Council officially met four times, with an average rate of attendance of 83%.

## **COMMITTEES OF COUNCIL**

Council has created organisational structures to ensure that its obligations to all interest groups are duly met at all times (see "Our governance structure" on page 18) in a manner that conforms to the King IV principles. The committees of Council play a direct role in the effective functioning of the University. All the committees of Council are formally constituted with clearly documented terms of reference (see the summaries further on) and mainly comprise members of Council who are not staff members or students of the University (the committee symbols appear next to the relevant members' names in the Council membership list on page 19). The Council committees meet at different intervals, with some meeting before every Council meeting and others as and when required.

## THE UNIVERSITY COUNCIL AND COMMITTEES OF COUNCIL: MEMBERSHIP AND ATTENDANCE OF MEETINGS IN 2019

COMMITTEE/COUNCIL	NUMBER OF MEMBERS	% EXTERNAL/INTERNAL	POSITIONS FILLED	NUMBER OF MEETINGS	AVERAGE ATTENDANCE
AUDIT AND RISK COMMITTEE	6	100/0	6	4	92%
EXECUTIVE COMMITTEE	6	67/33	6	5	87%
HUMAN RESOURCES COMMITTEE	5	80/20	5	5	88%
INVESTMENT COMMITTEE	8	50/50	8	3	79%
LANGUAGE COMMITTEE	8	38/62	8	2	82%
REMUNERATION COMMITTEE	4	75/25	4	2	100%
SOCIAL AND BUSINESS ETHICS COMMITTEE	6	33/67	6	4	83%
UNIVERSITY COUNCIL	30	60/40	30	4	83%

### Audit and Risk Committee of Council

#### ROLE

The Audit and Risk Committee (ARC) functions in terms of formal terms of reference, revised and approved by Council in November 2018. Regarding the University and its associated legal entities, the ARC is accountable to Council for the following:

- the nomination and appointment of key assurance providers;
- the safeguarding of assets and investments;
- the effectiveness of the integrated assurance process, especially regarding financial controls;
- the governance of risk management;
- information and technology governance;
- the review of internal and external audit processes, independence and reports;
- the review of the forensic audit process and reports;
- the evaluation of the effectiveness of the Finance function;
- compliance with various statutory requirements;
- the review of accounting policy;
- the review of the tax services process;
- the review of financial reporting and the pre-approval of the annual financial statements;
- integrated reporting and sustainability issues; and
- the position of the University as a going concern.

#### CONSTITUTION

Council appoints six independent members, including a Chair and Deputy Chair, to the ARC. At least two members must be Council members (excluding the Chair of Council) and two non-Council members, appointed on the strength of their expertise and qualifications. Either the Chair or Deputy Chair must be a Council member, and one member should be a member of the Social and Business Ethics Committee (SBEC). Collectively, the ARC members must possess the required financial expertise and qualifications to assist the Committee in the ethical and efficient execution of its duties. Currently, all six positions are filled as set out on page 19–21.

The ARC invites the University's senior management and internal and external auditors to attend its meetings. The unrestricted access of the auditors to the ARC ensures their independence. The Committee may seek independent professional advice in fulfilling its responsibilities. The ARC periodically meets the assurance providers without the management present.

#### STATEMENTS

Disclosure of conflicts of interest were discussed at each meeting. The provision of non-audit services is regulated by the University's Policy in respect of Non-audit Services, which defines prohibited and permitted non-audit services to ensure the independence of the University's external audit partners. Since the Policy's implementation on 9 October 2017, a report on non-audit services has been tabled at each ARC meeting. The firm Ernst & Young Incorporated (EY) was appointed for a four-year tenure from 2019 to 2022 in preparation

for mandatory firm rotation anticipated in 2023. The ARC annually evaluates the independence of the external audit firm.

Deloitte was reappointed as internal auditors and the provider of forensic services while PricewaterhouseCoopers was appointed to provide tax services.

#### KEY FOCUS AREAS

The Committee met four times in 2019 with an average attendance of 92%. One meeting was dedicated to risk-related matters. The Committee is satisfied that it has fulfilled its terms of reference for 2019 as borne out by the results of the annual self-evaluation of its functioning. The ARC ensured good governance and systemic sustainability by attending to and advising Council on the following key focus areas:

- SU's financial statements;
- Innovus's reports on the functioning of the University's subsidiaries and the identification of related risks;
- the external and internal audit plans and reports; and
- the University's rewritten Statute and the new Vision 2040 for the following institutional strategic cycle.

The ARC evaluated risk management in terms of the Combined Assurance Plan by considering risk, litigation, disciplinary and forensic reports.

The following policies were approved by the ARC, as updates to the SU Financial Policy, in 2019:

- Anti-Corruption and Anti-Bribery Policy; and
- Policy for Bad Debt Write-off.

In 2020, the ARC will again ensure that the agendas for its scheduled meetings cover all the responsibilities under its Council-approved terms of reference. The ARC decided in 2019 to split the agenda of the 2020 meetings into an audit section and a risk section and will investigate the possibility of splitting the Committee into an Audit Committee and a Risk Committee for recommendation to Council by the end of 2020. It will also deal with additional matters referred to it by Council and other committees of Council.

### Executive Committee of Council

#### ROLE

Within its delegated powers, the Executive Committee of Council deals with business and makes decisions on behalf of Council, advises Council on policy decisions and, in the period between Council meetings, liaises with senior management on matters relating to the functions of Council. The Committee also fulfils a monitoring and control function on behalf of Council in that it makes recommendations on the University's transformation targets and monitors implementation, makes recommendations on the annual operating and capital budgets, and monitors progress in terms of the approved budgets and results. The Committee is also responsible for ensuring that the University is financially sound and remains a going concern.

## CONSTITUTION

The Executive Committee of Council consists of six members who are also members of Council. Currently, six positions are filled, as set out on page 19–21.

## KEY FOCUS AREAS

The Executive Committee met five times in the year under review and has no matters pending. Matters that received attention were:

- the appointment and reappointment process for senior professional and administrative support services (PASS) staff on post Levels 1–4;
- amendments to the SU Statute;
- a governance indicator scorecard for Council;
- Council's self-evaluation report for 2018;
- schedule of signing powers;
- strategic management indicators for SU;
- the naming of facilities;
- SU's financial results for 2018;
- the 2020 integrated budget and capital plan, including financial planning for 2021–2025; and
- the Annual Integrated Report for 2018 submitted to the Department of Higher Education and Training.

The Executive Committee of Council is satisfied that it gave proper attention to matters submitted to it during 2019 and that it dealt with these matters in a transparent and accountable way. Disclosure of conflicts of interest was always first on the agenda.

Planned future areas of focus are:

- considering policies that may need to be approved;
- monitoring the renewal of two faculties' business processes, namely the Faculty of Education and the Faculty of Arts and Social Sciences;
- monitoring the implementation of SU's new SUNStudent system; and
- providing input on a Code of Ethics for SU.

## Human Resources Committee

### ROLE

The Human Resources Committee of Council's terms of reference includes recommendations to Council about general strategy and broad policy on employee matters as well as the appointment and promotion of senior employees. The Committee communicates the appointment and promotion of employees on job grade Level 4 in terms of its delegated authority by Council.

### CONSTITUTION

The Committee is composed of five members, namely the Chair of Council (as Chair); the Vice-Chair of Council, the Rector, a member of Council not appointed by the staff or students of the University, and a member appointed by the employee interest groups of the University. Two ex officio members (without voting rights) also serve on the Committee, namely the Vice-Rector (Social Impact, Transformation and Personnel) and the Chief Director: Human Resources. Currently, all five positions are filled, as set out on page 19–21.

### KEY FOCUS AREAS

The key focus areas of the Human Resources Committee of Council (HRCC) at its five meetings in 2019 were:

- reappointing the Rector for a following term;
- reappointing the Chief Director: Maties Sport and the Chief Director: Facilities Management;
- appointing a Senior Director: Student Affairs and a Director: School for Data Science and Computational Thinking;
- advising on the advertisement for a Dean: Faculty of Education;
- revising and finalising the senior appointment processes, aligning the regulations with its framework;
- attending to proposed changes to leave benefits; and
- attending to proposed changes to the health care participation policy.

In 2020, the HRCC will again attend to staff matters referred to it and ensure that the agendas for its scheduled meetings cover all the responsibilities under its terms of reference.

## Investment Committee of Council

### ROLE

The Investment Committee of Council is responsible for the management of Stellenbosch University's investments, which may include listed and unlisted investments. The Committee appoints asset managers for the University's investment funds, monitoring these asset managers and reporting on the investment performance to Council. The Committee makes recommendations to Council on strategic and other policy matters related to the University's portfolios.

### CONSTITUTION

The Investment Committee is composed of four members appointed by Council and four additional members, whom the Investment Committee may co-opt by virtue of their expertise. The Rector and the Chief Operating Officer (COO) are ex officio members and the COO chairs the Committee. The Chief Director: Finance attends the meetings by virtue of his administrative responsibilities, while the Finance Division provides the secretariat. The Committee, which is required to meet at least twice a year, met three times in 2019.

### KEY FOCUS AREAS

Capital markets in South Africa, and elsewhere, experienced a turbulent 2019, and the University's investment portfolios showed only modest growth compared with strong growth in previous years.

The Stellenbosch Trust formulated its own investment terms of reference and appointed its own investment consultant and fund managers during 2019.

In 2020, the Investment Committee will focus on increasing the offshore asset allocation to improve investment returns. Additionally, the global and local asset managers appointed by SU will have the responsibility to incorporate environmental, social and governance (ESG) considerations into all stages of the investment process.

## Language Committee of Council

### ROLE

The Language Committee is responsible for the oversight over language issues and it liaises closely with other committees and the executive management of the University in the execution of, among others, the following tasks:

- overseeing the monitoring, assessment and measurement of the University's activities related to language;
- considering substantive national and international guidelines, best practice and legislation in respect of language;
- advising management regarding sensitive language implementation issues that may develop urgently and continually;
- inspecting Senate's semester reports to management, as well as management's reaction to them, and making recommendations to Council;
- deliberating on management's annual report on language to Council before the Council meeting and, if necessary, offering input and recommendations to Council;
- ensuring that executive management put in place sufficient capacity to execute the University's Language Policy; and
- notifying the Audit and Risk Committee of material risks perceived.

### CONSTITUTION

The Language Committee is composed of the Rector; the Vice-Rector (Learning and Teaching); five members of Council appointed



from the members elected respectively by Senate, the Minister, the Convocation, the Students' Representative Council and the independent members of Council; and a co-opted member appointed by the Language Committee, who is an expert on language and the pedagogic value of language. See page 19–21 for the members. The Chair, appointed by Council, has to be a non-executive member of Council. Exercising its discretion, the Committee may approach any additional persons with relevant competencies to attend meetings and assist the Committee in the execution of its duties. The Committee meets at least twice a year.

### KEY FOCUS AREAS

Under the oversight of the Vice-Rector (Learning and Teaching) and the Senior Director: Learning and Teaching Enhancement, the faculties implemented and monitored the Language Policy. The faculties and responsibility centres compiled their language implementation plans within the guidelines of the Language Policy, which served before the Language Committee and were approved both by it and by Council. The Committee commended the faculties and responsibility centres for the thoroughness of their language implementation plans within the guidelines of the Language Policy, and for the broad consultation within their departments, which served before the Language Committee and were approved both by it and by Council. The Committee commended the faculties and responsibility centres for the thoroughness of their language implementation plans, and for the broad consultation within their departments.

The Committee took cognizance of the Constitutional Court's affirmation of the SU Language Policy.

As recommended by the Committee, a language survey for undergraduate students and for lecturers and support services staff was conducted in 2019. The first one, in 2018, was directed only at students. The survey found that language arrangements were implemented as they were communicated in class and there was a very high degree of satisfaction with the implementation of the double-medium option (both English and Afrikaans in the same class group). The results showed a high level of compliance with the Language Policy by staff. Although a notable proportion of the staff that took part were unfamiliar with the Language Policy, they felt broadly included in terms of language use. Support services environments were generally concerned about the lack of resources and time to comply with required translations, notwithstanding the availability of language implementation funds. The Language Committee takes account of the picture that emerged from this and from the previous survey.

Having fulfilled its responsibilities in 2019, the Committee will continue to monitor the implementation of the Language Policy, to promote multilingualism and to deal with matters referred to it in 2020.

## Remuneration Committee of Council

### ROLE

The Remuneration Committee is responsible for setting general strategy and broad policy on matters concerning staff remuneration and fringe benefits, and makes recommendations to Council regarding general remuneration increases. The Remuneration Committee advises Council on general strategy and broad policy with regard to remuneration and staff benefits, and on general remuneration adjustments and the remuneration of the Ombud and members of the Rectorate.

### CONSTITUTION

The Remuneration Committee of Council is composed of the Chair of Council; the Vice-Chair of Council (as chair); one other external member of Council who serves on the HRC of Council; and three ex officio members (without voting rights), namely the Chief Director: Human Resources; the Director: Human Resources (Remuneration and

Benefits); and a member of the Chief Operating Officer's responsibility centre, as set out on page 19–21.

### KEY FOCUS AREAS

The key focus areas of the Remuneration Committee at its two meetings in 2019 were:

- discussing the remuneration adjustments and the bonus scheme for 2020;
- reviewing the 2020 budget;
- attending a presentation on the remuneration of Executive Management; and
- considering the procedures regarding the remuneration of the Ombud and a bonus to the Rector.

In 2020, the Committee will attend to remuneration matters that might arise in the course of the year and to the remuneration adjustments for 2021.

## Social and Business Ethics Committee of Council

### ROLE

The terms of reference of the Social and Business Ethics Committee (SBEC) of Council was approved at the end of 2014 and the Committee started functioning in 2015. Its key function is to enhance the social conscience of the University, and to ensure that the institution acts as a responsible corporate citizen. The SBEC is responsible for oversight of and reporting on organisational ethics relating to corporate citizenship, sustainable development and stakeholder relationships. The Committee has overall responsibility for establishing corporate ethical values and associated codes of conduct and policies, ensuring that the principles of ethical business practice are adhered to, and evaluating their impact. The Committee reports its findings and makes the necessary recommendations to Council for consideration and final approval.

### CONSTITUTION

The Committee is composed of at least five members, namely at least two Council members, with one of the two being a non-executive (independent) member; at least two representatives of SU management, and one additional member with the required expertise from outside. Two of the SBEC members must be members of the Audit and Risk Committee and of the Human Resources Committee respectively. The Chair is a non-executive (independent) Council member. In 2019, Council appointed Mr Charl Cillie as Chair in the place of Ms Khungeka Njobe, who had resigned from Council and the Committee.

### KEY FOCUS AREAS

The key aspects that were considered at the committee's four meetings in 2019 include the draft Code of Ethics for SU, the Anti-Corruption and Anti-Bribery Policy, the draft SU Visual Redress Policy, the Litigation Report, the Student Discipline Report, the Ombud's Annual Report, the framework regarding senior appointments at SU and Human Relations at SU. In addition to this, the SBEC considered the controversial article published (see page 15), took note of the actions taken and the University's response, and considered related issues that were referred to the Committee by the Ombud.

The Committee believes that it fulfilled its terms of reference in line with its scheduled tasks for 2019.

In 2020, the Committee will, in addition to its normal responsibilities, focus on among others:

- Further consultation within SU on the draft Code of Ethics.
- Research ethics and related matters.
- Reviewing the Ombud's annual report and related matters requiring attention.
- Reviewing relevant sections of the Annual Integrated Report.
- Addressing matters referred to it by Council, the Audit and Risk

Committee and Human Resources Committee.

- Conducting a formal self-evaluation of its activities against its terms of reference.
- Considering changes to the terms of reference and roles and responsibilities of the Committee based on its self-evaluation in order to ensure that the Committee is more relevant and has greater accountability.
- Setting in place an induction programme for future Committee members.
- Reviewing the effect of the Corona Pandemic and the declared State of Emergency on SU as well as SU's reaction thereto from an ethics and related perspective.

## COMPLYING WITH LAWS, CODES, REGULATIONS AND STANDARDS

The University Council and management are committed to adhering to all relevant laws, codes, regulations and standards published by the government and relevant professional bodies. Because of its diverse activities, the University functions in a broad and complex regulatory landscape. Until 2016, compliance was managed in an embedded model, and mostly reactively. However, an audit on institutional compliance by SU's internal auditors in September 2016 revealed areas that needed improvement. As a result, a roadmap with milestones was accepted for the development of the compliance function. The compliance function is placed under Legal Services in the responsibility centre of the Registrar.

In 2018, institutional compliance was flagged as a high-level risk, which unlocked funding to institute mitigating measures. A compliance officer was appointed in July and significant progress has been made since with the establishment of the compliance function on an institutional level. Compliance is now managed more proactively through regular communications to internal stakeholders, including daily alerts to specific environments about changes to the regulatory landscape.

Operational compliance is the responsibility of line managers in line with the combined assurance model followed by SU and non-compliance risks are captured in the University's electronic risk register for managerial oversight. (See the Risk Report on page 75.)

With the development of the compliance function at an early stage, Legal Services started developing the function by drafting a Compliance Regulation for internal use. The Rectorate approved this regulation in March 2018. The aim is to develop this regulation into a policy by the end of 2021. The drafting of compliance risk management plans is also underway, with the Higher Education Act as a first priority, in consultation with the Registrar, the person ultimately responsible for compliance with this piece of legislation at SU. Compliance risk management plans for all the high-level risks and core legislation are planned, as well as a Compliance Framework and manual. In addition, the University's compliance universe, which is regularly revised and updated with new legislation, will be expanded to include regulations. However, the Covid-19 pandemic and the high demand placed on Legal Services and the Compliance function early in 2020 have slowed down these plans significantly.

## Sharing information according to PAIA

SU is committed to fostering a culture of transparency and accountability through compliance with the Promotion of Access to Information Act 2 of 2000 (PAIA) and to information sharing when appropriate. On 18 March 2019, the Rectorate approved a revised and updated version of our institutional PAIA manual, which came into effect on 1 April 2019. In 2019, the University received five requests under the Act. Of these, three were granted and two were partially refused due to the mandatory protection of privacy of a third party who is a natural person (section 34 of PAIA).

## Protecting personal information under POPIA

During 2019, the Division for Information Governance completed the design of a Framework for the Governance of Personal Information. The SU Data Privacy Regulation, coupled with the institutional manual under the Promotion of Access to Information Act, forms the core of the Framework. To give effect to the principles defined in the core, the following supporting items round out the Framework: A series of privacy impact assessment methodologies, a defined procedure for the handling of potential breaches of personal information, privacy notice and other document templates, the institutional permission process, and training and awareness initiatives. Most of the framework is already in place, barring full operationalisation and testing of the breach handling procedure and roll out of sustainable training and awareness initiatives. The Division intends to focus on these two remaining elements over the next reporting period to complete the build phase of the Framework.

## Reporting under King IV

The University subscribes to the philosophy of leadership, sustainability and corporate citizenship as set out in the *King IV Report on Corporate Governance for South Africa 2016* (King IV). Stellenbosch University (SU) recognises that it forms an integral part of the broader society in which it operates, which affords it standing as a juristic person in that society, with rights, but also responsibilities and obligations. SU also recognises that the broader society is its licensor.

As a university we are guided by strong moral and ethical standards in daily interactions with customers, shareholders and employees. This includes carefully balancing shareholders' needs with those of the community and always considering the environmental impact of our business operations.

The application of King IV's corporate governance principles, published in November 2016 for application by entities whose financial year commenced after 1 April 2017, has been initiated. King IV has moved from "apply or explain" to "apply and explain", but has reduced the 75 principles in King III to 17, one of which applies to institutional investors only and 16 of which can be applied by any organisation. To substantiate a claim that good governance is being practised, an organisation has to apply at least 16 of these principles.

Applying the King IV principles to our business activities is an ongoing process and the University evaluates its progress continuously. The application of the King IV principles as at 31 December 2019 is summarised in the table below. Where relevant, the reader is referred to information in this Annual Integrated Report (AIR).

## THE APPLICATION OF KING IV PRINCIPLES AT STELLENBOSCH UNIVERSITY

PRINCIPLE	REFERENCE
<b>1. THE GOVERNING BODY SHOULD LEAD ETHICALLY AND EFFECTIVELY.</b>	
<p>A code of ethics was drawn up to serve as the cornerstone of ethical governance for Stellenbosch University (SU) and was approved by Council for further consultation, which took place during August 2019. The amended Code (after consultation) is currently awaiting input from SU's Rectorate, where it will be considered once the Code of Conduct is finalised.</p> <p>The University's institutional Statute was rewritten to include the expectation of ethical leadership, and approved by the Department of Higher Education and Training (DHET). The new Statute adheres to the King IV principles and addresses ethical leadership in its preamble.</p> <p>In addition, disclosure of conflict of interest has become a standing item on the Council agenda and Council's Audit and Risk Committee (ARC), Executive Committee and Social and Business Ethics Committee.</p>	<p>SU Code of Ethics</p> <p>Stellenbosch University Statute</p> <p>"Committees of Council", AIR page 22</p>
<b>2. THE GOVERNING BODY SHOULD GOVERN THE ETHICS OF THE ORGANISATION IN A WAY THAT SUPPORTS THE ESTABLISHMENT OF AN ETHICAL CULTURE.</b>	
<p>All committees of Council report on their key areas of focus and future focus over the reporting year.</p> <p>Organisational structures and processes were improved.</p> <p>The University adopted the Global Code of Conduct for Research in Resource-poor Settings.</p> <p>The University is tackling gender-based violence.</p>	<p>"Committees of Council", AIR page 22–26</p> <p>"Social and Business Ethics Committee of Council", AIR page 25</p> <p>"Promotion of ethical research", AIR page 29</p> <p>"SU adopts Global Research Code", AIR page 67</p> <p>"Tackling gender-based violence", AIR page 39</p>
<b>3. THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION IS AND IS SEEN TO BE A RESPONSIBLE CORPORATE CITIZEN.</b>	
<p>The University's new Statute provides in its preamble that it is the responsibility of Council to ensure that the University is, and is seen to be, a good corporate citizen. The SU Statute was rewritten in 2018 and submitted to the DHET for approval. The Minister approved the new Statute and it was published in the <i>Government Gazette</i> on 16 August 2019. The new Statute adheres to all the relevant principles of King IV.</p> <p>As a result of the new Statute coming into effect, all the Council committees' terms of reference are in the process of being reviewed and aligned to the Statute. Thereafter they will be reviewed as and when necessary.</p> <p>The Registrar is to review all University policies over the following two years and align them to King IV principles.</p>	<p>Stellenbosch University Statute</p> <p>"Council's statement on corporate governance", AIR page 22</p> <p>SU Vision 2014 and Strategic Framework 2019–2024, AIR page 8</p>
<b>4. THE BOARD SHOULD APPRECIATE THAT THE ORGANISATION'S CORE PURPOSE, ITS RISKS AND OPPORTUNITIES, STRATEGY, BUSINESS MODEL, PERFORMANCE AND SUSTAINABLE DEVELOPMENT ARE INSEPARABLE ELEMENTS OF THE VALUE CREATION PROCESS.</b>	
<p>The SU Council's appreciation is embodied in the Vision 2040 framework and institutional strategy that the University ascribes to at all levels.</p>	<p>Vision 2040 and Strategic Framework 2019–2024</p>
<b>5. THE GOVERNING BODY SHOULD ENSURE THAT REPORTS ISSUED BY THE ORGANISATION ENABLE STAKEHOLDERS TO MAKE INFORMED ASSESSMENTS OF THE ORGANISATION'S PERFORMANCE, AND ITS SHORT, MEDIUM AND LONG-TERM PROSPECTS.</b>	
<p>The methodology for determining what material information is to be included in the Integrated Report is to be developed.</p> <p>The SU Annual Integrated Report (AIR) covers the performance of the University in a given year according to the strategic themes as laid out in the Strategic Framework. It also meets the requirements of the Department of Higher Education and Training's Regulations for Reporting by Public Higher Education Institutions.</p>	<p>SU Strategic Framework 2019–2024</p> <p>Regulations for Reporting by Public Higher Education Institutions, <i>Government Gazette</i>, No. 37726 of 9 June 2014</p> <p>"Crafting and implementing Strategic Plan 2019–2024", AIR page 71</p>
<b>6. THE GOVERNING BODY SHOULD SERVE AS THE FOCAL POINT AND CUSTODIAN OF CORPORATE GOVERNANCE IN THE ORGANISATION.</b>	
<p>The University's institutional Statute guides the effective functioning of Council in line with the requirements of King IV.</p>	<p>Stellenbosch University Statute</p>

## THE APPLICATION OF KING IV PRINCIPLES AT STELLENBOSCH UNIVERSITY

PRINCIPLE	REFERENCE
<b>7. THE GOVERNING BODY SHOULD COMPRISE THE APPROPRIATE BALANCE OF KNOWLEDGE, SKILLS, EXPERIENCE, DIVERSITY AND INDEPENDENCE FOR IT TO DISCHARGE ITS GOVERNANCE ROLE AND RESPONSIBILITIES OBJECTIVELY AND EFFECTIVELY.</b>	
SU is a public higher education institution and the composition of Council is determined on a stakeholder representation model as laid out in the institutional Statute, consistent with the Higher Education Act 101 of 1997. Since the approval of the new Statute in August 2019, steps have been taken to align the composition of Council and other statutory structures with the stipulations of the Statute. This is an ongoing process.	Stellenbosch University Statute  "Council's statement on corporate governance", AIR page 22
<b>8. THE GOVERNING BODY SHOULD ENSURE THAT ITS ARRANGEMENTS FOR DELEGATION WITHIN ITS OWN STRUCTURES PROMOTE INDEPENDENT JUDGEMENT, AND ASSIST WITH BALANCE OF POWER AND THE EFFECTIVE DISCHARGE OF ITS DUTIES.</b>	
Reported in the Annual Integrated Report 2019.  The Audit and Risk Committee of Council issues statements to describe the quality of audit services, the nature of such services, the tenure of the audit firm and the rotation of the external audit partner.	"Council ensures accountability", AIR page 22  "Audit and Risk Committee of Council", AIR page 23  "Financial management and control systems", AIR page 29
<b>9. THE GOVERNING BODY SHOULD ENSURE THAT THE EVALUATION OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES, ITS CHAIR AND ITS INDIVIDUAL MEMBERS, SUPPORT CONTINUED IMPROVEMENT IN ITS PERFORMANCE AND EFFECTIVENESS.</b>	
Council and the ARC conduct a self-evaluation process annually. External evaluation is proposed by the DHET, but has not yet been formalised.	
<b>10. THE GOVERNING BODY SHOULD ENSURE THAT THE APPOINTMENT OF, AND DELEGATION TO, MANAGEMENT CONTRIBUTE TO ROLE CLARITY AND THE EFFECTIVE EXERCISE OF AUTHORITY AND RESPONSIBILITIES.</b>	
The delegation policy and framework is in place. Delegations are to be captured electronically and managed online as part of the Delegation Project. Reporting will be updated accordingly. Succession planning is not yet formally in place.	
<b>11. THE GOVERNING BODY SHOULD GOVERN RISK IN A WAY THAT SUPPORTS THE ORGANISATION IN SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES.</b>	
The University's risk management capability has matured significantly over the years.	"Report on risk exposure, evaluation and management", AIR page 75
<b>12. THE GOVERNING BODY SHOULD GOVERN TECHNOLOGY AND INFORMATION IN A WAY THAT SUPPORTS THE ORGANISATION SETTING AND ACHIEVING ITS STRATEGIC OBJECTIVES.</b>	
Inadequate cybersecurity and information integrity and compliance have been registered as high-level risks at SU and are being managed.	"Technology and information governance", AIR page 29  "Report on risk exposure, evaluation and management", AIR page 75
<b>13. THE GOVERNING BODY SHOULD GOVERN COMPLIANCE WITH APPLICABLE LAWS AND ADOPTED NON-BINDING RULES, CODES AND STANDARDS IN A WAY THAT SUPPORTS THE ORGANISATION BEING ETHICAL AND A GOOD CORPORATE CITIZEN.</b>	
The schedule of legislation relevant to SU was assessed with a high-level compliance risk assessment.  A Compliance Framework and Compliance Risk Management Plan for higher education and for information sharing were drafted. The compliance regulation was approved by the Rectorate and provides guidance on SU's compliance approach.  Embedded compliance structures are in place to deal with operational compliance. The compliance function focuses on institutional compliance management and oversight.	"Report on risk exposure, evaluation and management", AIR page 75  Compliance Framework  Compliance Risk Management Plan
<b>14. THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION REMUNERATES FAIRLY, RESPONSIBLY AND TRANSPARENTLY SO AS TO PROMOTE THE ACHIEVEMENT OF STRATEGIC OBJECTIVES AND POSITIVE OUTCOMES IN THE SHORT, MEDIUM AND LONG TERM.</b>	
Remuneration disclosure meets the requirements as set by the Regulations for Reporting by Higher Education Institutions.	Regulations for Reporting by Public Higher Education Institutions, <i>Government Gazette</i> , No. 37726 of 9 June 2014  "Financial Report", AIR page 155

## THE APPLICATION OF KING IV PRINCIPLES AT STELLENBOSCH UNIVERSITY

PRINCIPLE	REFERENCE
<b>15. THE GOVERNING BODY SHOULD ENSURE THAT ASSURANCE SERVICES AND FUNCTIONS ENABLE AN EFFECTIVE CONTROL ENVIRONMENT, AND THAT THESE SUPPORT THE INTEGRITY OF INFORMATION FOR INTERNAL DECISION-MAKING AND OF THE ORGANISATION'S EXTERNAL REPORTS.</b>	
Combined assurance is largely in place.	"Audit and Risk Committee of Council", AIR page 23
The responsibility centre Strategy and Internationalisation is finalising a dashboard of strategic management indicators to track our progress with strategy implementation.	"Report on risk exposure, evaluation and management", AIR page 75  Report of the DVR Strategy and Internationalisation, AIR page 70  "Monitoring on the way forward with our strategic management indicators", AIR page 41.
<b>16. IN THE EXECUTION OF ITS GOVERNANCE ROLES AND RESPONSIBILITIES, THE GOVERNING BODY SHOULD ADOPT A STAKEHOLDER-INCLUSIVE APPROACH THAT BALANCES THE NEEDS, INTERESTS AND EXPECTATIONS OF MATERIAL STAKEHOLDERS IN THE BEST INTEREST OF THE ORGANISATION OVER TIME.</b>	
Largely in place.	"Code for Management Practices for Employment Equity", AIR page 41
The Rectorate approved the Code for Management Practices for Employment Equity in 2019, a critical tool for addressing the barriers identified in the institutional Employment Equity (EE) Plan.	Employment Equity (EE) Plan

## FINANCIAL MANAGEMENT AND CONTROL SYSTEMS

Effective, efficient and transparent financial management and internal control systems ensure the accuracy of the University's accounting records and the integrity of the data used for the preparation of financial statements. These also ensure the accuracy and completeness of financial information to support sound management decision-making. The University's consolidated annual financial statements are prepared according to the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

There are inherent limitations to the efficiency of any internal control system, including the possibility of human error and the circumvention or subversion of control measures. Consequently even an efficient system of internal control can at best only provide reasonable assurance as far as financial information is concerned.

The internal and external auditors assess the effectiveness, efficiency and reliability of financial management and internal control systems. Weaknesses in the systems are brought to the attention of management and, where applicable, to the attention of the Audit and Risk Committee. When deficiencies of control are identified, steps are taken diligently to rectify them and the opportunity is used to improve the system. The University has a formal procedure in place for reporting possible anomalies or fraud.

The University functions in terms of a value system that is set out in our Strategic Framework 2019–2024 (see page 8), and has been adopted by the University community. Financial management is based on a set of principles that was adopted by Council on 19 May 2003.

## PROMOTION OF ETHICAL RESEARCH

Research integrity is governed by the Policy for responsible research conduct at Stellenbosch University. This policy is implemented through the Senate Research Ethics Committee and its five Research Ethics Committees (RECs) that undertake reviews. The five RECs include a committee each for research involving human participants in the broad social sciences and in the health sciences (two RECs), the

care and use of animals, and environmental and biosafety (see "Our governance structure" on page 18) to ensure that researchers act in accordance with laid-down ethical norms in every relationship with their research participants or subjects. The ethical norms set out in the Policy apply from the time of assessment of the purpose of the particular research through to the project completion and dissemination of final results. They are also binding in respect of financial resources, clients, the community, the physical, biological and social environment, and the safety of researchers and collaborators. The Policy requires responsibility taken by each SU researcher to undertake and promote responsible research practices. The University also adopted the Global Code of Conduct for Research in Resource-poor Settings. For information on organisational ethics, see the "Social and Business Ethics Committee of Council" on page 25.

## TECHNOLOGY AND INFORMATION GOVERNANCE

During 2017, the Rectorate approved the establishment of a multidisciplinary task team to investigate and propose potential initiatives to address the University's growing need for an organisational framework to formally enable information management and information governance. The task team made several recommendations to the Rectorate in November 2017. Based on those recommendations, the Rectorate formally constituted the University's Technology and Information Committee (TIC). Notably, within the same period, the Division for Institutional Research and Planning was repositioned to report to the Vice-Rector (Strategy and Internationalisation) and renamed to the Division for Information Governance, emphasising the University's commitment to addressing its technology and information governance responsibilities.

The TIC first met in February 2018, taking an initial step towards realising an integrated approach for the University's technology and information governance initiatives. The TIC reports directly to the Rectorate and its members include the Vice-Rector (Strategy and Internationalisation), the Chief Operating Officer, the Registrar, the Senior Director: Information Governance, the Senior Director: Information Technology, a representative of Senate, and two independent external members.



The Vice-Rector (Strategy and Internationalisation) and Chief Operating Officer rotate chairing duties. The TIC has met at least once per quarter since its initial meeting, with the overall purpose of assisting the Rectorate in its ongoing oversight of the quality of technology and information governance within SU; recommending initiatives or interventions to the Rectorate for enhancing the quality of technology and information governance at SU; and assisting the Rectorate with the strategic coordination of technology and information-related initiatives and interventions. Standing agenda items include a focus on the SUNStudent (a new digital, state-of-the-art, cloud-based student administration and academic curriculum management system) and SUNFinance implementations (a major part of the University's Systems Renewal Project), driving compliance with local and international information-related legislation, such as privacy legislation, and supporting the development of the ICT Service Delivery Model. The Division for Information Governance is in the final stages of completing a framework for the governance of personal information, which includes procedures for data classification as well as for dealing with information-related breaches, and campaigns for training and awareness on how to deal with personal information under POPIA.

## STUDENT PARTICIPATION

The participation of students in decision-making is important to the University, as also set out in the above-mentioned Strategic Framework.

At the macro level, students have a seat in the highest formal structures of authority, such as the Students' Representative Council (SRC) representation in Council, the Senate and the Institutional Forum. Students are also members of the faculty boards, the Student Fees Committee, the Honorary Degrees Committee, the Social Impact Committee and the selection committees for the appointment of the Rector and Vice-Rectors. Furthermore, students serve on various important working committees, such as the Bursaries and Loans Committee, the Central Disciplinary Committee, the Quality Committee, the Library Committee and the Student Accommodation Committee. Student representatives from the faculties form the Academic Affairs Council (AAC), the Chair and Vice-Chair of which perform various representative functions in the area of the Vice-Rector (Learning and Teaching). They serve, among others, on the Academic Planning Committee and the Learning and Teaching Committee.

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

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

The chairs of the SRC and the AAC have bimonthly fixed meetings with the Vice-Rector (Learning and Teaching), in addition to ad hoc meetings arranged as and when required. Furthermore, the Executive Committee of the SRC meets with the Rectorate at least ten times annually for discussing general management matters.

## TENDERING AND PURCHASING PROCEDURES

The Purchasing and Provision Services Division is responsible for the development and implementation of a centralised purchasing policy and procedure based on ethics, fairness, impartiality, transparency and competitive cost-effectiveness. In this way, the Division affords all service providers from all communities the opportunity to do business with the University, irrespective of race, gender or faith.

Price limits determine when service or product purchases need to be put out to tender and the number of quotations to be obtained. A distinction is made between institutional, strategic and capital tenders, as well as tenders that do not affect the operations of the University as a whole, such as the purchasing of research equipment. Each of these purchases is subject to its own set of rules in terms of the approvals needed before tenders may be invited and awarded. The rules are contained in the University's Purchasing and Tender Policy and in the rules with regard to the delegation of authority and responsibilities. (See page 50 for new rules regarding type-two creditors and ad hoc payments.)

Prior to each tender adjudication, members of the Tender Committee are expected to complete a declaration-of-interest form. If any member appears to have conflicting interests, that member does not take part in the adjudication. The BBBEE status of providers is one of the evaluation criteria in all tenders.

The Rectorate resolved in 2016 that all tenders for continuous services should be contracted by means of a sustainable sourcing model. This model enables the University to determine transparently the optimal solution for the provision of these services to the institution, considering various stakeholders' inputs. The underlying principles of the model are:

- human dignity;
- sustainability of the University;
- financial feasibility;
- transparency and confidentiality;
- stakeholder inputs;
- signing of a code of conduct;
- corporate governance; and
- best mutual benefit.

The tender awarded for continuous services during 2019 in terms of this model was for security services at the Worcester Campus. The biggest tender product was the tender for the 2D Biobank tubes for reliable, safe and automated long-term biomaterial storage. See the tables below for the members of the relevant tender committees.

Tenders were also invited for various capital projects, the largest of which was the Helshoogte Phase 3 Internal Upgrade on the Stellenbosch Campus. In all instances, the adjudication and appointments occurred in terms of the provisions of the University's Purchasing and Tender Policy and the rules with regard to the delegation of authority and responsibilities.

The University is an anchor institution that stimulates benefits in the Stellenbosch region. An economic impact assessment of Stellenbosch University on the local municipal area conducted by the Bureau for Economic Research in 2017 and 2018 revealed that SU contributes more than 15% to the total of production (or output) generated in the region, and more than 20% to the total formal employment. More specifically, it sustains 13 406 jobs in the local economy, generating R1 108 million in labour remuneration. Our BBBEE status contribution is Level 8 (see note 36 in the financial report), which is not very satisfactory. Although not-for-profit higher education institutions are at a disadvantage with some of the general categories the score is based on, SU is looking at ways to improve its score.

#### MEMBERS OF THE TENDER COMMITTEE FOR THE PROVISION OF SECURITY SERVICES AT WORCESTER CAMPUS

NAME	POSITION
Dr V van der Walt	Director Risk Management and Campus Security
Mr E Mouton	Senior Director, Business Management: Faculty of Medicine and Health Sciences
Mr F Jacobs	Manager: Security Operations, Tygerberg Campus
Ms M Malan	Business Manager: Facilities Management
Mr B Grindlay-Whieldon	Financial Controller: SU Finance Department
Ms M Matross	Manager: Ukwanda Campus

#### MEMBERS OF THE TENDER COMMITTEE FOR THE HELSHOOGTE PHASE 3 INTERNAL UPGRADE

NAME	POSITION
Mr A Kriel	Deputy Director: Project Manager
Mr I Willmot	Senior Project Manager
Mr F Swart	Director: Development Planning and Design
Mr H Arends	Senior Planner: Development Planning and Design
Mr R Todkill	Manager: Operational Maintenance
Mr T Hoeben	Manager: Customer Services

#### MEMBERS OF THE TENDER COMMITTEE FOR THE 2D BIO-BANK TUBES

NAME	POSITION
Ms M Flinn	Manager: Molecular Biology and Human Genetics
Ms N Kitchen	Laboratory Research Assistant: Department of Psychiatry
Mr S Engelbrecht	Deputy Director, Business Management: Faculty of Medicine and Health Sciences
Ms D Swart	Accountant: Faculty of Medicine and Health Sciences



# Report of SENATE TO COUNCIL

As a statutory body, Senate made an important contribution to the positioning of Stellenbosch University as a fully-fledged 21st-century university during the year under review. Senate met four times during 2019 to discuss contributions by its various committees (see “Our governance structure” on page 18) and the ten faculty boards. These discussions resulted in specific recommendations to Council regarding:

- Proposed framework for appointment / reappointment of senior professional administrative and support staff (Levels 1–4)
- School for Data Science and Computational Thinking
- Honorary Degrees Committee: amendments to its terms of reference
- A number of new academic programmes
- Revision of the Policy for Quality Assurance and Enhancement
- Global Code of Conduct for Research in Resource-poor Settings
- Reports by faculties on language implementation in 2019 and plans for language implementation in 2020
- Conferment of honorary doctorates

In addition, Senate approved doctoral research topics and discussed a range of teaching and community activities in connection with academia.

Due to limited capacity and the large number of applications received, all the University’s undergraduate programmes have been selection programmes for the past number of years.

## CHANGE IN ACADEMIC STRUCTURES

The School for Data Science and Computational Thinking was established as an overarching multi-faculty body.

## PROMOTION OF PROGRAMME RENEWAL

The new programmes listed below were submitted during 2019 to the Department of Higher Education and Training and the Council on Higher Education for approval and accreditation.

### *Undergraduate programmes*

- Advanced Diploma in Midwifery
- Advanced Diploma in Sustainable Development
- Bachelor of Data Science
- BSc (Computer Science)

### *Postgraduate programmes*

- Master in Urban and Regional Planning
- MSc (Machine Learning and Artificial Intelligence)
- PhD in Bioinformatics and Computational Biology
- Postgraduate Diploma in Critical Care Nursing: Adult
- Postgraduate Diploma in Health Services Management
- Postgraduate Diploma in Midwifery
- Postgraduate Diploma in Military Legal Studies
- Postgraduate Diploma in Nursing Education
- Postgraduate Diploma in Perioperative Nursing
- Postgraduate Diploma in Primary Care Nursing

## COMPOSITION OF SENATE

Senate has been constituted as prescribed by the Stellenbosch University Institutional Statute and comprises:

- the Rector and Vice-Chancellor, Prof WJS de Villiers (chair);
- the Rectorate, namely:
  - Prof TE Cloete (Vice-Rector (Research, Innovation and Postgraduate Studies)),
  - Prof HC Klopper (Vice-Rector (Strategy and Internationalisation)),
  - Prof NN Koopman (Vice-Rector (Social Impact, Transformation and Personnel)),
  - Prof A Schoonwinkel (Vice-Rector (Learning and Teaching)), and
  - Prof SA du Plessis (Chief Operating Officer);
- the Registrar, Dr R Retief (Secretary);
- two members of Council (each for a two-year term), namely Prof J Fourie and Mr C Cillie;
- all full professors of the University;
- five associate professors;
- four members of the Students’ Representative Council;
- two academic staff members who are neither professors nor associate professors;
- two technical staff members;
- departmental chairs who are not full professors;
- two secundus deans in the Faculty of Military Science; and
- all vice-deans who are not full professors.

Senate also declared the following persons to be members of Senate:

- the chief directors of Facilities Management; Finance; Human Resources; Innovation and Business Development; and of Sport;
- the senior directors of Corporate Communication; Development and Alumni Relations; Information Governance; Information Technology; Learning and Teaching Enhancement; the Library and Information Service; the Postgraduate and International Office; Prospective Students; Research; Social Impact; and of Student Affairs; and
- the director of the Centre for Teaching and Learning.

## CONTRIBUTION TO THE VICE-RECTORS’ PORTFOLIOS

Finally, it can rightly be said that Senate made a comprehensive and expert contribution to the activities of Learning and Teaching; Research, Innovation and Postgraduate Studies; Social Impact, Transformation and Personnel; and Strategy and Internationalisation during the reporting period. For more information on these activities, please turn to the respective vice-rectors’ reports.

The University also acknowledges excellence by awarding honorary doctorates, a Chancellor’s Medal and Chancellor’s awards – for more on these awards, see page 106.



*Prof Wim de Villiers*

Chair of Senate

# Report of the INSTITUTIONAL FORUM

## STELLENBOSCH UNIVERSITY STATUTE

The new Stellenbosch University (SU) Statute was promulgated on 16 August 2019. All statutory bodies, including the Institutional Forum (IF), must be compliant with the new Statute by August 2021.

## FUNCTIONS AND POWERS

The IF is one of the University's five statutory bodies. The functions and powers of the IF are determined by section 31(1) of the amended Higher Education Act 101 of 1997 and paragraphs 29 to 33 of the SU Statute (as published in *Government Gazette* no 42636 of 16 August 2019). The IF advises Council on:

- the implementation of the Act and the national policy on higher education;
- race and gender equity policies;
- the selection of candidates for senior management positions;
- codes of conduct, and mediation and dispute resolution procedures;
- the fostering of an institutional culture that promotes tolerance and respect for human rights and creates an appropriate environment for learning, teaching and research; and
- any other matter determined by Council.

Advice by the IF to Council is not limited to policies or other matters on which the IF has been consulted. The IF must also assist in developing an institutional sensitivity and proactively highlight issues that require Council's attention. To this end, the IF has a responsibility to advise Council on institutional transformation matters. As a statutory requirement of SU, all policies and codes of conduct should serve at the IF for recommendation to Council.

## COMPOSITION OF THE INSTITUTIONAL FORUM

In accordance with the Statute, the IF consists of 23 members representing each of the following four sectors:

- Governance and management (representation from Council and Senate, the Registrar, the Senior Director: Social Impact and Transformation and the Director: Employment Equity)
- Staff (members elected from the ranks of permanent nonprofessorial academic staff, professional administrative and support staff, technical support staff and service staff on post levels 14 to 19)
- Students (members elected by the Stellenbosch SRC, Tygerberg SRC, Prim Committee, Student Society Council and Academic Affairs Council)
- Community (members from the Convocation and civil society)

## ACTIVITIES

The IF continuously seeks to focus on specific matters in addition to its legally prescribed duties and responsibilities to provide Council with proactive advice for its consideration. The strategic priorities of the University are paramount throughout.

To this end, the full IF and its executive committee each meet four times a year, but extraordinary meetings may be convened on matters of urgency. Advice to Council is directed in a report to the executive

committee of Council. At each executive committee meeting, the agenda of the following IF meeting is finalised. The IF's executive committee also meets with the Rectorate as the need arises.

## Transformation

The IF remains committed to play an active part in accelerated transformation to establish a culture of inclusivity on the University's campuses. In this regard, an IF representative serves on the Institutional Transformation Committee, which is chaired by the Vice-Rector (Social Impact, Transformation and Personnel) and reports to the Rectorate. Both the Senior Director: Social Impact and Transformation and the Director: Employment Equity have fixed positions on the IF. Feedback from the Institutional Transformation Committee and from the Transformation Office are standing items on the agenda of the IF.

On request of the IF, written input was provided or a presentation was made on the following topics:

- Framework for the appointment/reappointment of senior professional and administrative support services (PASS) staff on post levels 1–4
- Current state of affairs regarding the National Student Financial Aid Scheme (NSFAS)
- Current state of affairs regarding the SU Mobility Master Plan
- SU Visual Redress Policy
- SU Code of Ethics

The executive committee of the IF, within its terms of reference, directed a letter to the Chair of Council, as a matter of urgency, with specific attention to the pain and anger that the article "Age- and education-related effects on cognitive functioning in Colored South African women" – which had been authored by SU researchers and published in the journal *Aging, Neuropsychology and Cognition* – had caused staff, students, alumni, donors as well as the local community. The IF expressed the need for feedback regarding current and planned actions by the University to address and mitigate the situation. Feedback was provided by Prof Eugene Cloete, Vice Rector (Research, Innovation and Postgraduate Studies), at the IF meeting as well as written feedback by Dr Therina Theron (Senior Director: Research and Innovation). For more information on this issue, see page 15.

## Policies

University policies on which the IF advised Council by way of formal reports in 2019 included the SU Staff Development Policy and the Policy for Quality Assurance and Enhancement at SU.

## CLOSING REMARKS

The IF represents a collaborative voice of management, staff, students and the community, and will continue to focus actively on encouraging campus discussions on aspects of diversity promotion and transformation, and advise Council on these matters.



*Dr Celeste Nel*

Chair of the Institutional Forum





## OUR PERFORMANCE

*against our*

## STRATEGIC THEMES

In this chapter, the report of the Rector and Vice-Chancellor presents an overview on the University's performance in pursuit of its strategic themes, measured against our strategic management indicators and Council's targets for the year under review.

Our Chief Operating Officer and vice-rectors report in more detail on how their responsibility centres fared with the strategic themes. The reports provide an outline of how their integrated plans – encapsulating the business plans of the various entities that they manage – contribute to the strategic direction that Stellenbosch University has embarked upon as a 21st century university. The direction is aligned with the strategic themes and goals according to our future-orientated Strategic Framework 2019–2024, which is summarised on page 8.

## *The* RECTORATE

The Rector, Chief Operating Officer and vice-rectors are the executive management of the University. They are ex officio members of Senate and of Council. The Registrar, also a member of the Rectorate, is responsible for institutional governance support, legal services and the academic administration of the University. The Rectorate is given below as at 31 December 2019.



*Rector and  
Vice-Chancellor*

### **Prof Wim de Villiers**

MBChB, MMed (Int), FCP(SA),  
DPhil, MHCM, DSc hc

Joined the University in 2015 with  
his appointment as Rector and  
Vice-Chancellor



*Chief Operating  
Officer*

### **Prof Stan du Plessis**

BCom, BComHons, MPhil, PhD

Joined the University in 1999;  
appointed as Chief Operating  
Officer designate in 2017, assuming  
position on 1 January 2018



*Vice-Rector  
(Learning and  
Teaching)*

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**Prof Arnold Schoonwinkel**  
BEngHons, MEng, MBA, PhD,  
PrEng

Joined the University in 1988; ap-  
pointed as Vice-Rector (Learning  
and Teaching) in 2012



*Vice-Rector  
(Research,  
Innovation and  
Postgraduate Studies)*

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**Prof Eugene Cloete**  
BSc, BScHons, MSc, DSc

Joined the University in 2009; appointed  
as Vice-Rector (Research and Innovation)  
in 2012 and portfolio expanded in 2015



*Vice-Rector  
(Social Impact,  
Transformation and  
Personnel)*

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**Prof Nico Koopman**  
BA, BTh, BThHons, MTh, DTh

Joined the University in 2001;  
appointed as Vice-Rector (Social  
Impact, Transformation and Per-  
sonnel) in 2016



*Vice-Rector  
(Strategy and  
Internationalisation)*

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**Prof Hester Kloppe**  
BACur, MCur, PhD, MBA,  
DNurs hc, FAAN, ASSAf

Joined the University in 2016 with  
her appointment as Vice-Rector /  
Deputy Vice-Chancellor  
(Strategy and Internationalisation)



*Registrar*

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**Dr Ronel Retief**  
BA, BAHons, MA, DLitt

Joined the University in 1998;  
appointed as Registrar in 2017



## PROFESSIONAL SUPPORT

*Executive Manager:  
Rectorate*

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**Dr Jerome Slamet**  
BCom, HED, MEd, PhD

Joined the University in 2004;  
appointed as Executive Manager:  
Rectorate in 2015



# REPORT *of the* RECTOR — and — VICE-CHANCELLOR



*Prof Wim de Villiers*  
Rector and Vice-Chancellor

At the start of 2019, we saw ahead of us a year filled with more great possibilities and more young people with a lot of potential to realise and to challenge us in the never-ending quest for knowledge. It was also clear from the start that it would be a year of challenges for higher education in South Africa.

As University management, we actively sought win-win solutions that would allow us to fulfil our primary purpose of producing high-quality graduates and research outputs to the benefit of communities, our nation and ultimately the world. In all our dealings with our various stakeholders we strove to act as a responsible corporate citizen in accordance with the principles in the *King IV Report on Corporate Governance for South Africa 2016* and SU's chosen values of excellence, compassion, accountability, respect and equity.

Because 2019 was the year in which our new Vision 2040 and Strategic Framework 2019–2024 kicked in, we started structuring all our activities according to its six core strategic themes. These are used in a specific order, with the following logic: Achieving “A thriving Stellenbosch University” is our ultimate aim, therefore it is Theme 1. In order to do so, our stakeholders are crucial partners. Students are our largest internal stakeholder group, therefore Theme 2 is “A transformative student experience”. With “Purposeful partnerships and inclusive networks” as our Theme 3, we draw in our external stakeholders. The next two themes cover our core activities: “Networked and collaborative teaching and learning” (Theme 4) and “Research for impact” (Theme 5). Last but not least, there are several enablers for the realisation of our new vision and strategic framework, but our staff members are essential. The ordering of our core strategic themes therefore culminates in Theme 6, becoming an “Employer of choice” (see page 8).

These themes now guide SU's activities towards realising our vision of becoming “Africa's leading research-intensive university, globally recognised as excellent, inclusive and innovative, where we advance knowledge in service of society”. In my overall report on the management and administration of our institution in the reporting period, I therefore focus on significant developments in these areas below.

I also include a section on self-assessment, as required in the implementation manual for reporting by public higher education institutions (published in the *Government Gazette* of 9 June 2014).

## A THRIVING STELLENBOSCH UNIVERSITY

In our Vision 2040 and Strategic Framework 2019–2024 we state that to make SU a thriving organisation, we envisage a vibrant, prosperous and systemically sustainable university (with “thriving” defined as “being successful or making steady progress; prospering; thriving”). SU recognises the major challenges associated with this aim. We need to be both responsive and proactive in shaping our future. We are committed to systemic sustainability, which includes people, place (social), prosperity (economic) and the environment, and compels responsible institutional governance.

### *Launching the School for Data Science and Computational Thinking*

The official launch of SU's new School for Data Science and Computational Thinking took place on 29 July 2019. The world is changing rapidly, especially with regard to the gathering, sharing and exploitation of data, and the new School is SU's stake in the unfolding future. It provides a single platform for collaboratively advancing knowledge in this field in service of society – working across all faculties in an interdisciplinary way.



## *Language Policy*

On 10 October 2019, the Constitutional Court handed down a unanimous judgment regarding SU's Language Policy, approved in 2016 and implemented from 2017. The court found that our Language Policy is constitutionally justified. The Court also found that the process the University followed to accept the Language Policy had been "thorough, exhaustive, inclusive and properly deliberative".

In addition, the Court found that the Language Policy was not trying to "eliminate" Afrikaans "by any means". According to SU's Language Policy, the University remains committed to using Afrikaans – in conjunction with English – as language of tuition in the context of inclusivity and multilingualism.

Our Language Policy promotes access and inclusivity. Both English and Afrikaans are used as teaching languages – English so that no one is excluded, and Afrikaans because there still exists a demand for teaching in Afrikaans.

## *Tackling gender-based violence*

One of the defining moments of 2019 was the nationwide protest against gender-based violence (GBV). South Africa's collective cry, "Enough is enough", also resounded at SU. Management made it clear that we condemn, and will not tolerate, GBV. Students, led by the Anti-GBV Movement SU, raised concerns and grievances, but also offered constructive suggestions. Management engaged and worked with students and staff to intensify our institutional efforts against GBV. To this end, six joint working groups were set up to devise a joint plan of action to fight GBV at SU.

## *Inclusive symbols*

We made good progress in 2019 towards creating an inclusive environment at SU. This includes welcoming messages in various languages on benches on the Rooiplein, a new artwork dedicated to women, and images of Die Vlakte on the doors of our Arts and Social Sciences Building, erected in the area following forced removals in the 1960s (see page 63 and 82). Special messages in Afrikaans, English and isiXhosa against the walls of the University's library also acknowledge SU's role in the injustices of South Africa's divided past.

## *Systems renewal*

In 2019, we took major strides towards replacing two ageing SU systems, namely our student information system and our financial system. These two systems form the bedrock of our administration. Taking into account the normal student and finance lifecycle and the availability of SU staff, our new systems, SUNStudent and SUNFin, should go live by 2021.

They will have a profound impact on the University by improving our efficiency. The two new systems will be implemented simultaneously, with close attention to their integration with the University's ecosystem of other information systems and middleware.

## **A TRANSFORMATIVE STUDENT EXPERIENCE**

In 2019, SU received 45 000 first-year applications for 2020 – up 6 000 from the previous year – and we only had space for about 5 500 candidates. The most important reason for enrolling at SU provided by applicants was the academic reputation of our University, which 87% of respondents in a post-application survey selected.

## *Financial assistance to students*

When I became Rector in 2015, I announced that the University would be creating a bursary fund for victims and their descendants of forced removals from Die Vlakte, a neighbourhood in central Stellenbosch bordering on our campus. The removals took place in the 1960s, in terms of the Group Areas Act 41 of 1950.

In 2019, another five Die Vlakte bursaries were awarded, bringing the number of beneficiaries to 31 and the total value of bursaries awarded so far to R1,36 million. Up to five bursaries are awarded each year to applicants who lived in the area themselves, or their children or grandchildren. Current and prospective undergraduate students as well as those wanting to register for a first postgraduate programme may apply. Applicants who no longer live in the Stellenbosch area, but are able to prove that their parents or grandparents were affected by the evictions are also considered. Academic progression is a prerequisite for retaining the bursary.

## *Student success*

### **Throughput and dropout**

SU's annual module pass rate has consistently been above 85% since 2013. In 2019, we obtained independent confirmation that we are a leading performer in this regard. The DHET said that SU showed the highest throughput (84% compared to the average of 68%) and second-lowest first-year dropout rate (8% compared to the average of 16%) in South Africa. (This was in an eight-year tracking study of the 2009 cohort in three- and four-year programmes at all universities except Unisa.)

### **Student mentorship programme**

At SU, we go to great lengths to offer support to our students and create an environment where they can flourish. Through participation in a student cluster community, whether through their residence or private student ward, newcomers are assigned a mentor – a senior student – to guide them on their journey at SU. Mentorship has been linked to academic success and well-being among university students, and this has also been our experience at SU.

In 2019, SU utilised nearly 600 trained mentors to guide more than 3 700 first-year students (mentees) who agreed to participate in the programme during their first six to nine months at university. The mentors were supported by a team of dedicated SU staff. This comprehensive effort is known as SU's BeWell programme. Since the inception of the programme in 2013, more than 3 500 mentors have supported more than 20 000 first-years in this way.

## **PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS**

This core strategic theme is discussed as follows in Vision 2040 and Strategic Framework 2019–2024: "As part of our mission, we have declared our willingness to influence and change the world around us through collaboration, as well as to be responsive and embrace change ourselves. Central to the mission is the notion that what happens in the world shapes our research, teaching and learning as well as our engagement, and that what happens at our university matters to the world. As a university, we are committed to South Africa and Africa. At the same time, we are intensely aware of our role in and relation to the international arena. In order to inspire and be inspired, SU will engage and collaborate with stakeholders, the communities we serve, industry, government and our university partners at a local, regional, continental and global level. Our collaboration and engagement approach is congruent with our values, with specific reference to respect, compassion and equity."

The Rectorate approved SU's first ever **Internationalisation Strategy** in 2019. It is aimed at consolidating the University's standing as a reliable global role-player and a preferred partner in Africa. The strategy provides a framework for incorporating an international dimension into all relevant institutional processes. It also adds greater focus to the existing wide range of internationalisation activities at SU, and guides how we harness new, emerging opportunities.

SU has well-established, far-reaching networks of **international partners**. Our 2019 figures showed that we had 292 partners in 63 countries on six continents at institutional, faculty and departmental level. Joint and double degrees in partnership with top universities around the world are increasingly being awarded.

SU's Institute for Futures Research signed a memorandum of agreement with the **African Peer Review Mechanism (APRM)** on 14 February 2019. A five-year partnership is envisaged, entailing research and teaching opportunities as well as collaborative initiatives involving SU academics and students.

SU's inaugural **Social Justice Summit and International Conference** took place at the end of August. The event was arranged and hosted by Prof Thuli Madonsela, incumbent of SU's Law Faculty Trust Chair in Social Justice, and former Public Protector of South Africa.

The **SU Law Clinic** continues to broaden access to justice for indigent South Africans. In the year under review, the structure received international recognition at the 10th Annual Global Law Experts Awards as the 2019 South African Social Justice Law Firm of the Year. The work of the clinic demonstrates that the University is involved in community issues and not removed from the everyday hardships that so many less-privileged people suffer.

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

According to Vision 2040 and Strategic Framework 2019–2024, this core strategic theme is about SU “embarking on a journey of networked and collaborative teaching and learning through the creation of learning communities where students, staff and alumni can experience meaningful learning.” The University promotes a learning-centred approach to teaching that focuses on learning as a partnership, where students are seen as co-creators of knowledge and learning environments. Within a learning-centred approach, teaching activities facilitate knowledge-building and actively engage students in their own learning.

In addition, the University has a holistic understanding of teaching and learning, which includes both individual and social benefits. SU's teaching practices are deeply embedded in, shaped by and responsive to the contexts in which they take place. These approaches shape the University as a learning organisation, enabling the emergence of learning communities among students, staff and alumni in various configurations. Networked and collaborative learning creates an environment that encourages intellectual inquisitiveness, which is an essential skill for sustained critical and creative thinking.

### *Qualifications awarded*

The number of conferred doctorates has grown significantly: There was an increase of 35%, from 267 PhDs in 2015 to 362 PhDs in 2019. In the five years from 2015 to 2019, SU awarded 43 429 qualifications, including an astonishing 7 460 master's degrees and 1 520 PhDs. We are proud of the significant contribution to progress and development we make in this way – not only in our country, but also on the rest of our continent and globally.

A total of 49,2% of qualifications awarded in 2019 were at undergraduate level, and 50,8% were at postgraduate level. With

40,1% of our graduands from the black African, coloured, Indian and Asian groups, we contributed, as we continue to do, to a more equitable society.

### *Outreach to schools*

In 2019, the Telematic Schools Project – a joint initiative with the Western Cape Department of Education – reached 1 228 schools across the country. The project involves interactive afternoon satellite broadcasts of additional lessons, focusing on difficult concepts in nine key subjects. These broadcasts take place from the studio at SU, using the best available teachers. The project targets underperforming schools with low pass rates, and has been successful in raising the pass rate with nearly 12% since 2010.

### *Empowering staff for blended and hybrid learning*

SU's Centre for Learning and Teaching provided 500 digital fluency training units to SU teaching staff in 2019. This was to sharpen their skills in providing online, blended and hybrid learning. With these new skills SU lecturers are prepared for teaching in the increasingly digital higher education landscape.

## RESEARCH FOR IMPACT

According to Vision 2040 and Strategic Framework 2019–2024, “Research for impact at SU implies optimising the scientific, economic, social, scholarly and cultural impact of our research. Our focus is on interdisciplinary research that benefits society on a national, continental and global scale. At the same time, we are committed to basic and disciplinary research excellence, as it forms the basis for applied and translational research.”

**Research chairs** at SU more than doubled from 23 in 2013 to 48 in 2019. Four new chairs were established in 2019 alone. SU is fortunate to have academic staff helping to position the University as a national asset with global standing.

The library's institutional research repository, **SUNScholar**, is increasing the global visibility of the University's research output and helping to preserve this output. In 2019, a total of 2 088 outputs were uploaded to the repository, 1 124 of which were theses and dissertations, and 964 of which were articles by SU researchers. The repository is well used, with a total of 376 753 visits and 149 533 unique downloads in 2019.

## EMPLOYER OF CHOICE

In Vision 2040 and Strategic Framework 2019–2024 our people are listed as our first “enabler”, an element “that makes everything possible”. In terms of staff, this is attached to a core strategic theme, which is unpacked as follows: “In support of SU's vision, mission, values and aspirations, it is imperative to support the health and wellbeing of our people. In SU's pursuit to be the employer of choice, we envisage an enabling environment that includes the principles of co-creation, co-ownership and appropriate participation, and embodies the characteristics of an inclusive campus culture.”

### *External review of Human Resources*

In the reporting period, our Human Resources (HR) Division embarked on a process of strategic reflection on the nature and role of human resources at 21st-century universities. It was decided to have the Division externally reviewed and a global consulting firm, Korn Ferry, was appointed to administer the process, commencing in August 2019. All HR processes, procedures, policies, practices, staff, staff competencies, workloads and staff placements were

subjected to scrutiny. Two business cases were presented to the Rectorate. In line with the approved business case, an operating model, N-I Structure (all the managers reporting directly to the Chief Director: HR), HR Matrix and the full proposed HR division's structure, with input from the HR Management Committee were finalised and presented to the Rectorate. Korn Ferry Consultants, in consultation with the HR Management Committee, is currently working on further details as requested by the Rectorate.

### *Transformation competencies for staff members*

In 2019, over 500 staff members participated in more than 40 sessions of HR's Siyakhula diversity capacity development programme. The themes included modern racism, institutional culture, mediation, conflict resolution, empathy, the threat of stereotyping, and sexual harassment.

### *Code for Management Practices for Employment Equity*

To promote diversity in line with the University's strategic theme of being an employer of choice, the Rectorate approved a Code for Management Practices for Employment Equity in September 2019. The code provides guidelines for management practices with a view to advancing employment equity and the reasonable accommodation of people with disabilities. It is a critical tool for addressing the

barriers identified in the institutional Employment Equity (EE) Plan, and stipulates that involvement in the transformation mandate of the University, which includes the building of transformation competencies, should constitute 20–25% of staff members' key performance areas (KPA's) in future.

## MONITORING ON THE WAY FORWARD WITH OUR STRATEGIC MANAGEMENT INDICATORS

The University's Institutional Plan contains key overarching strategic management indicators (SMIs) with which we measure how we are faring in the realisation of our institutional goals. For each of our Strategic Framework 2019–2024 themes, we aim to describe specific strategic actions that are stipulated by each faculty and professional service individually. The complete details are contained in the separate plans of each responsibility centre. In these plans, the faculties and professional service divisions indicate how they will achieve the institution's goals by way of their action plans. All faculties and professional services are jointly responsible for achieving the targets in the Institutional Plan and therefore work in an integrated manner and in accordance with our business model.

OUR STRATEGIC MANAGEMENT INDICATORS OVER THE 2014–2019 STRATEGIC CYCLE								
Theme	Strategic Management Indicator	2014	2015	2016	2017	2018	2019	2024 target
A THRIVING SU	Third-stream income share of SU's total income (%)	31,4	26,4	30,1	28,7	26,6	23,8	32,3
	Fourth-stream income share of SU's total income (%)	5,2	5,4	7,3	4,9	5,3	3,9	10,0
	HEMIS-based success rate of undergraduate and postgraduate students (%)	85,1	86,7	85,9	87,1	86,4	87,2	85,7
A TRANSFORMATIVE STUDENT EXPERIENCE	Share of students from black African, coloured, Indian and Asian population groups (%)	36,6	37,8	38,7	40,1	41,5	42,6	47,5
	Share of undergraduate module credits taught in Afrikaans and English to PARALLEL class groups (%)	16,6	15,4	17,5	20,9	21,6	20,7	25,0
	Share of undergraduate module credits taught in BOTH Afrikaans and English to the SAME class group (%)	62,9	69,5	69,5	64,6	61,4	59,6	60,0
	Share of undergraduate module credits taught in EITHER Afrikaans OR English to a class group (%)	20,4	15,1	13,0	14,5	17,0	19,7	15,0
PURPOSEFUL PARTNERSHIPS	Share of staff remuneration not funded via the main budget** (%)	35,9	40,8	41,7	41,8	40,5	37,3	45,0
RESEARCH FOR IMPACT	Ratio of weighted research outputs per full-time equivalent teaching and research staff member	2,50	2,53	2,64	3,01	3,00	*	2,44
	Permanent teaching and research staff with doctorates (%)	61,8	60,6	60,3	60,2	61,3	61,1	65,0
EMPLOYER OF CHOICE	Share of permanent staff from black African, coloured, Indian and Asian population groups (%)	43,2	43,8	45,6	46,7	47,6	48,6	55,0
	Share of female permanent staff (%)	55,9	56,0	56,6	57,1	57,1	57,6	60,0
	Ratio of full-time equivalent students, weighted per level of study, per full-time equivalent teaching and research staff member	25,44	26,16	25,9	28,3	28,8	*	24,00

\* 2019 results will be reported in 2020.

\*\* Funds consist of restricted and unrestricted funds. The difference between future restricted and unrestricted funds may affect the feasibility of the 2024 target. See "Available funds" on page 48. For definitions of the indicators, see the Glossary under "Strategic management indicators explained", page 175.

## RECTOR'S SELF ASSESSMENT

I am fortunate to play a role in the higher education sector beyond my own institution. In 2019 I was reappointed as vice-chair of Universities South Africa (USAf) for a second two-year term, namely the duration of 2020 and 2021. I was also appointed chair of Higher Health (formerly known as the Higher Education HIV/AIDS Programme, HEAIDS) Board, and I serve as a council member of the Association of Commonwealth Universities (ACU).

At SU, Council unanimously appointed me as Rector and Vice-Chancellor for a second term in 2019 (effective 1 April 2020, for a period of five years). I am deeply appreciative of the confidence shown in me.

SU is a significant research- and teaching-intensive institution, and the ongoing themes of my term to date have been increasing internationalisation, a focus on development, fundraising and alumni

relations, relevant research, exploring new knowledge markets, and striving for financial sustainability. This took place against the backdrop of complex challenges in the national political, economic and higher education sectors (predominantly student protests regarding affordable education, accommodation, decolonisation of the curriculum, and transformation). We addressed these challenges, but also sustained our firm focus on SU's core academic mission of learning and teaching, research and social impact.

The institution is stable, forward-looking and well equipped for its second century – the slogan “saam vorentoe, forward together, masiye phambili” will stand us in good stead.

In my report to Council about my first term, I listed what I considered to be the major achievements of the University in this period.

### Access broadened

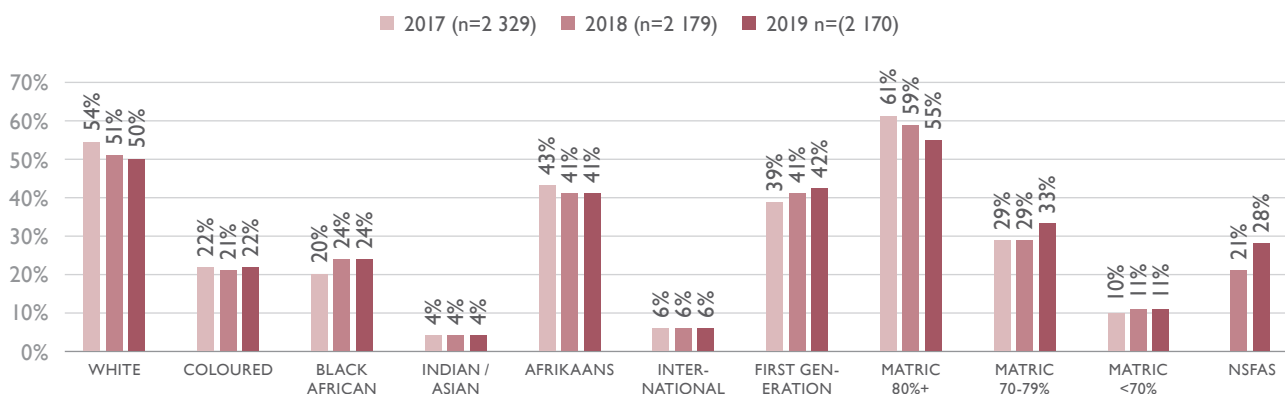
Strategic Management Indicator	2014	2015	2016	2017	2018	2019
Percentage share of students from black African, coloured, Indian and Asian population groups	36,6	37,8	38,7	40,1	41,5	42,6
Percentage share of permanent staff from black African, coloured, Indian and Asian population groups	43,2	43,8	45,6	46,7	47,6	48,6
Percentage share of permanent female staff	55,9	56,0	56,6	57,1	57,1	57,6

Thanks to the **Rector's Strategic Personnel Fund (RSPF)** – a R70 million investment in 2015, and regularly replenished ever since – academic staff from the black African, coloured, Indian and Asian (BCIA) population groups increased from 18% to 24%. This is a notable improvement, but much remains to be done.

Regarding broadened access, I would also like to mention a few highlights.

**Residence placement** remains a key factor in SU's pursuit of a diverse student body by means of broadening access for students from several different communities. The diversity targets for residence placement for 2019 have already been exceeded. The adoption of a new residence placement policy in 2013 brought about a significant change in the diversity profile of first-years in residences. The profile of first-years placed in SU residences on the Stellenbosch and Tygerberg campuses following the official registration period in 2017, 2018 and 2019 in terms of race, Afrikaans speakers, international students, first generation students, matric results and NSFAS bursary holders is shown in the figure below.

#### PROFILE OF FIRST-YEARS IN SU RESIDENCES, 2017–2019

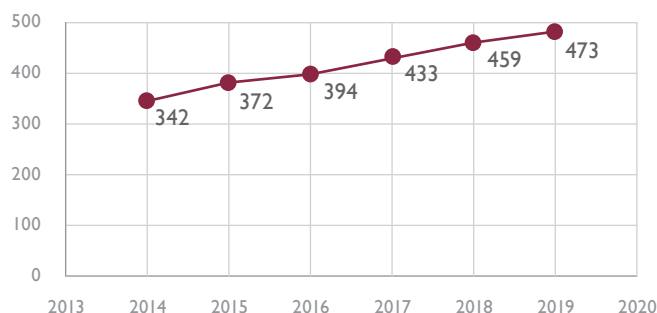


### Momentum of excellence maintained

The table below shows the high level of learning and teaching success during my first term:

Strategic Management Indicator	2014	2015	2016	2017	2018	2019
HEMIS-based success rate of undergraduate and postgraduate students (%)	85,1	86,7	85,9	87,1	86,4	87,2

### GROWTH IN NRF-RATED RESEARCHERS AT SU, 2014–2019



The number of NRF-rated researchers also grew steadily during my tenure as demonstrated by the graph above.

### Internationalisation extended

Internationalisation is particularly important to me. At the very start of my first term, I created a new management portfolio to do justice to this priority, and Prof Hester Klopper was appointed as Deputy Vice-Chancellor (DVC): Strategy and Internationalisation (SI) in August 2016.

### Systemic sustainability strengthened

The main features of the financial years 2015 to 2019 were as follows:

Main feature	2015	2016	2017	2018	2019
Total income	R5 032,8 m	R5 311,4 m	R5 877,4 m	R5 284,3 m	R5 901,8 m
Awards and research contracts	R910,2 m	R1 210,2 m	R1 166,5 m	R1 105,8 m	R1 165,4 m
Private donations	R215,3 m	R338,3 m	R231,5 m	R265,0 m	R228,5 m
Recurring expenses	R4 063,1 m	R4 570,6 m	R4 975,5 m	R4 677,8 m	R5 001,7 m
Total surplus	R969,7 m	R740,8 m	R901,9 m	R606,5 m	R900,1 m
Surplus if investment income, profit realised on disposal of investments and fair value movement on fair value through profit or loss investments are excluded	R76,3 m	R95,5 m	-R200,0 m	R32,3 m	R124,3 m
Results on the institutional budget	R36,1 m	R46,1 m	R20,7 m	R23,3 m	R45,3 m

### Centenary

An important strategic project in 2017 was preparing and planning for SU's Centenary in 2018. In the light of the economic climate and the University's already busy academic year, it was decided that this milestone would be commemorated mainly in tandem with existing events on SU's calendar, and that only a few special events would be added. I am satisfied that SU's Centenary was commemorated appropriately. The book published for our Centenary *Stellenbosch University 100: 1918–2018* is a particularly remarkable document.

### Campus renewal project implemented

The SU Council approved the Campus Renewal Project (CRP) in December 2014. The project was initiated when it became clear that a long-term lack of maintenance had put much of SU's physical infrastructure at risk, which had begun to jeopardise the sustainability of the academic project.

In September 2017, Council approved the CRP to be expanded, thereby extending the project timeline to 2027 and allocating an additional R1,456 billion to the initiative. This was an acknowledgement that SU's physical facilities were strategic assets and essential enablers of a world-class, systemically sustainable university.

During this term of office, I provided strong strategic leadership and support to our capable DVC: SI, especially during the establishment phase of the portfolio. Moreover, I played an active role by visiting international partners and attending conferences of international higher education organisations. During the reporting period, the DVC: SI and I also attended meetings and conferences of various international consortia. Our focus was to forge bilateral or trilateral relations that would add value to SU, and to create student mobility within our network to encourage greater interaction.

### Systemic transformation promoted

The following policy frameworks and structures were put in place to support systemic transformation during my first term of office:

- Employment Equity Policy and Plan approved;
- Unfair Discrimination and Harassment Policy approved;
- Transformation Plan approved;
- a functioning Transformation Committee established;
- a functioning Transformation Office established;
- a functioning Equality Unit established;
- a Gender Unit established;
- End Rape Culture task team report submitted, and recommendations implemented;
- culture and climate survey conducted; and
- activities of the task team for Curriculum Renewal and Decolonisation are ongoing.

Therefore, the CRP received considerable attention during my first term of office, and thrived.

### Liaison with public oversight bodies

During the reporting period I was invited by various oversight bodies to deliver presentations on behalf of SU. These include the Presidential Commission on Student Fees (2017), the Portfolio Committee on Higher Education and Training (1 September 2015 in Parliament, 16 March 2016 on the SU campus, and 31 May 2017 in Parliament) and the Commission for Gender Equality (1 November 2017 and 27 November 2019). All these meetings took place in a spirit of goodwill, and good relationships were forged with the chairs and committee members.

## MOVING FORWARD

It is a privilege to be able to lead SU on our new journey into the future. We have major challenges ahead, but also wonderful opportunities.



# OVERVIEW

of our

## FINANCIAL CAPITAL



*Mr Manie Lombard*

Chief Director: Finance

Stellenbosch University (SU) is committed to the long-term financial sustainability of the institution. To this end, financial planning is directed by a management mandate over six years. The new SU Vision 2040 and the Strategic Framework 2019–2024 were approved by the SU Council on 18 June 2018 and, as of 2019, planning is undertaken in terms of these approved strategies. Financial sustainability remains a key objective and is included under the core theme of “A thriving Stellenbosch University”. SU’s financial and systemic sustainability should form the foundation of all decisions and actions. The activities that SU chooses to undertake and to continue should support these strategies, and those activities should eventually become mutually self-sustaining.

## 2019 BUDGET AND REVIEW

The University was able to end the 2019 financial year successfully against the 2019 budget that was approved by the SU Council on 26 November 2018.

Changes to the subsidy formula have been expected for some time, but no further communication has been received from the Department of Higher Education and Training (DHET) in this regard. At the moment the DHET is focused on the regulation of student fees across the sector and the latest indication is that the framework for regulation of student fees should be ready for discussion in September 2020.

## FINANCIAL RESULTS

The 2019 reporting year was characterised mainly by:

- a 11,7% increase in total revenue (2018: decrease of 10,1%) to R5 902 million (2018: R5 284 million);
- a 12,9% increase in government grants (2018: increase of 7,5%) to R2 285 million (2018: R2 023 million) mainly due to the phasing in of the NSFAS funds for the R350 000-cohort of students, this being the 2nd year;
- a 5,3% increase in income from grants and contracts (2018: decrease of 5,1%) to R1 165 million (2018: R1 106 million);
- a 13,8% decrease in private donations (2018: increase of 14,4%) to R228 million (2018: R265 million);
- a 13,6% increase in interest and dividends earned (2018: increase of 11,3%) to R436 million (2018: R383 million);
- a 7,7% increase in recurring expenditure (2018: decrease of 6,0%) to R5 038 million (2018: R4 678 million);
- a 14,0% increase in bursaries paid to R1 104 million (2018: R972 million) of which R293 million (2018: R319 million) was treated as a reduction in student, accommodation and other fees, and R619 million (2018: R452 million) was treated as agent bursaries and deducted against bursary income;
- a total surplus of R864 million (2018: R607 million) of which R436 million (2018: R383 million) has been earned as interest and dividends on mainly restricted funds;
- a result of R45,3 million (2018: R23,3 million) on the institutional budget, i.e. the University’s academic business as funded by state subsidy and student fees; and
- a 15,0% increase in unearmarked reserves to R399 million (2018: R347 million), which is 6,8% of total income.

Factors that contributed to the 2019 financial results include the following:

- conservative, integrated budget planning within a rolling six-year financial plan, including a contingency reserve with a view to managing unforeseen events;
- continuous redesigning and aligning of operating processes to ensure greater cost-efficiency; and
- making strategic funds available to support new initiatives directed at realising the University’s Vision 2040 and strategic objectives.

The aforementioned financial successes offer a solid base for continued proactive financial planning and for refining the financial model that would serve the University’s strategic objectives and focus areas.

## REPORTING STANDARDS

The consolidated annual financial statements for the year ended 31 December 2019 were prepared in accordance with the Regulations for Annual Reporting by Higher Education Institutions. In terms of section 41(2) of the Higher Education Act 101 of 1997 (as amended up to and including the Regulations for Annual Reporting by Higher Education Institutions dated 9 June 2014), universities are required to submit annual financial statements to the DHET that comply with the International Financial Reporting Standards (IFRS). The University had elected to apply IFRS even before the new regulations were published, with 1 January 2004 as transitional date.

A new accounting standard IFRS 16 for leases is applicable to the University as of this year (from 1 January 2019). This impact is set out in note 32 to the consolidated annual statements. The modified retrospective approach in terms of which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019 has been applied.

Prior year figures related to profit and loss on investments, the treatment of bursaries paid by the University and the long- and short-term portion of student loans have been restated. Refer to note 33

of the Annual Financial Statements for a detailed description of these matters and the effect on the comparative figures.

In terms of section 4(3)(b) of the Public Audit Act 25 of 2004, the Auditor-General can audit any institution that receives public funding. The Auditor-General has, however, elected not to audit Stellenbosch University. Instead, the University's appointed external auditor, Ernst & Young Inc. was issued with specific additional instructions that were to be carried out. These additional instructions include the auditing of compliance legislation applicable to financial matters, financial management and other related matters, as well as the auditing of performance against predetermined objectives agreed upon by the University and the Minister of Higher Education, Science and Technology. For the year under review, the ministerial enrolment and effectiveness targets on page 17, were the only objectives included in the agreement with the Minister.

## REVENUE

The table below comprises the composition of the University's revenue per main component, expressed as a value as well as a ratio, with comparative figures for previous years.

As is shown, the total revenue increased by 11,7% (2018: decrease of 10,1%) to R5 902 million (2018: R5 284 million).

**Government grants** increased by 12,9% (2018: increase of 7,5%).

Government grants consist of unearmarked subsidy income and earmarked grants, where the unearmarked subsidy income is earned based on a calculation according to the DHET's formula. The unearmarked subsidy income is brought into account in the income for the University's main budget. Government grants also include grants from related government institutions such as the National Research Foundation (NRF) and the National Student Financial Aid Scheme (NSFAS).

The big increase for 2019 can be attributed to the phasing in of the NSFAS funds for the R350 000-cohort of students, this being the 2nd year. The increase in bursaries paid including the increased NSFAS-bursaries is indicated in note 19 to the consolidated annual financial statements.

**Gross income from student and other<sup>1</sup> fees** increased by 6,9% (2018: increase of 9,0%).

A baseline increase of 5,3% in student fees for 2019 was approved by the SU Council on 26 November 2018. This is in line with a request for increases received from the DHET for 2019.

An increase in accommodation fees of 7,3% was approved by the SU Council for 2019. This represents the actual cost of accommodation

### GROWTH AND COMPOSITION OF REVENUE, TOTAL AND PER MAIN COMPONENT, 2015–2019

		2015	2016	INCREASE/ (DECREASE) 2015/2016 %	2017	INCREASE/ (DECREASE) 2016/2017 %	RESTATED 2018	INCREASE/ (DECREASE) 2017/2018 %	2019	INCREASE/ (DECREASE) 2018/2019 %
<b>TOTAL RECURRING REVENUE, OF WHICH:</b>	<b>Rm</b>	<b>5 033</b>	<b>5 311</b>	5,5	<b>5 877</b>	10,7	<b>5 284</b>	(10,1)	<b>5 902</b>	11,7
<b>GOVERNMENT GRANTS</b>	<b>Rm</b>	<b>1 576</b>	<b>1 788</b>	13,5	<b>1 882</b>	5,3	<b>2 023</b>	7,5	<b>2 285</b>	12,9
<b>% OF REVENUE</b>	<b>%</b>	<b>31,3</b>	<b>33,7</b>		<b>32,0</b>		<b>38,3</b>		<b>38,7</b>	
<b>NET STUDENT, ACCOMMODATION AND OTHER FEES (AFTER DEDUCTION OF BURSARIES PAID BY THE UNIVERSITY - FOR 2018 AND 2019 AS RESTATED)</b>	<b>Rm</b>	<b>1 233</b>	<b>1 130</b>	(8,4)	<b>1 282</b>	13,5	<b>1 078</b>	(15,9)	<b>1 202</b>	11,5
<b>% OF REVENUE</b>	<b>%</b>	<b>24,5</b>	<b>21,3</b>		<b>21,8</b>		<b>20,4</b>		<b>20,4</b>	
<b>GRANTS AND CONTRACTS</b>	<b>Rm</b>	<b>910</b>	<b>1 210</b>	33,0	<b>1 166</b>	(3,7)	<b>1 106</b>	(5,1)	<b>1 165</b>	5,3
<b>% OF REVENUE</b>	<b>%</b>	<b>18,1</b>	<b>22,8</b>		<b>19,8</b>		<b>20,9</b>		<b>19,7</b>	
<b>PRIVATE DONATIONS</b>	<b>Rm</b>	<b>215</b>	<b>338</b>	57,2	<b>232</b>	(31,6)	<b>265</b>	14,4	<b>228</b>	(13,8)
<b>% OF REVENUE</b>	<b>%</b>	<b>4,3</b>	<b>6,4</b>		<b>3,9</b>		<b>5,0</b>		<b>3,9</b>	
<b>SALES OF SERVICES AND PRODUCTS</b>	<b>Rm</b>	<b>182</b>	<b>191</b>	4,7	<b>204</b>	7,0	<b>228</b>	11,8	<b>237</b>	4,1
<b>% OF REVENUE</b>	<b>%</b>	<b>3,6</b>	<b>3,6</b>		<b>3,5</b>		<b>4,3</b>		<b>4,0</b>	
<b>REALISED PROFIT ON SALE OF INVESTMENTS (2018 RESTATED)</b>	<b>Rm</b>	<b>546</b>	<b>327</b>	(40,1)	<b>758</b>	131,9	<b>67</b>	(91,2)	<b>54</b>	(19,4)
<b>% OF REVENUE</b>	<b>%</b>	<b>10,8</b>	<b>6,2</b>		<b>12,9</b>		<b>1,3</b>		<b>0,9</b>	
<b>FAIR VALUE MOVEMENT ON FAIR VALUE THROUGH PROFIT AND LOSS INVESTMENTS (2018 RESTATED)</b>	<b>Rm</b>	<b>-</b>	<b>-</b>		<b>-</b>		<b>123</b>		<b>286</b>	132,5
<b>% OF REVENUE</b>	<b>%</b>	<b>-</b>	<b>-</b>		<b>-</b>		<b>2,3</b>		<b>4,8</b>	
<b>INTEREST AND DIVIDENDS EARNED</b>	<b>Rm</b>	<b>348</b>	<b>318</b>	(8,5)	<b>344</b>	8,2	<b>383</b>	11,3	<b>436</b>	13,6
<b>% OF REVENUE</b>	<b>%</b>	<b>6,9</b>	<b>6,0</b>		<b>5,9</b>		<b>7,3</b>		<b>7,4</b>	
<b>OTHER</b>	<b>Rm</b>	<b>23</b>	<b>9</b>	(61,6)	<b>9</b>	(2,7)	<b>11</b>	21,2	<b>8</b>	(22,5)
<b>% OF REVENUE</b>	<b>%</b>	<b>0,6</b>	<b>0,3</b>		<b>0,1</b>		<b>0,2</b>		<b>0,1</b>	

<sup>1</sup> Other fees include accommodation and membership fees, as well as other items which can be levied against student accounts, as approved by the Student Fee Committee.



(which is a separate budget and therefore needs to be self-sustaining).

The increase in student, accommodation and other fees<sup>1</sup> goes hand in hand with increased provisioning for irrecoverable student fees. It remains a challenge to collect student debt in good time. Students tend to postpone the settlement of outstanding debt until registration for the next year. Bursaries paid by the University to students are treated as a reduction in student, accommodation and other fees and is not treated as an expense. The net income from student and other fees takes the deduction into account. The prior year figures have been restated, refer to note 33 of the Annual Financial Statements.

SU has established certain measures to manage outstanding student fees, including the following: Students with debts owing may not, among other things, register for a next year of study unless they have a bursary that covers the outstanding amount and the first instalment. In addition, special arrangements can be made to pay off the first instalment. Students also do not receive their degree certificate before outstanding study fees have been paid. The University's establishment of an internal collection office in 2013 is still paying dividends, together with improved control over methods to avoid prescription of debt.

Please also see note 9 to the Annual Financial Statements for the impact that IFRS 9 had on the valuation of outstanding debt.

The University does not have sufficient space to grow student numbers substantially, except through the hybrid-learning model currently implemented.

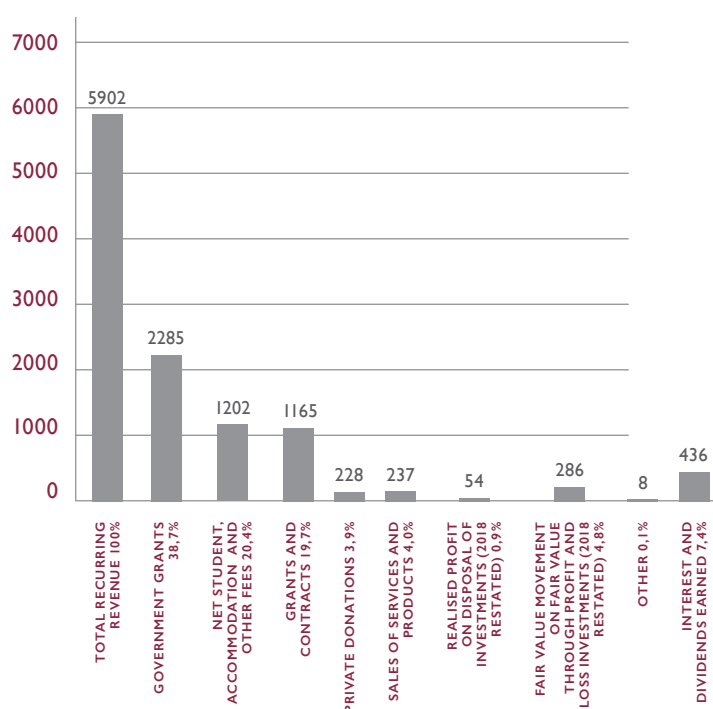
**Grants and contracts** increased by 5,3% (2018: decrease of 5,1%) to R1 165 million (2018: R1 106 million).

Given the uncertainties regarding unarmarked subsidy income, it is important that the income streams in respect of grants, contracts and donations, as well as the exploitation of commercial revenue, should contribute more to the University's total income over time. The diversification of the funding sources, particularly international sources, is receiving close attention. The recovery of support and institutional costs from third- and fifth-stream income activities by means of the indirect cost recovery rate (ICRR) brought relief to the main budget. An increased ICRR (20% as opposed to 17% previously) was approved by the SU Council in November 2018, for implementation as of 1 January 2019. The restrictions imposed by external funders on the recovery of indirect costs cause under-recovery of these costs and continue to pose a challenge.

Revenue from **private donations** decreased by 13,8% (2018: increase of 14,4%) from R265 million to R228 million.

This is mainly due to the decrease in donations recorded for high net worth individuals for the year. Two large property donations were made to SU, which are not included as the land has not yet been transferred to the University. The estimated value of these two donations are R60 million. Donations from SA corporates increased by 8,2%.

## REVENUE PER MAIN COMPONENT, 2019



In recent years, this income stream has been made a focus point, which proved to be successful. However, most funding is received for restricted usage. The challenge remains to collect unrestricted donations, which can bring relief to the University's main budget activities.

**Profit realised on disposal of investments** is reported in the income statement and statement of comprehensive income, based on the classification of the investments as required by the application of IFRS 9. The amount reported for 2019 in the income statement is R54,0 million (2018: R67,3 million) and the amount in the statement of comprehensive income is R200,1 million (2018: R32,6 million). The fair value movement on fair value through profit and loss investments amounted to R286 million (2018: R123 million). The prior year figures have been restated, refer to note 33 of the Annual Financial Statements.

The figure above shows the composition of the University's revenue per main component, as well as the relative ratio to total revenue.

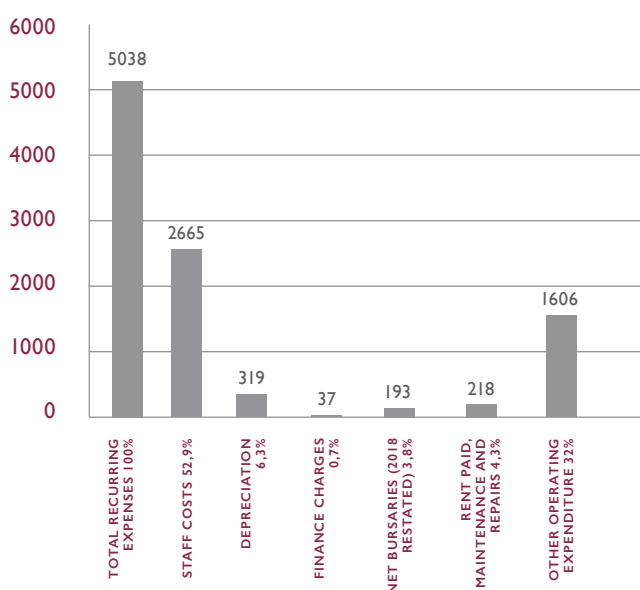
<sup>1</sup> Other fees include accommodation and membership fees, as well as other items which can be levied against student accounts, as approved by the Student Fee Committee.

## EXPENDITURE

The table below shows the composition of the University's expenditure per main component, as expressed as a value and as a ratio, along with comparative figures for previous years.

GROWTH AND COMPOSITION OF EXPENDITURE, 2015–2019										
		2015	2016	INCREASE/ (DECREASE) 2015/2016 %	2017	INCREASE/ (DECREASE) 2016/2017 %	RESTATED 2018	INCREASE/ (DECREASE) 2017/2018 %	2019	INCREASE/ (DECREASE) 2018/2019 %
<b>TOTAL EXPENDITURE OF RECURRING NATURE, OF WHICH:</b>	<b>Rm</b>	<b>4 063</b>	<b>4 571</b>	12,5	<b>4 976</b>	8,9	<b>4 678</b>	(6,0)	<b>5 038</b>	7,7
STAFF COSTS		1 939	2 172	12,0	2 332	7,3	2 480	6,3	2 665	7,5
% OF EXPENDITURE	%	47,7	47,5		46,9		49,6		52,9	
DEPRECIATION	<b>Rm</b>	252	288	14,1	283	(1,5)	293	3,2	319	9,1
% OF EXPENDITURE	%	6,2	6,3		5,7		5,9		6,3	
FINANCE CHARGES	<b>Rm</b>	17	18	4,7	35	93,7	35	1,5	37	4,5
% OF EXPENDITURE	%	0,4	0,4		0,7		0,7		0,7	
BURSARIES (NET) (2018 RESTATED)	<b>Rm</b>	403	442	9,7	456	3,2	201	(55,9)	193	(4,0)
% OF EXPENDITURE	%	9,9	9,7		9,2		9,7		3,8	
RENT PAID, MAINTENANCE AND REPAIRS	<b>Rm</b>	212	212	(0,2)	224	5,8	191	(14,7)	218	14,1
% OF EXPENDITURE	%	5,2	4,6		4,5		3,8		4,3	
OTHER OPERATING EXPENDITURE (INCLUDES RESEARCH CONTRACTS, CONSULTATION AND OTHER SERVICES, TRAVEL AND ACCOMMODATION EXPENSES, AND UTILITY SERVICES - REFER NOTE 19 TO ANNUAL FINANCIAL STATEMENTS)	<b>Rm</b>	1 240	1 439	16,1	1 646	14,4	1 479	(10,2)	1 606	8,6
% OF EXPENDITURE	%	30,5	31,5		33,1		30,3		32,0	

EXPENDITURE PER MAIN COMPONENT, 2019



The figure above shows the composition of the University's expenditure per main component, as well as the relative ratio to total expenditure.

Total expenditure for 2019 increased by 7,7% (2018: decrease of 6,0%)

to R5 038 million (2018: R4 678 million), compared to the annual average inflation rate of 4,38% for 2019. The University's continued improvement of budget and operating processes is aimed at greater cost efficiency and improved service delivery.

Furthermore, a large part of that expenditure is linked to direct spending on research contracts, which means that such expenditure will fluctuate in line with the related income.

The increase in staff costs of 7,5% can be attributed to, among other things, a general salary adjustment of 6,3% in 2019 for all qualifying staff. The number of permanent staff members (which includes fixed term employees) remained reasonably constant (3 467 in 2019 compared to 3 441 in 2018) and the number of non-permanent staff members decreased to 953 (2018: 1 026).

Annually, the University makes a marked contribution to bursaries from the main budget. For 2019, this amounted to R117 million and the spending thereof is included in bursaries where SU acts as principal. There has also been a substantial increase in bursaries where the University acts as managing agent. This relates mainly to the expansion of NSFAS funding. On 16 December 2017, former president Zuma announced fully subsidised free higher education and training for poor and working-class students. The definition of working-class students has been expanded to include households with a joint income of less than R350 000 per annum. This decision has been phased in since 2018 for students who enrolled at a public university for the first time in 2018.

The administration of these new bursaries put the University's bursaries office under great pressure.

Students who received the 8% gap funding from the DHET in 2017 continue to receive these support from DHET and do not have to reapply for this funding but the DHET is phasing out this support.

The growth and composition of bursaries are shown in the table below.

## AVAILABLE FUNDS

SU places a high premium on sound corporate and financial management and does everything in its power to ensure that finances are managed in a transparent and judicious manner. Part of the sound financial management is to manage responsible levels of reserve funds with a view to long-term systemic sustainability (which includes that academic quality be maintained throughout). However, contrary to public perception, reserve funds are not a lump sum put aside to earn interest, but take the form of funds intended for various environments to be used only according to specific guidelines and conditions.

GROWTH AND COMPOSITION OF BURSARIES, 2015–2019										
		2015	2016	INCREASE/ (DECREASE) 2015/2016 %	2017	INCREASE/ (DECREASE) 2016/2017 %	RESTATED 2018	INCREASE/ (DECREASE) 2017/2018 %	2019	INCREASE/ (DECREASE) 2018/2019 %
<b>TOTAL EXPENDITURE OF RECURRING NATURE, OF WHICH:</b>	<b>Rm</b>	4 063	4 571	12,5	4 976	8,9	4 678	(6,0)	5 038	7,7
<b>BURSARIES PAID</b>		<b>659</b>	<b>725</b>	10	<b>767</b>	6	<b>972</b>	27	<b>1 104</b>	14
<b>% OF EXPENDITURE</b>	<b>%</b>	16,2	15,9		15,4		20,8		21,9	
<b>PRINCIPAL</b>	<b>Rm</b>	403	442	9,7	456	3,2	201	(55,9)	193	(4,2)
<b>AGENT</b>		256	283	10,4	298	5,6	452	51,6	619	36,9
<b>PAID BY THE UNIVERSITY, DEDUCTED FROM STUDENT, ACCOMMODATION AND OTHER FEES</b>							285		270	(5,3)
<b>GAP FUNDING DEDUCTED FROM STUDENT, ACCOMMODATION AND OTHER FEES</b>					13		34	163,0	23	(32,8)

Funds comprise of restricted and unrestricted funds. Restricted funds, amounting to R10 709 million (2018: R9 789 million) on 31 December 2019, consist of operational funds (received for, among other things, long-term external contracts with industry), loans (student loans, which are channelled back into further student support), donations (subject to conditions offset by donors) and fixed-asset funds with specific conditions for application (for example, expressly intended to develop facilities) and are not available to Council for discretionary use. These funds may only be used in accordance with the relevant provisions.

Unrestricted funds may be used at Council's discretion. Such funds amount to R1,192 million (2018: R1,180 million) and are further divided into funds earmarked for specific purposes and unearmarked funds.

Examples of earmarked funds include the University's Insurance Reserve Fund (which is subject to separate regulations determining how it may be applied), the University's Strategic Fund, and the balance of funds from environments earmarked for strategic and operating objectives according to approved environment plans. In this category funds amount to R793 million (2018: R749 million). The balance of R399 million (2018: R347 million) is available for discretionary use by Council. This amounts to 6,8% (2018: 6,6%) of SU's total annual revenue, representing less than one month's income, which is a very low level of contingency (compared to the international standard of three months).

The table below shows the growth in available funds and long-term investments over the past five years.

AVAILABLE FUNDS AND LONG-TERM INVESTMENTS, 2015–2019										
		2015	2016	INCREASE/ (DECREASE) 2015/2016 %	2017	INCREASE/ (DECREASE) 2016/2017 %	2018	INCREASE/ (DECREASE) 2017/2018 %	2019	INCREASE/ (DECREASE) 2018/2019 %
<b>AVAILABLE FUNDS, OF WHICH:</b>	<b>Rm</b>	<b>11 824</b>	<b>12 254</b>	10,3	<b>13 338</b>	8,8	<b>13 433</b>	0,7	<b>14 449</b>	7,6
<b>LONG-TERM INVESTMENTS</b>		7 684	7 893	9,3	8 889	12,6	8 793	(1,1)	9 550	8,6
<b>AS % OF AVAILABLE FUNDS</b>	<b>%</b>	62,7	59,2		66,6		65,5		66,1	

The following table shows the composition of the University's funds, and the percentage of total income constituted by unearmarked reserves (thus available for application by Council).

COMPOSITION OF AVAILABLE FUNDS, 2015–2019										
		2015	2016	INCREASE/ (DECREASE) 2015/2016 %	2017	INCREASE/ (DECREASE) 2016/2017 %	2018	INCREASE/ (DECREASE) 2017/2018 %	2019	INCREASE/ (DECREASE) 2018/2019 %
<b>TOTAL REVENUE</b>	<b>Rm</b>	<b>5 033</b>	<b>5 311</b>		<b>5 877</b>		<b>5 284</b>		<b>5 902</b>	
<b>RESTRICTED FUNDS</b>		<b>7 624</b>	<b>8 553</b>	12,2	<b>9 563</b>	11,8	<b>9 789</b>	2,4	<b>10 709</b>	9,4
<b>UNRESTRICTED FUNDS</b>		<b>1 663</b>	<b>1 161</b>	(30,2)	<b>1 223</b>	5,3	<b>1 096</b>	(10,4)	<b>1 192</b>	8,7
<b>EARMARKED RESERVES</b>		<b>1 240</b>	<b>702</b>	(43,4)	<b>651</b>	(7,1)	<b>749</b>	15,0	<b>793</b>	5,9
<b>UNEARMARKED RESERVES</b>		<b>423</b>	<b>459</b>	8,6	<b>571</b>	24,4	<b>347</b>	(39,2)	<b>399</b>	14,9
<b>TOTAL FUNDS AVAILABLE AT MARKET VALUE</b>		<b>9 287</b>	<b>9 714</b>	4,6	<b>10 786</b>	11,0	<b>10 885</b>	0,9	<b>11 901</b>	9,3
<b>UNEARMARKED RESERVES AS % OF TOTAL REVENUE</b>	<b>%</b>	<b>8,4%</b>	<b>8,7%</b>		<b>9,7%</b>		<b>6,6%</b>		<b>6,8%</b>	

Besides the market and price risks, other risks have also been identified which will require careful management:

- the impact of the current COVID-19 crisis and the downgrade of South Africa's credit rating to sub-investment grade;
- the sectoral student-fee regulations by DHET and the impact thereof on the income streams and financial sustainability;
- the impact of the international and SA economic situation on investment growth and yields, especially in terms of funding for the Campus Renewal Project;
- the impact of substantial changes in exchange rates; and
- students' ability to meet debt commitments.

The University will tackle these challenges by means of its strategic approach to financial planning and management.

## LIQUIDITY

Transparent liquidity risk management implies that sufficient cash and marketable securities be maintained, and that credit facilities be available.

	2019	2018
	Rm	Rm
LIQUIDITY RATIO:		
<b>CURRENT ASSETS</b>	1 164	1 439
<b>CURRENT LIABILITIES</b>	1 562	1 351
<b>RATIO CURRENT ASSETS TO CURRENT LIABILITIES</b>	0,75:1	1,07:1
DEBT/FUNDS RATIO:		
<b>TOTAL LIABILITIES</b>	2 456	2 228
<b>TOTAL AVAILABLE FUNDS</b>	14 449	13 433
<b>DEBT/FUNDS RATIO</b>	0,17:1	0,17:1
TOTAL ASSETS/TOTAL LIABILITIES RATIO:		
<b>TOTAL ASSETS</b>	16 905	15 661
<b>TOTAL LIABILITIES</b>	2 456	2 228
<b>RATIO TOTAL ASSETS TO TOTAL LIABILITIES</b>	6,88:1	7,03:1

The University had R263 million (2018: R388 million) in cash and cash equivalents at 31 December 2019 and short-term investments of R444 million (2018: R524 million) invested in debt instruments. The available cash, plus net cash flow in 2020, will be sufficient to fulfil capital and other obligations. The University has the ability to realise long-term investments at short notice in order to cover possible liquidity risks. Funds are also managed within a medium-term portfolio to manage market risk in order to fund the financial deficit of the Campus Renewal Project over the next 8 years.

Refer to note 35 to the Annual Financial Statements for detail regarding the impact of the COVID-19 pandemic and the steps taken by the University to address the effects of the pandemic.

# REPORT *of the* CHIEF OPERATING OFFICER



*Prof Stan du Plessis*  
Chief Operating Officer

Operational excellence is the guiding theme for the Operations and Finance responsibility centre (RC) in its commitment to delivering on Stellenbosch University (SU)'s strategy. By adopting a mindset of continuous improvement, we have become aware of new opportunities to improve shortcomings in our extensive portfolio of activities.

Comprising the divisions of Finance, Facilities Management, Information Technology, Innovus and Maties Sport, the RC's focus is the relentless pursuit of efficiency on the one hand and the cultivation of a culture of entrepreneurship and improvement on the other.

The RC's main task is to deliver a world-class environment; a place connected to the world. We will achieve this strategic drive with a well-equipped staff complement, through good governance and by maintaining effective networks and partnerships.

Remarkable progress was made with various projects on campus in the year under review by aligning the RC's activities with the University's core strategic themes.

## A THRIVING STELLENBOSCH UNIVERSITY

For a university to flourish, it has to stay abreast with constant changes in its environment and uninterruptedly reinvent itself to deliver the service its stakeholders deserve. The past year saw SU taking bold steps towards adopting a new financial system, SUNFin, which will replace its legacy financial system with advanced cloud-based technology, Oracle Cloud Financials.

The Finance Division also successfully implemented type-two creditors where creditors' bank details are now verified as part of the new application process. This process will effectively reduce the risks associated with diverse payments, such as possible fraud.

In line with the refined concept of combined assurance in the King IV Report, SU has adopted a fully articulated combined assurance model as a governance approach to risk management. The Director: Risk Management and Campus Security in the Facilities Management Division manages the risk management framework.

### *Safety on campus*

Since 2016, the general crime trend on SU's campuses has shown a gradual downward curve thanks to continuous assessment and mitigation of security risks, increasing the number of security officers on patrol, improved communication security systems, and prioritisation of support and training for security staff to maintain a high morale.

### *Building the fifth income stream*

Over the review period, SU's Finance Division further refined the integrated budget model in terms of all five income streams of the institution, of which the fifth is a newly defined stream. The responsibility for bringing in the fifth income-stream lies with Innovus, SU's university-industry interaction platform for technology transfer and commercialisation of the institution's assets.

Innovus's technology transfer team received 28 new invention disclosures in 2019 and has helped to raise funding for further development and

commercialisation of a number of projects. SU remains the foremost university amongst South African institutions in terms of Patent Cooperation Treaty (PCT) patent applications with 127 published since 2009 (2018: 111).

The University facilitates knowledge exchange by hosting numerous academic conferences every year, as well as playing host to non-academic activities and events at various University venues. The goal is to facilitate and promote conferences and events as well as rentable SU venues, thereby increasing SU's fifth revenue stream and managing the risk of short-term rentals of SU facilities.

SUNCOM, SU's commercial unit, initiated a pilot project where it rented out the Adam Small Theatre Complex for various events. This project generated R1,8 million in 2019 and will, in future, include both the Konservatorium and Maties Sport. From now on, short-term rentals will be managed by a newly established SU Central Conference and Events Office (CECO).

CECO was the first initiative of Factory 209, a company established to serve as a general trading vehicle for non-traditional and fifth-stream revenue developed at SU. Thanks to bidding support funding of R3,4 million from SA Tourism, Factory 209 secured eight conferences to be hosted by SU in 2020 and 2021, and one for 2024.

The SU LaunchLab of the Innovus innovation hub was recognised as the top university incubator in Africa by UBI Global, the Stockholm-based intelligence company and community known for high-quality intelligence, assessment, and mapping of business incubation. The year under review also saw two companies incorporated under Innovus and incubated at the LaunchLab declaring dividends for the first time.

Maties Sport added to the accolades of SU as the proud hosts of the 2019 University Sports South Africa (USSA) Games in July. The men's cycling and women's surfing teams received gold medals. Altogether 31 high-performance students enrolled last year for postgraduate programmes. Maties Sport high-performance (HP) athletes also achieved a first-year throughput rate of 85%, despite their intensive time commitments.

### *Sustaining campus life*

SU's environmental sustainability strategy aims to reduce the institution's impact on the environment and build a more resilient institution in a world that is fast depleting its finite resources.

In the past year, SU's facilities management team implemented an automated greywater system at all the residences, which resulted in an initial 35% reduction in the use of water, as well as a decrease in energy used to heat water for showers. SU is the first institution of higher learning in the country to undertake a campus-wide greywater project at such a large scale. This project is now rolling out to more SU campuses and the various academic buildings. SU achieved a 51% saving on water consumption overall compared to the 2015 baseline.

SU is also transforming its energy systems by changing electrical infrastructure and associated systems to reduce its greenhouse gas emissions, and the total electricity consumption in 2019 was the lowest it has been for the past 14 years. There has been a consistent downward trend in consumption on all SU campuses over the past four years, despite an increase in both student numbers (47%) and floor space. So, too, consumption per student has been on a continuous downward trend for the past decade.

SU also succeeded in diverting almost 55% of general waste from landfill by recycling waste materials at a central material recovery facility.

### *Service excellence*

Our Information Technology (IT) Division is firmly on course to reinvent itself and grow into a mature, capable entity geared to

deliver excellent ICT support services in collaboration with internal and external partners. The IT Division management embarked on a thorough and systematic review of its operational processes to standardise, formalise and improve the services it delivers. The review has culminated in a new service engagement model, which is now being implemented for all IT workstreams.

SU's Inetkey, which serves as a gatekeeper to keep track of individual internet usage and facilitate cost-recovery to afford the service for staff and students, is on its way out. Inetkey is no longer being used for cost-recovery, but only for collecting data usage and for technical purposes related to cyber-security. Staff and students will no longer be charged for internet use via Inetkey.

### *SU is developing*

SU's Facilities Management Division is currently managing construction and renovation projects to the value of more than R2 billion across SU's five campuses. In addition, it facilitates all maintenance and repair work on the five campuses to minimise risk and optimise the lifecycle of all infrastructural assets and equipment. During the year, significant progress was made with some of the major projects.

2020 will be the year when the newly constructed R255 million Jan Mouton Learning Centre will open its doors to students. This impressive new building next to the Langenhoven students' centre will accommodate more students than any other current teaching space on campus. The learning centre will have a low-carbon footprint, a sophisticated greywater system, as well as an atrium and terraced seating to ensure enough light and good ventilation. The new Mechanical and Mechatronic Engineering Building on the Engineering Campus, with new lecture spaces and computer-use areas, will also open in 2020.

## A TRANSFORMATIVE STUDENT EXPERIENCE

SU is taking the lead in creating a convenient and safe cashless environment for students and staff. The end of 2019 saw the successful implementation of SnapScan in-app payment solutions on all the campuses. Students can now pay for meals, laundry and printing with their phones. In addition to various online payment solutions, the Finance Division aims to ensure a cashless and convenient payment environment for students.

Sport has always been a unifying social mechanism and has strategic value for SU. Maties Sport hosted the first-ever USSA e-Sport Tournament and took top honours, as did Maties canoeing in their competition. At the Varsity Sports, both the Maties netball and sevens teams were narrowly beaten to the title. SU's Daniel Barrish won the South African national chess championship title in December 2019.

For the second consecutive year, Maties won the prestigious Varsity Cup.

### *Renewing the old*

On a campus that is more than 100 years old, constant repair and upgrades are ongoing. Where possible, new facilities are added. The R20-million Goldfields dining facility project was one such project that was completed in 2019. It can seat 350 students, although the fully equipped kitchen can cater for double the number. Furthermore, the first-year students who will make Helshoogte their new home in 2020 will move into a modern, tastefully renovated residence that formed part of a phased R80-million upgrade project.

One of SU's oldest residences, Huis ten Bosch, had to close its doors in 2019 after a devastating fire. It will now be upgraded into a fit-for-purpose and renewed residence – complete with modern



kitchenettes, upgraded electronic and electrical equipment and new IT fibre and water connections. The renovated Huis ten Bosch will reopen its doors in 2021.

### *Digitisation of the learning environment*

During the year under review, a lot of work was done behind the scenes to ensure that SUNOnline, SU's electronic platform for online short-course presentations, was fully implemented and ready to host all the courses in 2020.

Participation in the co-curriculum is one of the ways in which the SU community can meet the strategic goals of a transformative student experience and a networked and collaborative teaching and learning environment. The University is proud to be one of the very first higher education institutions worldwide to offer an objective and measurable co-curriculum competency framework, which runs on SUNLearn. The Academic ICT team and the Centre for Learning Technologies developed this system for the Centre for Student Leadership and Structures. It enables lecturers and facilitators in registered academic courses and co-curricular courses to assign competencies to specific activities.

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## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

SUNCOM, who manages all SU's commercial ventures, secured support for food donations for the University's food security project from its contracted catering suppliers.

Innovus hosted the launch of the Stellenbosch Network: a cross-sector and interdisciplinary membership platform aiming to bring people together to meet each other, share ideas and encourage collaboration and partnership. The Network aims to bring together business, academia, entrepreneurs, investors, researchers, students, small, medium and micro-sized enterprises (SMMs), locally based multinationals, local knowledge institutions and local government in the structured environment of a Stellenbosch knowledge economy region.

SU cooperates closely with the developing partnerships of the proposed Adam Tas Corridor (ATC). Our Chief Director: Facilities Management represents SU on the steering committee of this proposed corridor, a strategically located five kilometre area comprising 400 ha, which has the potential to bring fundamental change and improved opportunities to Stellenbosch. Not only will the project enable job creation, entrepreneurship, and livelihoods for thousands of citizens of the area, but it could also potentially create some 13 500 residential opportunities.

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## RESEARCH FOR IMPACT

Significant progress was made with the construction of the new Civil Engineering Pavement Laboratory to the value of R62 million, which will open in 2020. This new laboratory will be the catalyst for additional lecture space and growth potential for the Faculty of Engineering.

Work on the Biomedical Research Institute (BMRI) on the Tygerberg Campus has progressed well. It now hosts a state-of-the-art Hamilton BiOS system – an automated -80 °C biobank unit to the value of R48 million. The BiOS, the only system of its kind in the southern hemisphere, can store five million samples. The BMRI will be the first SU building to receive a four-star green building rating when the first phase of the project is completed in July 2020.

### *Incubation for sustainability*

Innovus is currently incubating Susento, a potential spin-out company with a focus on sustainably producing protein for both human and

animal consumption. The world's current protein sources are not sustainable and will not be able to meet the expected 70% increase in demand for animal protein by 2050. The edible insect market is expected to grow at a compounded annual growth rate of 23,8% from 2018 to 2023 and is projected to reach a value of USD 2,8 billion by 2030.

Susento will be able to consistently produce constant quantities of high-quality insect products, which, in turn, will enable the manufacture of a high-quality insect protein powder.

A patent is pending for a cost-effective, easy-to-use point-of-care device: a nano biosensor (the BioCODE). Prof Rentia Pretorius and Prof Willie Perold designed the BioCODE, which can be used on patients in first-world clinics and patients making use of rural mobile clinics that travel to remote towns in Africa. The BIOCODE spin-out company is being incubated in the LaunchLab.

Also, in its incubation stage, Bridgiot, an internet of things (IoT) systems integrator and solutions developer for the consumer and commercial markets, is developing a portable and disposable medical device for urodynamic testing. Medical specialists will have far more accurate information on the efficacy of medical interventions for the bladder when they have before-and-after tests done during the patient's typical day-to-day activities.

SU is once again ahead of the pack in terms of the number of patent cooperation treaties (PCTs) emerging from South Africa with 127 PCTs published since 2009. It is noteworthy that the top performers in South Africa are publicly funded entities such as universities and research councils.

The recently launched Centre for Sport Leadership at Maties Sport hosted its first sport symposium with the theme 25 years of post-apartheid sport: the state of play. The purpose was to bring members of academia and the broader Maties Sport network together to explore avenues for future sport-related research and collaboration – a field with many possibilities, given Stellenbosch University's existing research footprint in sport.

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## EMPLOYER OF CHOICE

The University's values of excellence, compassion, accountability, respect and equity guide the RC's actions. These values were also at the core of the discussion between the Chief Operating Officer (COO) and RC staff at the annual staff meetings in June 2019. Ten staff members were honoured there for performing their work with distinction and serving as true role models to their colleagues.

For the second year in a row, a successful Women's Day event was held for all women in the RC. This event will now be an annual event on the day before Women's Day on 8 August.

All Facilities Management staff attended the first phase of a self-development programme called Brand Warrior, which is set to embed a culture of accountability and shared values in the division.

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## TOWARDS A NEW CENTURY

The indications are that this century will be filled with unique challenges and that universities like ours will be under immense pressure, which will require constant adjustment to ensure that our values and practices remain aligned to our vision. We will continue to invest in information technology, infrastructure and facilities, as well as in developing an entrepreneurial culture where constant innovation and shared learning will lead to accountable actions that will delight our customers.



# REPORT *of the* — VICE-RECTOR — (*Learning and Teaching*)

Students look for excellence in teaching and learning to realise their academic and professional aspirations. The Learning and Teaching Responsibility Centre (L&T RC) meets these expectations by focusing on quality and the efficient delivery of academic programmes. This makes sense, as quality learning and teaching form the largest source of mainstream income for the University, and serve as the foundation of research and social impact, the University's other core functions.

Many of the core strategies in SU's new Strategic Framework fall directly within the Learning and Teaching domain. The following report describes how the L&T RC systematically implemented five of the University's six strategies in support of SU's institutional objectives and our stakeholders' expectations.

## A THRIVING STELLENBOSCH UNIVERSITY

### *Current student count per faculty*

The size of the University's student body largely determines the University's revenue, the extent of student support to be provided by faculties and support divisions, and the need for physical infrastructure. SU's shape refers to the undergraduate-to-postgraduate student ratio, the demographic composition of the student body, and student distribution across broad disciplinary groups (see "Our student profile in numbers" on page 57).

The table below indicates the size and shape of the 2019 SU student body by faculty and level of study. The percentage share of undergraduate students is 63,5% and of postgraduate students 32,9%. For size and shape by population group, see "A transformative student experience" further on.

For another perspective, student numbers may also be categorised in broad disciplinary groups:

- The broad field of natural sciences (Medicine and Health Sciences, Engineering, Science, AgriSciences): 44,6% enrolment share;
- The broad field of management sciences (Economic and Management Sciences, Military Science): 29,3% enrolment share; and
- The humanities (Arts and Social Sciences, Education, Law, Theology): 26,1% enrolment share.



*Prof Arnold Schoonwinkel*  
Vice-Rector (Learning and Teaching)

### COMPOSITION OF STUDENT BODY BY FACULTY AND LEVEL OF STUDY, JUNE 2019

Faculty	Undergraduates	Postgraduates	Occasionals	Total	% share
AgriSciences	1 567	564	42	2 173	6,9%
Arts and Social Sciences	3 305	1 441	286	5 032	15,9%
Economic and Management Sciences	5 243	3 268	270	8 781	27,7%
Education	1 137	634	9	1 780	5,6%
Engineering	3 019	912	71	4 002	12,6%
Law	473	449	7	929	2,9%
Medicine and Health Sciences	2 565	1 890	324	4 779	15,1%
Military Science	342	154	2	498	1,6%
Science	2 266	811	97	3 174	10,0%
Theology	213	289	31	533	1,7%
<b>Total</b>	<b>20 130</b>	<b>10 412</b>	<b>1 139</b>	<b>31 681</b>	<b>100,0%</b>
% distribution	63,5%	32,9%	3,6%	100%	

## Learning and teaching the majority of main budget income

Excellence in learning and teaching is primarily about the quality and effective delivery of academic programmes that students experience as valuable for their education and professional aspirations. This requires both professional academics and skilled and dedicated professional and administrative support staff (PASS). Excellent learning and teaching are what the vast majority of SU students expect, and remain the largest source of mainstream revenue, conservatively estimated at R2,16 billion from teaching activities in 2019, or a 76,7% share of the University's main budget income.

## SU students achieve success

Student success is measured by calculating the number of students who registered for a qualification and achieved the qualification after the normal duration of the programme plus two years. For instance, to measure the success of students who studied a three-year degree programme, we take the year of first registration for the programme (2014), add the regular duration plus two years (five years altogether) and calculate, as a percentage of the whole class, the proportion of students who received their degrees by 2018. The dates covered in the table below differ, because the programmes have different lengths. The results show that Stellenbosch University has one of the best student success rates in the country.

### THROUGHPUT RATES\* OF UNDERGRADUATE AND HONOURS DEGREES

Year of first registration for programme	2010	2011	2012	2013	2014
Three-year undergraduate degrees minimum + 2 years	71,5%	68,6%	76,7%	72,4%	71,8%
Year of first registration for programme	2009	2010	2011	2012	2013
Four-year undergraduate degrees minimum + 2 years	77,0%	73,5%	76,2%	75,0%	74,0%
Year of first registration for programme	2012	2013	2014	2015	2016
Honours minimum + 2 years	87,3%	87,8%	86,0%	87,0%	88,4%

\* The throughput rates of cohorts up to and including those who graduated in 2018 within the minimum duration plus two years were considered. The four-year throughput rates include extended degree programme (EDP) students.

Another way to look at student success is to calculate the number of students passing a module divided by the total number of students who enrolled for that module. The average module success rate for SU is shown in the table below:

Year	2014	2015	2016	2017	2018
Undergraduate module success rates*	86,0%	86,9%	86,6%	87,2%	86,7%

\* The module success rate percentage comprises the average number of students who passed each module, divided by all students enrolled in that module.

## Developing student leaders

SU continues to invest significant time and resources in student leadership development. This is a key contributor to a thriving SU student community, equipping students with desired graduate attributes, such as being engaged citizens who are capable of leading, collaborating and operating effectively in a diverse society.

## Ensuring quality

SU ensures continuous quality enhancement and regular quality assessment by respected external peers. The Quality Committee (QC) reviews the reports and recommends improvements. At its recent visit to SU, the Engineering Council of South Africa (ECSA) has accredited all BEng programmes up to 2023.

as a barrier to access, but as a tool for success, and the promotion of multilingualism without exclusion is therefore a key distinguishing feature of SU.

An exciting first for SU is the transformation charter of the Faculty of Medicine and Health Sciences launched in October 2019 in English, Afrikaans and isiXhosa. It was developed by a task team of the Dean's advisory committee on transformation led by the manager of Student Affairs at the Tygerberg Campus.

SU's 2016 Language Policy was challenged – first in the high court, and then in the Constitutional Court – on the premise that it did not afford equal rights to students who preferred to study in Afrikaans. The Constitutional Court confirmed in its judgement on 10 October 2019 that the Language Policy does give equal access to all South African students, and is constitutionally justified. The court also confirmed the goal of the Language Policy, namely to promote access to and multilingualism at the University, and to support the academic and career success of students and staff.

## A TRANSFORMATIVE STUDENT EXPERIENCE

### Student demographics

Undergraduate diversity (black African, coloured, Indian and Asian (BCIA) students) grew from 37,9% in 2018 to 38,7% in 2019, while at postgraduate level diversity increased from 50,4% to 51,8%. Also see "Our student profile in numbers" on page 57.

### Multilingual programme offering

SU is positioned as a world-class multilingual South African university. It is vital for the University to ensure that language does not serve

### Developing intercultural competencies

With an increasingly diverse student body at SU, and in a world where communication across cultures is a given, intercultural competence and the ability to communicate effectively across cultural boundaries are indispensable skills for all students.

Sadly, utterly insensitive incidents of racial stereotyping still occur on SU campuses from time to time, and for that reason SU's Academic Planning Committee has been tasked to investigate the possible introduction of modules on anti-racism, democracy and critical citizenship for all.

## Providing care

Globally, universities are increasingly recognising their responsibility to attend to students' mental health. In this regard, SU's Unit for Psychotherapeutic and Support Services (UPSS) in the Centre for Student Counselling and Development (CSCD) provides individual psychosocial and psychotherapeutic student consultations and group-work sessions on an ongoing basis. In 2019, the number of consultations increased dramatically, along with the intensity of the presenting problems and the number of subsequent diagnoses. External consultants had to be contracted to help UPSS cope with the workload.

Trauma counselling had to be provided to student communities who had been severely affected by events such as the fire at Huis ten Bosch, student deaths or serious injuries sustained in unnatural circumstances, as well as gender-based violence on SU's campuses. The students at the Tygerberg Campus had to be supported to an even greater extent to deal with the trauma associated with patients' health conditions.

For Mental Health Month (October), UPSS also launched various activities to raise awareness of the student support services available at SU.

## Developing co-curricular opportunities

In addition to having access to a high-quality academic offering that leads to success, students also derive great value from SU's comprehensive co-curricular offering. To help students identify co-curricular development opportunities that match their interests and needs, the SU Co-Curriculum Office has published a co-curricular prospectus that provides information on the wealth of experiential education opportunities available at the University.

A competency framework was also developed in 2019 to clearly indicate what students would be required to achieve to have their co-curricular development recognised on their degree transcripts. This makes the achievement of graduate attributes and co-curricular competencies tangible and explicit to future employers and clients.

## Access for students and staff with disabilities

The Disability Unit recently updated SU's Disability Access Policy, and a team drove the implementation of the updated policy, which applies to all students and staff on campus, ensuring that all are familiar with their rights and responsibilities around disability. Matters requiring attention in terms of facilities, classroom support and learning support systems were identified, and are being addressed.

## Eliminating discrimination and violence

SU is committed to eradicating all unfair discrimination, harassment and violence on its campuses. The University continues to invest resources to achieve this goal. The Equality Unit (EqU) has been aligned more effectively with the Institutional Transformation Committee and the Transformation Office to intervene in unofficial complaints in faculties and divisions.

In addition, the DHET has released a policy framework to address gender-based violence in the post-school education and training system. This framework will inform the reconfiguration of SU's existing Unfair Discrimination and Harassment Policy to address gender-based violence, HIV/Aids, sexual assault, harassment and unfair discrimination in an integrated, comprehensive manner.

## Access through recruitment processes

Faculties and the Division of Student Access collaborate to recruit students with academic merit and offer them access to SU's learning opportunities.

SU hosted its annual Open Day on both the Stellenbosch and Tygerberg campuses on 23 February. Learners, their parents, educators and guidance counsellors were offered an opportunity to gain first-hand information on study programmes from the respective faculties, and to learn more about student life, residential and private accommodation, financial aid and the many other student support services. More than 8 500 senior learners from as far as Namibia attended.

## Placing students in residences

The Residence Placement Policy plays a significant role in providing access and ensuring a diverse student community in SU's student housing. In 2019, 7 723 students were housed in University accommodation.

Student diversity in SU residences is as follows:

- Just over half (51%) of all students in SU residences are black African, coloured, Indian and Asian, while nearly half (49%) are white.
- Most students in undergraduate residences are white, while most in senior residences are black African.
- SU's residence placement strategy has resulted in a steady increase in student diversity in residences over the past three intake years.
- More female than male students live in University residences, at a ratio of approximately 60:40.

## Aiding students financially

Government offers significant financial aid for undergraduate students from the poor and "missing middle" income bracket. The Department of Higher Education and Training (DHET) National Student Financial Aid Scheme (NSFAS) bursary scheme provides full subsidies to students from households with a combined gross family income of up to R350 000 per annum. As indicated in the table below, an increasing number of SU students have been receiving this form of financial aid.

NSFAS FUNDING, 2017–2020				
YEAR	2017	2018	2019	2020
Number of students funded*	1 672	2 716	3 262	3 684
Amount received	R117 m	R191,2 m	R305,3 m	R56,6 m**
Estimated amount outstanding	R0,3 m	R4,4 m	R0,3 m	R386,4 m

\* Among these are students who are eligible for NSFAS funding for 2018 and 2019, who have not received funds to date. The funded lists for 2020 have not been finalised yet and the number of students with funding may increase marginally.

\*\* The University received an upfront payment of R56,6 m from NSFAS for the disbursement of allowances.

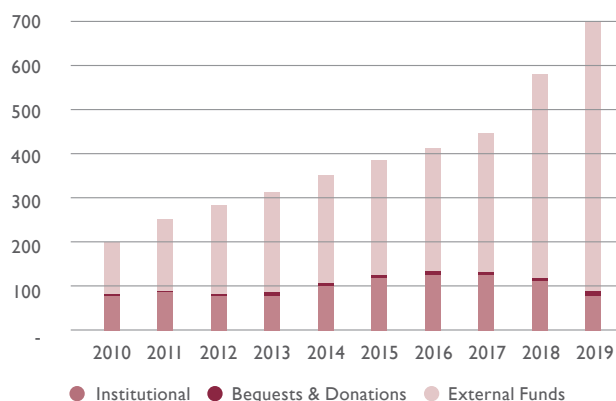
The Ikusasa Student Financial Aid Programme (ISFAP) was piloted in 2017 following a ministerial task team's recommendation of a funding model based on a public-private partnership. ISFAP aims to increase graduation rates and subsequent employment in occupations in high demand. Apart from full-cost funding for the full duration of undergraduate studies, the ISFAP model also includes a structured "wrap-around" student support programme to improve success. In 2019, 163 students were supported by ISFAP at a total investment value of R19 783 508 (2018: 133 at R15 329 889).

SU's recruitment bursary project, which is funded from its main budget, remains one of the major recruitment strategies to attract top-achieving black African, coloured, Indian and Asian students to the University. In 2019, a total of 677 top achievers received a recruitment bursary covering tuition fees.

The University implemented a new SU loan scheme to further support students from the missing middle (with an annual family income of between R350 000 and R600 000).

Pressures on the SU budget have sadly necessitated a decrease in bursary funding from the University's own resources. Despite this, the total amount of financial aid for students administered by SU has drastically increased in recent years, as shown in the figure below. The total value of bursaries managed by the Centre for Undergraduate Bursaries and Loans (CUBL) increased by R217 million, or 48%, between 2017 and 2019.

## INSTITUTIONAL FUNDS, DONATIONS AND EXTERNAL FUNDS FOR UNDERGRADUATE BURSARIES AND LOANS (R m)



## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

### *Programmes are renewed continuously*

Programme renewal, an integral part of continuous improvement at SU, is a highly collaborative activity involving faculties and support divisions, and draws on networks across department and faculty boundaries. Although it can take on different forms and employ different approaches, we ensure that the process is comprehensive, thought-provoking and collaborative to add value to faculties and departments' educational practices.

The SU programme review and renewal project gained momentum in the past three years through the following initiatives:

- Securing UCDP funding from DHET for the first three years of the SU project (2018–2020);
- Planning and operationalising faculty-based programme review and renewal projects, and the budgets to support those projects;
- Obtaining Senate approval for a set of guidelines for programme committee chairs and programme leaders in November 2018 following extensive consultation at faculty and institutional level;
- Conducting various capacity development initiatives, such as workshops and discussion groups, to support the programme review and renewal projects at institutional and faculty level; and
- Initiating the drafting of a new Policy for Quality Assurance and Enhancement at SU.

See Senate's report to Council on page 32 for a list of new programmes that were submitted in 2019 to the DHET and the Council on Higher Education for approval and accreditation.

### *Collaborative peer-group learning with mentors and tutors*

Peer group learning and mentor/tutor assistance is becoming increasingly important at SU. A work group under the auspices of the Committee for Teaching and Learning is currently reviewing the categories, roles and responsibilities of learning and teaching assistants at SU. The aim is to provide guidelines on how to best assist learning beyond the lecture room.

The tutor-mentor programme in the Faculty of Medicine and Health Sciences (FMHS), for instance, is a student-driven peer academic support programme. It focuses on supporting first-year students during the academic transition from high school to university, and second-years in preparing for an increased workload and exposure to the clinical environment. Senior students in the Faculty are selected as tutor-mentors (or "MenTuts") and are trained and prepared for their task.

### *Developing hybrid-learning programmes*

Hybrid learning (HL) is a delivery mode for academic courses that combines short periods of face-to-face contact between lecturers

and students with significant facilitated online student learning. HL is particularly aimed at students who cannot afford full-time residential studies.

The HL strategy combines SU's existing strength of an outstanding graduation throughput rate for its full-time residential academic programmes with opportunities to grow student numbers cost-effectively, without being subject to the current severe limitations on state subsidies and study fees for full-time residential South African students. Furthermore, as the costly physical infrastructure for full-time students is not fully utilised for the entire academic calendar year, the block contact sessions associated with HL will also improve the occupancy of learning spaces during recess.

SU has significantly grown its blended-learning capacity (pedagogically sound utilisation of technology to facilitate teaching and learning) over the past five years and can now expand the reach of its academic offering to new student markets. The full-time residential students will also benefit from accessible digitalised material.

The knowledge areas of business and management sciences, medicine and health sciences, and continuous teacher education offer the best prospects of attracting new student markets. Enrolment statistics of June 2018 indicated that SU already had 10,8% of its full-time-equivalent students enrolled in HL programmes. The aim of SU's HL business plan, therefore, is to expand the full-time-equivalent (FTE) students in HL programmes to 25% of total SU student enrolments by the end of 2025.

An example of how HL modules can help students minimise their time to graduation has been Chemistry 164, which allowed students who failed Chemistry 124 (a prerequisite for the next year of study) in the first semester (2019) to enrol for the hybrid module Chemistry 164 in the second half of the year. The mode of delivery comprised online learning, which was supplemented by two intensive contact sessions during the recess period, to complete most of the learning before the second semester started. Two examination opportunities were subsequently offered at regular exam times at year end, and eventually 69 of the over 80 registered students passed Chemistry 164.

Examples of other hybrid modules/programmes currently being developed (the majority for implementation by 2020) are:

- Postgraduate Diploma in Strategic Human Resource Management (Faculty of Economic and Management Sciences);
- Biology 124 and Bio-Informatics (Honours) (Faculty of Science);
- MPhil in Cancer Science Research (Faculty of Medicine and Health Sciences);
- Structures in Fire (Faculty of Engineering); and
- Postgraduate Diploma in Forestry and Wood Sciences (Faculty of AgriSciences).

## RESEARCH FOR IMPACT

Continued professionalisation of our academics is a prerequisite for quality teaching and learning. SU developed its own Scholarship of Educational Leadership (SoEL) short course with a focus on leadership in and the scholarship of teaching and learning, and has already offered it to two cohorts.

Our 12th in-house Scholarship of Teaching and Learning (SoTL) conference took place from 29 to 30 October, with seven pre-conference workshops hosted on 28 October. This event provides a platform for academics to share best practice, research findings and innovative ideas about teaching and learning. A record number of abstracts (95) were received for this year's conference, which was themed "(Your) Teaching Matters @ SU".

## EMPLOYER OF CHOICE

Self-actualisation is one of the key motivators for high achievers. Therefore, the L&T RC strives to support academic and PASS staff holistically towards personal development, and to recognise excellence.



Outstanding applications were received for the Teaching Excellence Awards, and for the first time all applicants were interviewed to supplement their portfolio submissions. The selection committee was struck by all candidates' dedication, professionalisation, innovation and deep self-reflection. Three awards were subsequently made in the "Distinguished teacher" category and nine in the "Developing teacher" category. All applicants also received feedback on their portfolios.

## TOWARDS A NEW CENTURY

The L&T RC will continue to systematically improve the quality of teaching and learning through programme renewal, and the efficiency of our delivery through assessment exercises and rejuvenation of our organisational structures.

## OUR STUDENT PROFILE IN NUMBERS

### QUALIFICATIONS AWARDED BY TYPE, DECEMBER 2019 AND MARCH 2020

Qualification type	Number awarded	%
Undergraduate diplomas and certificates	199	2,2%
General first bachelor's degrees	2 598	28,5%
Professional first bachelor's degrees	1 691	18,5%
Postgraduate diplomas and certificates	1 281	14,0%
Postgraduate bachelor's degrees	91	1,0%
Honours	1 427	15,6%
Master's degrees	1 472	16,1%
Doctoral degrees	362	4,0%
<b>Total</b>	<b>9 121</b>	<b>100%</b>

### COMPOSITION AND SIZE OF STUDENT BODY BY GENDER, JUNE 2019

Gender	Number of students	%
Female	17 504	55,3
Male	14 166	45,3
Non-binary	11	0,0
<b>Total</b>	<b>31 681</b>	<b>100</b>

### COMPOSITION AND SIZE OF STUDENT BODY BY RACE, JUNE 2019

Race	Number of students	%
Asian	85	0,3
Black African	6 665	21,0
Coloured	5 747	18,1
Indian	1 005	3,2
White	17 935	56,6
Withheld	244	0,8
<b>Total</b>	<b>31 681</b>	<b>100</b>

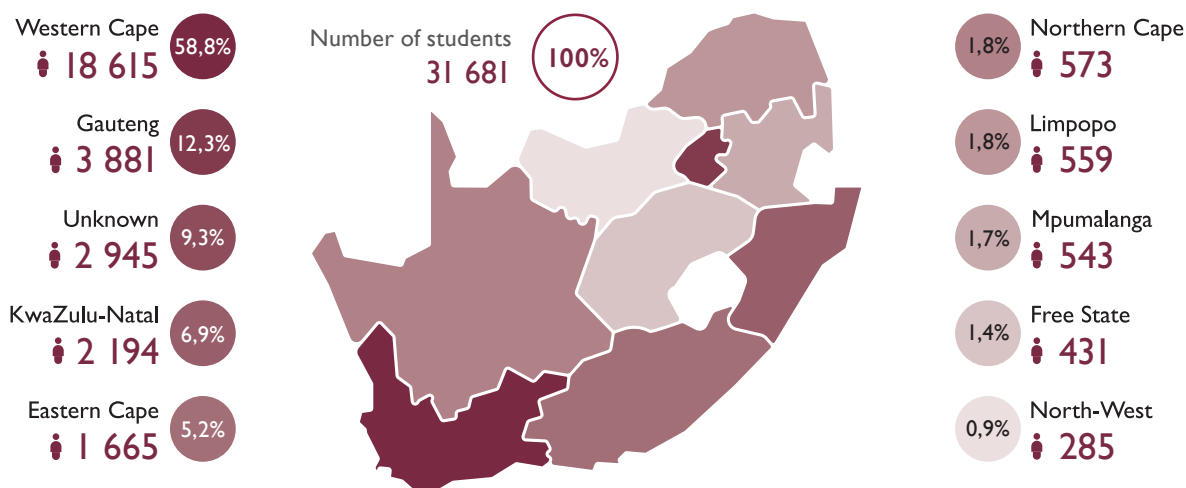
### COMPOSITION AND SIZE OF STUDENT BODY BY HOME LANGUAGE, JUNE 2019

Home Language	Number of students	%
Unknown	10	0,0
Afrikaans	11 348	35,8
English	15 174	47,9
Afrikaans/English	230	0,7
IsiXhosa	1 382	4,4
Other official SA languages	2 090	6,6
Other languages	1 447	4,6
<b>Total</b>	<b>31 681</b>	<b>100</b>

### COMPOSITION AND SIZE OF STUDENT BODY BY NATIONALITY, JUNE 2019

Nationality	Number of students	%
South Africa	28 150	88,9
SADC (excluding South Africa)	1 926	6,1
Other African countries	508	1,6
Rest of the world	1 097	3,5
<b>Total</b>	<b>31 681</b>	<b>100</b>

### COMPOSITION AND SIZE OF STUDENT BODY BY SA PROVINCE, JUNE 2019



# REPORT *of the*

## — VICE-RECTOR —

### *(Social Impact, Transformation and Personnel)*



*Prof Nico Koopman*  
Vice-Rector (Social Impact,  
Transformation and Personnel)

The responsibility centre for Social Impact, Transformation and Personnel (SITP RC) adds value to Stellenbosch University (SU)'s central institutional quest to impact transformatively on society through its human resources of staff, students, alumni, stakeholders, role-players and institutional partnerships. The SITP RC makes a distinctive contribution by supporting the academic mandate, rendering professional, accessible, relevant and expert services, and adopting a tailor-made service delivery approach to suit the unique circumstances of its stakeholders through the interdependent Division of Human Resources (DHR), Division of Social Impact (DSI), Transformation Office (TO), Campus Health Services (CHS), University Museum, and the SU Woordfees, including the Woorde Open Wêreld (WOW) Programme and the University Choir.

## A THRIVING STELLENBOSCH UNIVERSITY

To ensure the social, physical, economic and ecological well-being of all students and staff at SU, the SITP RC embarked on a journey in 2019 to advance the agility and effectivity of transformation structures. A more prominent role for the Transformation Plan (TP) of SU in all University matters formed part of the discussion leading to drafting revised terms of reference for the Institutional Transformation Committee (ITC). The ITC thus implemented Vision 2040 and Strategic Framework 2019–2024, SU's Transformation Plan and the transformation imperatives articulated in other environmental plans, and assisted various environments to use the TP as a tool for envisioning, guiding, coordinating and advancing transformation processes at the University. The Transformation Office (TO)'s new website also provides vital information and resources.

As part of the Imbizo 365 Programme, the TO hosted events and promoted strategic themes such as SU's third annual Transformation Indaba, which addressed the question #StelliesWhereAreYou? posed during the anti-gender-based violence (GBV) activities. In identifying and managing GBV as one of the main risks for the SITP RC, the ITC responded to a memorandum against GBV received from students during the anti-GBV protests, which resulted in establishing six joint working groups to combat GBV at SU.

Ethical guidelines for social impact were discussed at the annual Social Impact Symposium. The Research Committee recommended that all social impact projects be subject to an ethics review. A task team has since been established to develop a formal set of ethics guidelines for social impact initiatives.

The SITP RC also supported the quest for economic and ecological well-being as part of a thriving SU. All the divisions explored accessing external funding, with the Woordfees and WOW taking the lead in this regard. The overall number of tickets sold in 2019 increased by 10% and the financial increase in rand value was more than 17%. In 2020, attention will be given to the finalisation of a sustainability plan for the Woordfees. A non-profit entity to assist with fundraising has been established and a financial manager has been appointed to help create and implement a new business model for the festival, which is expected to attract over 100 000 people in 2020.

The SITP RC contributed to the well-being of its people through accelerating the journey towards a plan for staff and student health and well-being. A plan is being drafted that contains recommendations aimed at aligning staff and student health and well-being more closely, determining the most effective structures, and providing practicable theoretical frameworks for understanding and advancing comprehensive staff and student health and well-being.

## A TRANSFORMATIVE STUDENT EXPERIENCE

The Transformation Office and University Museum play central roles in advancing a transformative student experience. An important initiative was the establishment of a student ITC that functions as subcommittee of the ITC. Furthermore, representatives of the Transformation Portfolio serve in and cooperate with various structures in the Learning and Teaching responsibility centre about curriculum and co-curricular activities.

The Division for Social Impact (DSI) is committed to enhancing our students' graduate attributes, particularly by equipping them as engaged citizens and well-rounded individuals. It will expand the current volunteering opportunities for both students and staff and provide relevant opportunities for work-related learning and a positive social impact. Student volunteer training, which equips students with skills to run community-based projects, by Maties Community Service is formally acknowledged by the Co-curricular Office (Student Affairs) and will be recognised on students' academic transcripts. This is further endorsed through an arrangement with NSFAS requiring bursary recipients to demonstrate active engagement in communities for 80 hours a year for up to three years.

Another initiative was the HealthyUS short course presented through the Frederick Van Zyl Slabbert Institute for Student Leadership Development. The course centred on mental and physical health, encouraging student leaders to think critically about their role as agents of change in educating fellow students, and empowering participants to identify potential health-related risk factors in themselves and their peers.

The Transformation Office, in collaboration with the Centre for Student Communities (Student Affairs), co-ordinated the annual Siyakhula ("we grow") transformation competencies workshops during the welcoming programme for first-year students. The intention with the workshops was to create platforms and methodologies for transformation-related conversations, engage newcomers as partners, encourage communities to cooperate, and encourage continuous conversations after the welcoming period. Siyakhula workshops continued throughout the year for various staff and student bodies.

The TO also played a central role in advancing the visual redress process at SU through projects such as the new artwork on the Rooiplein (see page 63, 82 and 114), benches welcoming people in 15 languages, the Vlakte map on the front doors of the Faculty of Arts and Social Sciences (FASS), the centenary message on the library walls, the contextualising boards at the Adam Small and Pieter Okkers houses, the Rooiplein and Theology building, the visual redress draft policy, and visual redress workshops at various faculties.

The TO was also instrumental in providing access to important events for SU students during the anti-GBV protests, amongst others, funding transport to Uyinene Mrwetyana's memorial, the anti-GBV march to Parliament, and the student leadership dialogue on GBV in higher education.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

The SITP RC maintained the University's current relationship capital and expanded it by honouring our institutional MOUs with six municipalities and district municipalities, as well as our relationship with the Cape Higher Education Consortium, all the while working on strengthening our growing relationship with the Breede Valley Municipality through a formal MOU, brokered by the DSI.

The SITP and Internationalisation responsibility centres co-hosted a very successful international town-and-gown conference where partnerships and collaboration were established with universities in South Africa and abroad that also function in town-and-gown contexts. Another of our partnership-building highlights was the start of the implementation of a new agreement with the Department of Defence (DOD), which enhances the transformative social impact of the University and contributes toward comprehensive peacebuilding and human security in Africa.

As part of coordinating partnerships with civil society networks and multi-stakeholder initiatives, the DSI recently facilitated engagement between the Faculty of AgriSciences and the Jala Peo Foundation to promote greater food security among learners in impoverished schools on the West Coast. The DSI also worked closely with Innovus and the SU Finance Division to build entrepreneurship in various institutions of civil society and so-called black business initiatives.

The annual Social Impact Symposium celebrated the social impact work done by the SU community to strengthen internal and external networks and collaboration. The theme had the twofold purpose of reflecting on the progress with social impact as an SU strategic priority, and gaining a better understanding of how social impact initiatives are implemented through more meaningful ethical and purposeful engagements with partners and external communities to create shared value.

In February, the SU Museum and Michigan State University formally signed an agreement to foster international cooperation in education, research and social impact, agreeing to promote international academic cooperation, most notably through collaborative exhibitions, professional exchanges, joint social impact projects, professional development, technical exchange, and fundraising. One such initiative is the Ubuntu Dialogues, a three-year collaborative project between SU and Michigan State University with funding from the Andrew W Mellon Foundation.

Toyota has agreed to a three-year sponsorship as co-named sponsor of the SU Woordfees. Likewise, Sanlam, the named sponsor of the Sanlam WOW Spelling Festival, has renewed its commitment for the next three years. The final leg of this Woordfees outreach programme took place in Stellenbosch with more than 700 schools from all nine provinces taking part in Afrikaans, English and isiXhosa. The isiXhosa category saw a record number of 49 schools participating. This year also saw the number of lives touched by WOW at school level since 2003 reach over a million. It has provided young learners with early exposure to SU and the opportunities associated with tertiary studies, promoted multilingualism, and is supported by the education departments of several provinces. A more active collaboration through an MOU with the Western Cape Education Department (WCED) assisted in targeting non-participating schools, further extending our reach.



The 20th SU Woordfees took place in Stellenbosch from 1 to 10 March 2019, making an impact on our local community by employing more than 600 people from Stellenbosch as part-time workers. The festival saw approximately 3 500 artists present 483 different productions in 64 venues with a number of firsts for the books, including a Woordfees App, a small-scale fringe festival, and a loyalty club.

The SU Choir undertook a national tour and performed at the biannual Kuesta Choir Festival and at a special Heritage Day concert in Soweto. The Choir will defend its title as the top-ranked amateur choir at the World Choir Games in Belgium in July 2020, and has been invited to perform for Belgian King Philippe at the opening ceremony of the event.

Our longstanding engagement with the South African Rugby Union (SARU) resulted in acknowledging Campus Health Services (CHS) staff's expertise in the field of sport and exercise medicine through their provision of sports medicine services at a number of events.

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

The SITP RC contributed in various ways to networked and collaborative teaching and learning. The Division for Social Impact (DSI) and the Western Cape Department of Cultural Affairs and Sport have partnered to offer the 12-month Extended Education Practitioner Training Programme, which may result in opportunities for joint research and collaboration, including the possibility of developing the short course into a more formal tertiary qualification. CHS also created valuable collaborative teaching and learning opportunities for students in the field of sport and exercise medicine by involving students in the Klapmuts 7s schools rugby tournament, participating in various teaching and learning activities during the Information Systems Engineering and Management (ISEM) master's degree, and accommodating students in suitable clinical programmes at the CHS to broaden their practical experience.

The DSI advanced the service-learning modules in faculties through a series of workshops on understanding race and racism with Industrial Engineering students. The incorporation of a similar series for the Department's first-years to improve intercultural relations and minimise prejudice in a groupwork setting flowed from these workshops.

## RESEARCH FOR IMPACT

The SITP RC advances the strategic quest to do research for impact. This is achieved through collaboration with the Division of Research Development and ensuring that there is maximal alignment between the SU central research themes and foci and the SU Social Impact central themes and foci, as outlined in the Social Impact Strategic Plan. These themes are education for all; employment and inclusive economic development; environment and sustainability; food security and health; resources and infrastructure; safety, security and good governance; and social and gender justice. The themes are reflected in research-based social impact initiatives, as well as in the variety of research-for-impact undertakings in faculties and other academic entities.

## EMPLOYER OF CHOICE

The SITP RC, and specifically the Division of Human Resources (DHR), leads the process of operationalising the strategic theme of being the employer of choice with the specific objectives of advancing health and well-being, and recruiting, developing and retaining a diversified, competent staff force for the achievement of the strategic goals of SU. To this end, a global consulting firm, Korn Ferry, was appointed through a closed tender process to conduct an external review of the Division's processes, procedures, policies, practices, staff, staff competencies, workloads and staff placements. In addition, the SITP RC adopted the new Procedures for the Appointment and Reappointment of Senior PASS Employees.

The University managed to recruit and retain competent senior staff. Prof Mbulungeni Madiba was appointed as the Dean: Faculty of Education, relieving Prof Johan Malan, acting Dean, on 1 September. Dr Birgit Schreiber, Senior Director: Student Affairs, left the service of the University on 31 July 2019, with Dr Kelebogile Choice Makhetha taking up her position as the new Senior Director on 1 August. The SU Museum appointed Dr Mosa Phadi as Programme Manager of the Ubuntu Dialogues.

A comprehensive plan for health and well-being that will support this important institutional priority will soon be open for discussion in all SU environments. The strategy is rooted in the second staff culture and climate survey conducted in collaboration with the Division for Information Governance. The survey was augmented with questions on gender equality in an attempt, among others, to address the high-order risk of gender-based violence. The progress made with the implementation of recommendations related to the 2017 survey will be discussed, as well as the findings and recommendations of the 2019 survey. Six Joint Working Groups to combat gender-based violence had been established, namely Values and Principles; Safety and Security; Training and Awareness; Residences and Structures; Procedures and Processes; Mental Health, Alcohol and Substance Abuse. A rectorate member serves in each of these groups.

Various interventions will be implemented as from 2020. Existing and ongoing staff well-being initiatives at SU include the Employee Assistance Programme and the continued leadership and management development courses for line managers.

One of the strategies followed by the CHS is to disseminate health and well-being information to staff and students through social media platforms. To maximise the strategy's impact, themes follow the World Health Organisation (WHO) calendar. Its flagship project was Heart Awareness Week, which focused on encouraging regular physical activity, promoting heart "BESST" practice, a four-kilometre Wellness Fun Run, daily lunchtime classes at Tygerberg Gymnasium, and a medical screening event on the Rooiplein. The pedometer challenge was aimed at improving physical activity levels and promoting team building amongst staff.

The process of aligning each SU environment's employment equity (EE) targets with staff plans continued in 2019, with the targets informing the Institutional Employment Equity Plan submitted to the Department of Labour at the end of 2019. The Code for Management Practices for Employment Equity has become a critical tool for eliminating barriers to diversification identified in the institutional EE Plan. The EE Office will be strengthened by the appointment of a senior staff member as a Diversity Capacity Development Manager and the relaunch of the Siyakhula Diversity Capacity Development Programme within the DHR, aimed at equipping staff to model, guide and support equity strategies, inclusion and staff well-being.

The development of improved day-care arrangements for SU staff was prioritised, with various models proposed for providing day-care facilities. The Rectorate decided to consider upgrading the Babin facility on the Stellenbosch Campus, and to create a new facility on the Tygerberg Campus. SU will consider investment from the strategic fund or other sources.

Diversification of staff was advanced through, among others, the very successful New Generation of Academics Programme (nGAP). Phase five of the nGAP was announced in December 2018, and SU was successfully awarded five positions in various SU departments, now totalling 22 nGAP incumbents. A fresh institutional commitment has been made to make the Rector's Strategic Personnel Fund more sustainable. This fund is one of the major contributing factors in the resolute progress we are making with the diversification of

especially the academic staff complement, as well as senior staff in the professional support services environments. The Rector's Strategic Personnel Fund contributed significantly to the growth in black African, coloured, Indian and Asian (BCIA) academic staff from 18% to 25% in the period 2015 to 2019.

Our percentage share of BCIA executive and non-academic staff is now 59%, continuing a steady increase over the past few years.

## OUR HUMAN CAPITAL PROFILE

### EMPLOYMENT EQUITY PROFILE OF ACADEMIC STAFF AT SU, 2019

Faculty	BCIA	White	Withheld	Total	Foreign nationals			Grand total	Staff with disabilities	Percentages (%)				
					BCIA	Other	Total			BCIA	White	Withheld	Foreign nationals	Staff with disabilities
AgriSciences	20	64	1	85	4	9	13	98	2	24,0	75,0	1,2	13,3	2,0
Arts and Social Sciences	46	133	1	180	3	11	14	194	2	26,0	74,0	0,6	7,2	1,0
Economic and Management Sciences	39	191	2	232	9	2	11	243		17,0	82,0	0,9	4,5	0,0
Education	24	12	1	37	0	0	0	37		65,0	32,0	2,7	0,0	0,0
Engineering	10	100		110	6	5	11	121	1	9,0	91,0	0,0	9,1	0,8
Law	10	23		33	1	2	3	36		30,0	70,0	0,0	8,3	0,0
Medicine and Health Sciences	61	106	2	169	2	7	9	178	2	36,0	63,0	1,2	5,1	1,1
Science	30	101		131	6	27	33	164		23,0	77,0	0,0	20,1	0,0
Theology	9	14		23	0	0	0	23		39,0	61,0	0,0	0,0	0,0
Vice-Rector (Research, Innovation and Postgraduate Studies)	1			1	0	0		1				0,0		0,0
<b>Grand total</b>	<b>250</b>	<b>744</b>	<b>7</b>	<b>1001</b>	<b>31</b>	<b>63</b>	<b>94</b>	<b>1 095</b>	<b>7</b>	<b>25%</b>	<b>74%</b>	<b>0,7%</b>	<b>8,6%</b>	<b>0,6%</b>

BCIA = black African, coloured, Indian and Asian staff

## EMPLOYMENT EQUITY PROFILE OF EXECUTIVE AND NON-ACADEMIC STAFF AT SU, 2019

Faculty/Division	BCIA	White	Withheld	Total	Foreign nationals			Grand total	Staff with disabilities	Percentages (%)				
					BCIA	Other	Total			BCIA	White	Withheld	Foreign nationals	Staff with disabilities
AgriSciences	68	45		113	0	1	1	114	2	60,0	40,0	0,0	0,9	1,8
Arts and Social Sciences	49	39	1	89	0	1	1	90	2	55,0	44,0	1,1	1,1	2,2
Chief Operating Officer	381	213	3	597	1	0	1	598	4	64,0	36,0	0,5	0,2	0,7
Economic and Management Sciences	81	64	2	147	2	0	2	149		55,0	44,0	1,4	1,3	0,0
Education	30	9		39	0	0	0	39		77,0	23,0	0,0	0,0	0,0
Engineering	67	46	1	114	3	0	3	117		59,0	40,0	0,9	2,6	0,0
Law	11	9		20	0	0	0	20		55,0	45,0	0,0	0,0	0,0
Medicine and Health Sciences	227	122	6	355	2	6	8	363	1	64,0	34,0	1,7	2,2	0,3
Military Science	0	2		2	0	0	0	2		0,0	100,0	0,0	0,0	0,0
Rector	74	51		125	0	0	0	125	2	59,0	41,0	0,0	0,0	1,6
Science	90	90		180	5	3	8	188	1			0,0		0,5
Theology	8	7		15	0	0	0	15		53,0	47,0	0,0	0,0	0,0
Unknown	0	1		1	0	0	0	1		0,0	100,0	0,0	0,0	0,0
Vice-Rector (Learning and Teaching)	101	103	1	205	2	0	2	207	4	49,0	50,0	0,5	1,0	1,9
Vice-Rector (Research, Innovation and Post-graduate Studies)	76	58		134	3	0	3	137		57,0	43,0	0,0	2,2	0,0
Vice-Rector (Social Impact, Transformation and Personnel)	84	31		115	0	0	0	115	2	73,0	27,0	0,0	0,0	1,7
Vice-Rector (Strategy and Internationalisation)	34	42	1	77	2	0	2	79		44,0	55,0	1,3	2,5	0,0
<b>Grand total</b>	<b>1 381</b>	<b>932</b>	<b>15</b>	<b>2 328</b>	<b>20</b>	<b>11</b>	<b>31</b>	<b>2 359</b>	<b>18</b>	<b>59,0%</b>	<b>40,0%</b>	<b>0,6%</b>	<b>1,3%</b>	<b>0,8%</b>

BCIA = black African, coloured, Indian and Asian staff





# REPORT *of the* — VICE-RECTOR — *(Research, Innovation and Postgraduate Studies)*



*Prof Eugene Cloete*  
Vice-Rector  
(Research, Innovation and  
Postgraduate Studies)

Stellenbosch University (SU) is a place where staff and students work towards being thought leaders in advancing knowledge in the service of all stakeholders. Its mission is to attract outstanding students, employ talented staff and provide a world-class environment: a place connected to the world, while enriching and transforming local, continental and global communities.

Research for impact is therefore one of the six major institutional strategic themes of SU's Strategic Framework 2019–2024. This theme implies optimising the scientific, economic, social, scholarly and cultural impact of our research. Our focus is on interdisciplinary research that benefits society on a national, continental and global scale. At the same time, we are committed to basic and disciplinary research excellence, as it forms the basis for applied and translational research.

The Research, Innovation and Postgraduate Studies responsibility centre (RI&PS RC) actively pursues these objectives. Through the activities of its various divisions, the RI&PS RC further strengthened the University's status as a research leader in 2019 and bolstered the institution's intellectual capital, as the following sections will show. The report is organised along the six themes of the Strategic Framework.

## A THRIVING STELLENBOSCH UNIVERSITY

In order to keep research sustainable, our research outputs are becoming increasingly dependent on contract research (third-stream income). The reason is a decline in National Research Foundation funding from R364,2 million in 2017 to R209,9 million in 2019 as shown by the table below.

Twenty-six percent of the new contracts signed in 2019 were local contracts, and 74% were international contracts. A contract to the value of R328 million signed with UNITAID is the largest single contract for research in the history of the University. A large number of contracts were signed with European funders, and reflect the success of a deliberate strategy to diversify and increase funding from international sources in view of the static and decreasing funding for research in SA.

### REALISED\* RESEARCH INCOME FOR THE PERIOD 2017–2019

Year	2017	2018	2019
Research agree-ments	R885,8 m	R783,2 m	R806,0 m
NRF	R364,2 m	R235,2 m	R209,9 m
Total	RI 250,0 m	RI 018,4 m	RI 015,9 m

\* Including income received in 2019 from contracts signed in 2019 or previous years.

## A TRANSFORMATIVE STUDENT EXPERIENCE

A substantial and successful postgraduate student body is an important building block of any research-intensive university. The postgraduate component of the total student cohort is 32,9%. In 2019, SU had 4 821 enrolled master's students and 1 637 doctoral students.

#### NUMBER OF ENROLLED MASTER'S AND DOCTORAL STUDENTS AT SU, 2015–2019

Enrolled students	2015	2016	2017	2017 June	2018 June	2019 June
Master's students	4 848	4 919	5 005	4 831	4 811	4 821
Doctoral students	1 473	1 497	1 703	1 614	1 645	1 637
Total	6 321	6 416	6 703	6 445	6 456	6 458

Also, similar to the two prior years, 2019 again saw a record number of doctoral degrees conferred.

#### NUMBER OF MASTER'S AND DOCTORAL DEGREES AWARDED BY SU, 2015–2019

Degrees awarded	2015	2016	2017	2018	2019
Master's degrees	1 378	1 469	1 624	1 517	1 472
Doctoral degrees	267	278	305	308	362

BCIA students represented a solid 50% of the postgraduate student body, while just over 21% of the postgraduate cohort was international.

#### POSTGRADUATE STUDENT DIVERSITY, 2015–2019

Students	2015	2016	2017	2018	2019
Percentage BCIA students	47,0%	48,0%	49,0%	50,0%	50,0%
Percentage international students	18,8%	19,3%	18,4%	18,3%	21,6%

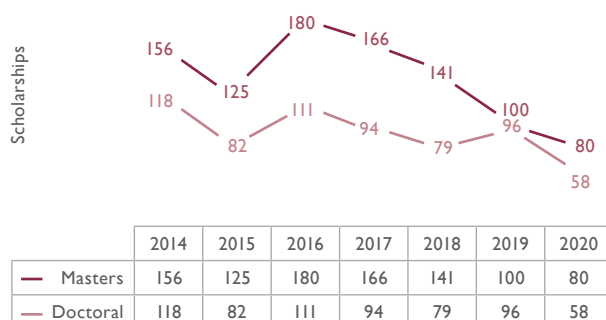
The Postgraduate Office (PGO) seeks to support the postgraduate pipeline through skills support, financial aid and administration. In 2019, the PGO administered bursaries to the amount of R240 million (2018: R238 million). SU contributed R20 million (8,3%), which includes reserves used to address the 10% incremental decline in the institutional allocation towards postgraduate funding. A major reprieve came from external sources, which grew by 7% to R153 million.

#### COMPARISON OF THE MAIN STREAMS OF BURSARY FUNDING

Year	Mainstream budget (institutional)	Bequests and donations	NRF	External funding	Total
2014	R18,1 m	R7,8 m	R53,9 m	R93,8 m	R173,6 m
2015	R23,2 m	R10,4 m	R60,4 m	R105,2 m	R199,2 m
2016	R24,5 m	R16,3 m	R66,1 m	R114,8 m	R221,9 m
2017	R30,3 m	R18,4 m	R64,3 m	R121, m	R234,0 m
2018	R18,8 m	R19,0 m	R58,3 m	R142,2 m	R238,0 m
2019	<b>R20,0 m</b>	<b>R13,0 m</b>	<b>R59,0 m</b>	<b>R153,0 m</b>	<b>R240,0 m</b>

Although it looks as if the total income for bursaries from the NRF is growing marginally, this is due to the increase in the NRF's bursary values for some of its programmes. The figure below highlights the drastic decline in NRF-funded scholarships to SU since 2014. It illustrates a worrying decline in scholarship awards by more than 50% since 2016. The NRF's new Postgraduate Student Funding Policy comes into effect during the 2020/21 financial year, with stringent criteria for equity, financial need and academic merit. This policy will probably have a negative impact on the NRF's postgraduate allocation to SU over the next five-year period, which requires a review of SU's effectiveness and strategy to compete in this funding domain. It also requires a re-evaluation of the institutional allocation to postgraduate funding in order to maintain the postgraduate pipeline.

#### NRF-FUNDED MASTER'S AND DOCTORAL SCHOLARSHIPS TO SU SINCE 2014





## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

The University prides itself on the research partnerships and networks it has established and endeavours to maintain. SU researchers were successful in obtaining R217 400 for travel and conference organisation grants from the NRF in 2019.

By the end of 2019, SU had awarded 35 joint PhD degrees, seven of which were with the Vrije Universiteit Amsterdam (VUA). Thirty-two joint PhD candidates are currently enrolled. A total of 44 double master's degrees have been awarded since 2012.

Calls for over 70 international funding programmes were administered in 2019. The total value of awards received for international collaboration from funders other than the NRF and European Union (EU) was approximately R15 million.

A total of 160 EU-related research collaboration awards were granted to the University for the period 2014–2019, totalling R241 million. With the Horizon 2020 research grants programme, which comes to an end in 2020, a total of 37 grants were awarded to SU, while 28 grants were awarded for other EU-related projects. The subsequent research funding programme, HorizonEurope, will start in 2021 and run until 2027. (Also read about the Erasmus+ programme on page 74.)

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

The library offers a number of generic research workshops for students and researchers, some of which are online. Twenty-three workshops were held in 2019 for 770 researchers and postgraduate students. These included two new workshops about data exchange and dissemination, and the use of the institutional research data repository, respectively, which were specifically introduced to extend the offering of the library's research data services.

## RESEARCH FOR IMPACT

With due cognisance of the challenges of relevance and significance, and in the light of the developmental needs of our region, SU has identified five strategic research areas that will drive the research agenda for the next few years, as depicted in the graphic above. The five strategic research areas are meant to be inclusive, to encompass most, if not all, research that is being done by SU researchers, and to be forward-looking.

## 5 STRATEGIC RESEARCH AREAS



### *New research schools and institutes*

The construction of a new Biomedical Research Institute (BMRI) on our Tygerberg Campus is progressing well. The R1-billion facility will be one of the most innovative and advanced biomedical research centres in Africa. The Institute will investigate diseases with the greatest impact on communities in SA and the rest of Africa, including TB, HIV, diabetes, heart disease and neurological disorders, and will translate its discoveries into tangible improvements in the diagnosis, prevention and treatment of these conditions.

The School for Data Science and Computational Thinking was officially launched on 29 July 2019, and Prof Kanshu Rajaratnam has since been appointed as director (also see page 38).

The agreement for Fraunhofer Innovation Platform for the Water-Energy-Food Nexus at SU (FIP-WEF@SU), which will be supported by the University's Strategic Fund for three years, with a matching contribution from Fraunhofer, will be signed in 2020 during the visit of the President of the Fraunhofer-Gesellschaft to Stellenbosch.

The inspiring work of the Institute for Life Course Health Research in communities resonates with SU's vision to promote health care and equity.

### *SU Centres of Excellence contracts extended*

Die DSI has extended the contracts of the centres of excellence in Biomedical Tuberculosis and Invasion Biology, which were due to expire on 31 March 2020, to 2022/23.

## Research output

The table below shows the audited figures for 2018. In the weighted research outputs category SU was second to the University of Pretoria (UP) and in the research publication per capita output category SU was third, with UP first and the University of KwaZuluNatal second; a clear indication that SU is one of the top three most research-productive institutions in the country.

Research output	2014	2015	2016	2017	2018
Weighted per capita research output	3,03	2,92	3,11	3,23	3,19
Research publication per capita output	1,50	1,32	1,58	1,63	1,64

## SU adopts Global Research Code

SU formally adopted the Global Code of Conduct for Research in Resource-poor Settings ([www.globalcodeofconduct.org](http://www.globalcodeofconduct.org)) at its Senate meeting in November 2019. The Code was adopted as reference document for the European Union's Horizon 2020 research and innovation programme in 2018. The year under review has seen the University improving its organisational structures to ensure that research is conducted ethically after an unfortunate incident in April (see "Article on race and cognition" on page 15) and this Code is a welcome addition to the University's regulatory environment.

## Growth in research outputs recognised in world rankings

Over the past few years, SU's research performance has consistently been ranked by the Centre for Science and Technology Studies (CWTS) at Leiden University as among the top 500 universities in the world.

SU improved with 14 places on the Times Higher Education (THE) Emerging Economies Rankings 2019 and came 24th out of 442 universities. SU is ranked third in SA out of nine SA universities on the list, and was placed in position 301–350 on the THE World University Rankings 2019. This places SU in the top one percent of universities globally.

SU maintains a nuanced approach to university rankings in general. Academic excellence is non-negotiable, quality always comes first, and no attempt was and will ever be made to influence our position artificially on any ranking.

## EMPLOYER OF CHOICE

Research at SU is driven by the notion of simultaneous excellence and relevance, informed by a diversity of people and ideas. This requires a careful balance between, on the one hand, continuity and consistency and, on the other, transformation and rejuvenation of SU's academic researcher cohort. The year under review saw a number of initiatives to support upcoming academics.

### Initiatives to develop early-career academics

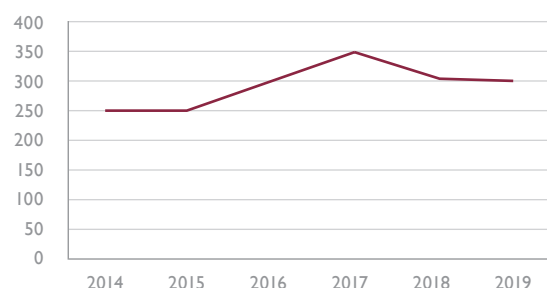
The University purposefully develops the talent and leadership of a new generation of academics through various initiatives.

The **Early Career Academic Development (ECAD)** programme is a structured support programme offered by the Division for Research Development (DRD) with the support of funding from the DHET University Capacity Development Grant

(UCDG). The programme includes mentoring by matching 113 early-career academic staff members with experienced mentors. The participants were further supported through career acceleration awards, and access to a significant number of capacity and skills development opportunities offered to the University internally and externally.

SU hosted 299 **postdoctoral fellows** during 2019 (2018: 305). SU received 14 postdoctoral fellowships from the NRF and were awarded 58 continuing fellowships (including grant-holder linked fellows). Although the Claude Leon Foundation stopped its funding for postdocs to SA institutions in 2019, SU still held 16 continuing postdocs. SU also received industry funding towards 30 postdoctoral fellowships, as well as funding from other sources, such as the MRC, CSIR and local governments.

NUMBER OF POSTDOCTORAL FELLOWS  
2014–2019



Postdoctoral fellows contribute significantly to the institution's research output, as showcased at the **postdoctoral research day** held on 18 October 2019. Postdocs at SU presented to an audience made up of the University community, hosts and country representatives who deal with postdocs. Each year 20 speakers are selected through a rigorous peer-review process to present the cutting-edge research they conduct. They also compete for a R15 000 travel award, which Dr Tainã Loureiro from the Centre for Invasion Biology won this year.

The **Postdoc Top 20 Awards** event, initiated in 2017 to honour the top performing postdoctoral fellows at the University, was also held on 18 October. The Postdoc Award for Excellence honours postdoctoral researchers who perform exceptionally well in all their endeavours. Each fellow receives R10 000 and a certificate of recognition. The fellows honoured here had published upwards of 10 manuscripts, formed part of collaborative research teams, landed large grants, and were active members of University and other academic societies.

The **Consolidoc programme**, established in 2013, enables recent PhD graduates to spend a further six months at SU after graduation to publish the research from their theses. Seventeen Consolidoc fellowships were awarded in 2019.

Of the 26 applications processed for **Thuthuka**, the NRF early-career programme, 18 were successful, which was three times more than in 2018, with a total of R2 676 941 awarded. There were also 13 continuation awards to the value of R1 968 302.

Mrs Karen Garner from Electrical and Electronic Engineering and Mrs Priscalia Khosa from Social Work were the recipients of the **NRF-First Rand Bank grant** for academic staff members from the black African, coloured, Indian and Asian (BCIA) group in 2019. They were awarded R508 000 and R559 800 respectively.

The African Academy of Sciences and the Royal Society partnered in creating an **early-career fellowship programme** supported by the Global Challenges Research Fund (GCRF): Future Leaders African Independent Research (FLAIR) Fellowships. In 2019, almost 1 000 applications were received from the whole of Africa, and one award was made to a candidate from SU, namely to Dr Prinessa Chellan from Chemistry and Polymer Sciences, who will take up her grant in 2020. The value of these highly competitive FLAIR fellowships is £300 000 (about R5,3 million) each over two years, with the possibility of renewal for a further three years.

The **DST-NRF internship programme** was established by the Department of Science and Technology (DST) and NRF to provide work experience for unemployed graduates in the science, engineering and technology (SET) and humanities and social sciences disciplines. In this very competitive programme, SU was successful in obtaining 20 internship positions. The programme significantly strengthens the workforce at SU and contributes to SU's commitment to capacity building of early-career researchers and research administrators. The value of the NRF awards to interns in 2019 was approximately R2,3 million (R1 million more than in 2018).

The **nGAP** is one of five programmes of SSAUF (Staffing South Africa's Universities Framework) approved by the Minister of Higher Education, Science and Technology in January 2015. It is aimed at the expansion of the size and compilation of academic staff at SA universities, especially with regard to transformation (see page 61). SU proudly hosted 22 nGAP appointees in 2019.

### ***Supporting SU's growing number of exemplary NRF-rated researchers***

SU continues to support the NRF rating system as a qualitative, peer-reviewed measure of excellence and a gateway to certain competitive NRF funding programmes. The NRF rating programme is managed by the Division for Research Development (DRD), who follows a thorough internal review process to support researchers in the preparation of their rating applications. This includes the assignment of a mentor to each applicant in order to assist with the completion of applications.

One of our greatest institutional assets, the University's group of NRF-rated researchers has shown a steady increase from 394 in 2016 to 473 in 2019, including 13 A-rated researchers from six of the 10 faculties at SU.

### ***Expert research earns SU specialised research chairs***

SU now has 51 research chairs – nearly double the number we had five years ago. Of these, 28 form part of SARCHI (the South African Research Chairs Initiative) and are funded by the Department of Science and Technology. Another 23 research chairs at the University are funded by other sponsors. The SARCHI grant for Science Communication was renewed for a second term of five years and two new SARCHI chairs were awarded, namely for Mainstreaming Gender for Energy Security in Urban Poor Environments and for Violent Histories, and Transgenerational Trauma.

### ***Highly cited researchers***

Three of our researchers have been listed in the Highly Cited Researchers 2019 list of the Web of Science Group, which demonstrates their significant research influence on their peers. Prof Reinette (Oonsie) Biggs, the incumbent of the DSI/NRF-Research Chair in Social-Ecological Systems and Resilience, as well as Professors Umezurike Linus Opara (Agricultural Sciences) and Dave Richardson (Environment and Ecology) are among the 622 most cited researchers.



Profs Oonsie Biggs, Linus Opara and Dave Richardson, our highly cited researchers

### ***Sustained research achievements acknowledged***

The reporting year saw the University's academic and research support services staff again garnering numerous sought-after accolades.

## ACKNOWLEDGEMENT OF RESEARCH ACHIEVEMENTS

Award/accomplishment	Recognising body	Staff member	Recognised for
ASSAf Science-for-Society Gold Medal	Academy of Science of South Africa (ASSAf)	Prof Leslie Swartz (distinguished professor, Psychology)	Dedication to developing disability studies (only SA academic to receive a medal)
First runner up: DST SA Women in Science Awards 2019 Finalist: Standard Bank Top Women Awards	Department of Science and Technology (DST)	Prof Resia Pretorius (Physiological Sciences)	'Distinguished women researchers in the natural and engineering sciences' 'Top women in science'
NRF awards 2019 and special recognition	NRF	Prof Bert Klumperman (Chemistry and Polymer Science) and Prof Dave Richardson (Centre for Invasion Biology – CIB)	A-ratings for the third time
SAMRC Silver Medal Achievement Award	South African Medical Research Council (SAMRC)	Prof Craig Kinnear and Prof Novel Chegou (Molecular Biology and Human Genetics)	Excellence
Harry Oppenheimer Trust Fellowship Award (R1,5 million over ± 12 months)	Harry Oppenheimer Trust	Shortlisted: Prof Dave Richardson (CIB) and Prof Leon Dicks (Microbiology)	DRD nomination, to be interviewed by the adjudication panel in February 2020
Jennifer Ward Oppenheimer Research Grant Award		Dr Hayley Clements (Centre for Complex Systems in Transition)	Inaugural winner, \$150 000 for her research
Women Global Chair for 2019/2020	Women Global Chair scheme, University of Bath	Prof Soraya Seedat (Faculty of Medicine and Health Sciences)	The scheme invites globally renowned scholars to engage in high-profile research activity
SA Literary Awards (SALA) Book Award: Creative Non-Fiction	SA Literary Awards	Prof Jonathan Jansen (distinguished professor, Education Policy Studies)	Book: <i>As by fire: The end of the South African university</i>
SA Literary Awards Journalism Award	SA Literary Awards	Dr Wamuwi Mbaio (literary critic, cultural studies scholar and lecturer in the English Department)	Body of work
Marloth Medal	Royal Society of SA	Prof Piet Steyn (emeritus professor, Organic Chemistry)	'A highly distinguished career in advancing his discipline, organic chemistry, in the service of science and mankind'
Chairperson's Business Excellence Award 2019	Nedbank	Sara Andreotti, (SU postdoc fellow; a director of SharkSafe Barriers)	Business excellence
DSI-SARIMA Awards: Distinguished contribution to the Research Management Profession Professional Excellence in Research Management Early Career Excellence in Research Management	Department of Science and Innovation/Southern African Research and Innovation Management Association (DSI-SARIMA)	3 DRD staff members: Cornelia Malherbe Clarissa Graham Aslam Arnolds	Contribution to research management in SA
Elected to SARIMA executive committee: SARIMA chair Member		Dr Therina Theron (DRD) Dr Natasha Mothapo (DRD)	
Appointed to CHE	Council on Higher Education (CHE)	Prof Lesley le Grange and Prof Yusef Waghid (Faculty of Education)	

## TOWARDS A NEW CENTURY

Despite the challenges of our time, SU is a place of discovery and excellence, and the RI&PS RC is playing its part to ensure it stays this way. We aim to develop transdisciplinarity as a research strategy and create a holistic approach to solving research questions. To this end we will support our academics through collaborative and capacity-building initiatives required for the successful transdisciplinary formulation and implementation of research actions. We will keep on working to remain a place connected to the world, while enriching and transforming local, continental and global communities.

# REPORT *of the* — VICE-RECTOR — *(Strategy and Internationalisation)*



*Prof Hester Klopper*

Vice-Rector  
(Strategy and Internationalisation) /  
Deputy Vice-Chancellor (Strategy and  
Internationalisation)

The intent of the Strategy and Internationalisation (S&I) responsibility centre (RC) is to highlight the importance of strategy to ensure systemic sustainability and to position internationalisation as a strategic imperative within the University. From an operational perspective, the portfolio focuses on the strategic positioning of Stellenbosch University (SU) to flourish as a twenty-first century university.

The diagram below illustrates the value proposition of the S&I RC with its four divisions: Strategic Initiatives (SI), Information Governance (IG), SU Internationalisation (SUI) and Corporate Communication (CCD).

The role of its four divisions in support of the attainment of the university's strategic objectives can be summarised as follows:

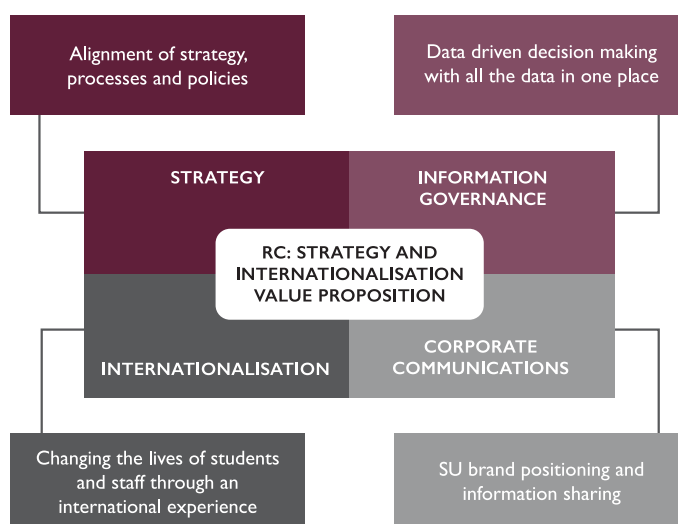
- Aligning Vision 2040 and the Strategic Framework 2019–2024 (with its enabling Strategic Plan) across the university - inclusive of values, characteristics, core strategic themes, strategic institutional objectives, SU's aspirational business plan and performance indicators.
- Changing the lives of our students and staff through transformative international experience (abroad and at home).
- Providing access to integrated data for planning and decision-making.
- Positioning the SU brand as a significant role player in higher education in Africa and internationally, and sharing of information.

## OVERVIEW

Following Council's approval of Vision 2040 and Strategic Framework 2019–2024 in June 2018, the S&I RC focused on crafting a detailed operational plan distilled from University-wide environment plans to deliver on the institution's core strategic themes.

This Strategic Plan 2019–2024 not only enhances optimum alignment of key academic and supporting activities to the institution's overarching strategic objectives and priorities, but also aims to strengthen the University's relevance in the highly competitive and ever-changing national and global higher education market.

One of SU's key focuses is to be globally recognised for its impeccable academic and research standing and to deliver students that are sought after in the global markets. To this end, the S&I RC invested much effort and resources during the past year to expand SU's international partnerships and collaborative networks. This drive is institutionally supported via the implementation of the SU Internationalisation Strategy that has been consulted with stakeholder groupings across the University.





International brand recognition anchored in a visual identity and strategic messaging that optimally articulate the institution's future vision and aspirations have thus become imperative. During the reporting period a brand perception audit was undertaken as part of the brand valuation exercise. It entailed an extensive audit on the perceptions held about the brand among key SU stakeholder groups and facilitated crucial considerations on the brand architecture and on refreshing the brand in a way that will enhance the overall brand value of the institution.

Pivotal to the aforementioned strategies is safeguarding and strengthening the future sustainability of the institution. In the knowledge economy with its strong reliance on data, information is a key asset and valuable resource. In line with this global trend, the S&I RC is in the process of finalising a dashboard of strategic management indicators for the University to track our progress with strategy implementation.

Moreover, the University is acutely aware of unlocking essential resources outside the institutional main budget to execute salient aspects of its transformation plan flowing from Vision 2040 and the Strategic Framework 2019–2024. With due cognisance of the institution's competing priorities, the S&I RC thoroughly assessed and reviewed the regulations governing the University's Strategic Fund. The Rectorate approved the revised regulations on 9 April 2019.

The cross-cutting responsibilities of the S&I RC are intrinsically aligned to support and enhance the six core strategic themes of the University (see page 8). This report will reflect on the activities of the S&I RC during the reporting period in relation to the said core strategic themes.

## A THRIVING STELLENBOSCH UNIVERSITY

### *Crafting and implementing Strategic Plan 2019–2024*

The approval of Vision 2040 and the Strategic Framework 2019–2024 in June 2018 was followed by extensive engagements with the respective responsibility centres, faculties and professional and administrative support staff (PASS) environments. The S&I RC led and coordinated the process of authorising an action plan to operationalise the Strategic Framework. It culminated in the Strategic Plan 2019–2024, which provides guidelines for purposeful actions aligned to the core strategic themes, their implementation, consistent monitoring and ongoing measurement against SU's institutional goals.

This step has enabled SU to advance the strategy uptake across the institution to the next level of integration: aligning the framework for environment plans for faculties and PASS divisions with the Strategic Plan.

To further ensure the broader institutional alignment of key activities with the Strategic Plan, the respective RCs developed environment plans that reflected their priorities for the immediate and foreseeable future. These were integrated into an RC Environment Plan that was submitted to the faculties, who, in turn, devised their individual environment plans aligned with the Strategic Plan and the integrated S&I Plan. These were assessed at the Executive Planning Forum (EPF) on 24 and 25 July 2019 and enabled the EPF to identify and agree on the critical priorities that will not only inform the institutional budget for the coming year, but also lay the foundation for current and new multi-year strategic projects that are indispensable to the realisation of the Strategic Framework 2019–2024.

The alignment of the environment plans of the respective RCs, PASS environments and faculties formed the basis of the SU Institutional Plan that was submitted to the DHET in December 2019.

### *Systemic sustainability*

In line with international best practice, the S&I RC approaches systemic sustainability from an economic, ecological and social perspective. This approach is congruent with the University's Policy on Integrated Management of Sustainability.

Pursuant to the approval of Vision 2040 and the Strategic Framework 2019–2024, the S&I RC embarked on an initiative to develop a range of strategic management indicators (SMIs) that will assist the University to monitor and evaluate whether it is still on course in its mission to be the leading research-intensive university on the continent. Council approved a set of SMIs for refinement and implementation for faculties in 2020, with a view to developing a similar set of strategic management indicators for support service environments.

### *Faculty renewal*

As the Faculty of Arts and Social Sciences and the Faculty of Education were at risk of not being sustainable, the SU Rectorate delegated the process of faculty renewal to the Deputy Vice-Chancellor (Strategy and Internationalisation) as a strategic initiative. The SU Council approved the proposed renewal strategies for the two faculties on 2 December 2018. Subsequently, substantive measures have been implemented to place the two faculties firmly on the road to sustainability. (See the reports of the two faculties on pages 88 and 92.)

### *Sustainable academic programme design*

It was decided that a financial sustainability report be included with new programme submission requests. In addition, the S&I RC developed a quantitative management model with appropriate parameters, which can be configured to approximate the financial dimensions of the proposed programme. In the year under review, sustainability reports of 14 new programme submissions at SU were compiled. The distribution of the programmes are as follows:

SUSTAINABILITY REPORTS FOR NEW PROGRAMME SUBMISSIONS IN 2019	
Type of programme	Number of programmes
Bachelor's	2
Advanced Diploma	2
Postgraduate Diploma	7
Master's	2
Doctoral	1

### *Implementing revised regulations for the SU Strategic Fund*

The S&I RC focused on the review and amendment of the regulations governing the University's Strategic Fund. The Strategic Fund focuses on initiatives that are aligned with SU's vision, mission and core strategic themes, as outlined in Vision 2040 and the Strategic Framework 2019–2024, but that cannot be accommodated in the University's main operational budget.



It provides for three categories of applications: Strategic initiatives that have a direct impact on the realisation of SU's vision; large cooperative transdisciplinary and cross-faculty research projects with exceptional potential to position SU as a world leader in a particular field of research; and strategic appointments aimed at promoting and accelerating diversity at all levels of the University.

The Strategic Fund received 61 applications for consideration in Round 1 of 2019. Of these, 12 related to strategic appointments, five to large cooperative strategic projects, and 44 to strategic initiatives. The Strategic Fund Committee allocated just under R318 million across the various categories in 2019.

### ***Crafting a focused SU Internationalisation Strategy***

The S&I RC made a concerted effort in 2019 to integrate an international and intercultural dimension into all aspects of the University, guided by SU's values of excellence, compassion, accountability, respect and equity. After extensive consultations with internal stakeholders, the Rectorate formally approved the SU Internationalisation Strategy on 27 August 2019.

Based on its stellar research performance and formidable research capacity, SU was invited in May 2019 to join the Global Alliance of Universities on Climate (GAUC) with the goal of collaboration on promoting measures to support the United Nations conventions on climate change and Sustainable Development Goals.

GAUC's mission is to advance climate change solutions through research, education, and public outreach, and to partner with industry, non-profit and government organisations to promote rapid implementation from local to global scales. GAUC pursues this mission by promoting exchange and cooperation among member universities and providing leadership to global higher education efforts addressing climate change. Individual members of the Alliance must have a firm and institution-wide commitment to green initiatives across the spectrum of their operations.

### ***Strategically aligning the SU Brand***

Following the approval of Vision 2040 and the Strategic Framework 2019–2024, it became imperative to assess whether the current SU visual identity and strategic messaging optimally articulate the institution's future vision and aspirations. This necessitated an extensive brand perception audit among key SU stakeholder groups as part of the brand valuation exercise.

The results and recommendations of the overall brand valuation process indicated that SU's institutional brand competed with many other internal brands, which not only led to confusion, but also had a significant negative impact on the University's institutional brand. Hence the recommendation for SU to consider switching to a monolithic brand, which was accepted by the Rectorate and approved by the Council prior to being announced to staff at the general staff meeting held on 27 August 2019.

At the close of 2019, the S&I RC embarked on an initiative to refresh the current brand architecture and brand positioning to best reflect the University's future aspirations as captured in the SU Vision 2040 and Strategic Framework 2019–2024.

### ***SU and world university rankings***

Participation in world university rankings provides key indicators of SU's performance in relation to national and international universities. Although SU has a nuanced approach to international rankings – participating in some (like the Times Higher Education (THE) World University Rankings) and taking cognizance of others (like

QS BRICS and CWTS Leiden Ranking) – the S&I RC has been working on deliberate action plans to improve SU's position. For the most part it entails providing the essential and correct information and data applicable to the criteria of the respective rankings. As a consequence, SU has featured significantly better in the latest international rankings:

- SU is ranked third in South Africa out of nine universities on the list, and was placed in position 301–350 on the THE World University Rankings 2019. This places SU in the top 1% of universities globally.
- On the THE Emerging Economies Rankings 2019 SU has improved with 14 places and came 24th out of 442 universities.
- In terms of the BRICS members, SU is credited with being the country's "top riser" among the six leading universities in South Africa.

### ***Compliance with privacy legislation and access to information***

In the year under review, the institution made significant strides in its journey to compliance with the Protection of Personal Information Act of 2013 (POPIA). Based on the input and recommendations of the S&I RC on the revised national Regulations Relating to the Protection of Personal Information (released on 14 December 2018), the Rectorate approved an institutional data privacy regulation that came into effect on 1 March 2019 and holds that our process owners apply and explain how they applied the principles listed therein. As POPIA had not been fully enacted at the time of writing, the Data Privacy Regulation provides for an 18-month implementation period. All environments within the institution must be able to demonstrate compliance with the Data Privacy Regulation by the end of the implementation period (or by the formal comply-by date of POPIA if the national Information Regulator establishes an earlier date).

## **A TRANSFORMATIVE STUDENT EXPERIENCE**

The S&I RC, through the extensive activities of SU International (SUI) with internal stakeholders (faculties and departments) and external partners, actively seeks opportunities for growth and exposure to transformative academic experiences for all students that will enhance their global citizenship and employability.

### ***Study abroad initiatives***

The S&I RC's student mobility programme is key to providing students with a transformative student experience. Through SUI's Study Abroad programme it brings international students to SU and creates an international classroom environment for local students. The income generated through the programme forms the basis for travel bursaries for SU students to participate in outbound student mobility programmes.

To further expand the Study Abroad programme and to ensure financial sustainability for outbound student mobility, the Global Education Centre is entering into student mobility agreements to create a sustainable and growing stream of students studying abroad.

### ***Growing SU's international students***

The S&I RC is committed to growing its international student numbers in a managed way – not only to ensure a portfolio of a diversity of countries, but also to safeguard its revenue base and sustainability.

Resulting from an initiative of the Faculty of AgriSciences, SU partnered with StudyInternational.com to launch a recruitment marketing campaign for prospective international students.

The platform enables international students to find universities and courses all over the world and to read the latest international student news, connecting them with universities that best suit their skills and requirements. The partnership with the UK-based organisation gave SU an opportunity to tap into unexplored student markets like Mexico, Saudi Arabia, India, Brazil, Peru and Chile.

In 2019, international students represented 11,2% of the student body. The table on page 57 reflects the composition and size of the student body by nationality.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

The S&I RC is working purposefully to position SU as a significant role-player in higher education on the continent and to strengthen our global reach by collaboration, engagement and building networks through which SU can make an impact and be impacted as a learning institution. In this regard, the S&I RC is deliberately pursuing the expansion of collaborative networks with academic and research partners in the BRICS member states, with a specific focus for now on India and China. Moreover, following the recommendations of the Partnership Review (reported on previously), the S&I RC is concentrating on further deepening and enhancing relationships with institutions that share SU's research-driven mission. Among the latter are the universities of KU Leuven, Bath and Coventry. The S&I RC had intensive engagements with visiting delegations from these institutions in the course of 2019.

Some of the more substantive engagements with international networks are discussed below.

### *South Africa Sweden University Forum (SASUF)*

We hosted the second South Africa-Sweden University Forum (SASUF) Research and Innovation Seminar in parallel with the SASUF Leadership Summit on 9 and 10 May.

The SASUF Research and Innovation Seminar brought together more than 450 researchers and representatives from funding agencies, industry, and members of government from South Africa and Sweden to explore innovative ways to address challenges related to climate change, education, health systems, society, sustainable urbanisation, and cyber security through research, innovation and collaboration.

The SASUF Leadership Summit was a gathering of the vice-chancellors and deputy vice-chancellors of the 36 universities in South Africa and Sweden represented in the Forum to determine the way forward and to further strengthen collaboration in education, research and innovation across the research themes that formed the agenda of the Research and Innovation Seminar.

### *Stellenbosch International Academic Network (SIAN)*

A significant part of the S&I RC's internationalisation efforts focuses on multilateral alliances, bilateral partnerships and international collaboration with partners that support the University's quest to provide transformative scholarship to all its students and staff. SIAN is a key platform to this end.

The annual SIAN meeting took place from 9 to 12 April 2019, and aimed to showcase SU as a study-abroad destination by bringing together new and existing partners for a week of networking. SU welcomed 28 delegates from 24 institutions and 16 countries to SIAN in 2019.

## *Going Global Conference*

The annual Going Global Conference on higher education provides an excellent global platform to pursue and expand the S&I RC's internationalisation efforts. In the past year it took place in Berlin and was attended by more than 950 higher education and business leaders from 85 countries.

### *BRICS Universities League (BRICS UL)*

SU has MOUs in place with universities in Brazil, Russia, India and China, which mainly provide for student and staff mobility programmes and partnerships in presenting summer schools, with little attention to collaboration in research. Of late, the USB, our business school, has entered into an array of bilateral partnerships with institutions across the BRICS countries to expose future business leaders to the challenges and opportunities of the BRICS economies.

### *ACU Development of Early Career Researchers*

Early career-researchers and academics are crucial to the long-term vitality of teaching and research, and to the future of universities worldwide. They are the next generation of teaching staff, of cutting-edge innovation and research leadership, and are a valuable resource to be nurtured and developed. This is a pertinent focal point for SU in ensuring that it will be Africa's leading research-intensive university by 2040.

The RC S&I therefore actively seeks opportunities to link-up with institutions on the continent with a similar mission to create the environment that enables these early career researchers to thrive amidst the unprecedented pressures of soaring enrolments which leaves emerging academics struggling with heavy teaching and administrative workloads.

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

In our quest to strengthen our global presence and to provide all our graduates with the skills and attributes sought after in the international knowledge economy, the S&I RC is committed to networked and collaborative research, teaching and learning through the creation of communities of learning locally, regionally and globally. It keeps SU at the cusp of innovation, new research and technological methodologies, and pioneering thinking.

For instance, with the overarching aim to engage with international institutions in the broad field of data science in support of SU's intention to establish the Stellenbosch School for Data Science and Computational Thinking, Prof Wim de Villiers, Rector and Vice-Chancellor, led a delegation from SU to visit Northwestern University, the University of Illinois at Urbana-Champaign, Stanford University and the University of California Berkeley, in October last year. As a result, several of the best practices observed during the visit could be used in the establishment of the School for Data Science and Computational Thinking (see page 38).

## RESEARCH FOR IMPACT

In support of SU's quest to be the research leader on the continent, the S&I RC is intensely involved in the development of the research agenda derived from our values, societal needs and our sustainability imperative.

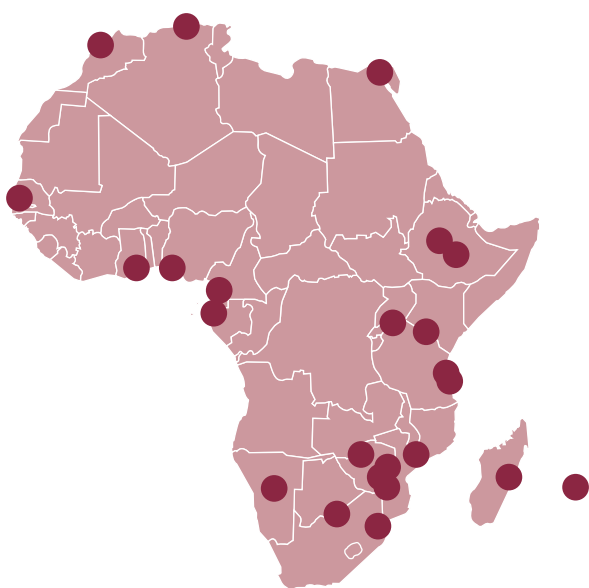
## *African Research Universities Alliance (ARUA)*

SU plays an active role in the management structures of ARUA, a network of 18 universities from different countries and different historical backgrounds, but with a common vision to expand and enhance the quality of research done in Africa by African researchers.

SU also hosts the ARUA Centre of Excellence (CoE) in Energy, and collaborates with leading universities in Africa across a number of other themes.

## *Launch of SU Africa Platform*

The myriad of academic activities managed by S&I's Centre for Collaboration in Africa has necessitated the creation of a digital platform that makes essential information easily accessible to all internal and external stakeholders of the extensive SU network of collaborations. SU currently has more than 120 collaborative projects in 30 countries on the African continent with approximately 100 institutions where good scholarship is facilitated through our research programmes and established network of teaching and learning.



*SU currently has more than 120 collaborative projects in 30 countries on the African continent*

The SU Africa Platform ([www.sun.ac.za/english/AfricaSU](http://www.sun.ac.za/english/AfricaSU)) provides information on study opportunities for students beyond South Africa's borders; mobility grants for staff and postdoctoral fellows aimed at strengthening SU's African partners; SU's engagement in Africa through the African bilateral agreements with 26 fellow African education institutions and the opportunities that it provides; as well as key information to the academic community.

## *African Centre for Scholarship (ACS)*

ACS aims to develop new and emerging scholars in Africa in order to contribute to the development of the continent and its people through connecting scholars globally and creating opportunities for research in the HE teaching and learning development.

Through the ACS, the S&I RC is involved in establishing networks on campus and internationally to strengthen our reach and contribution to the academic and research programme of the University. Among these count the Stellenbosch-Bath-Fort Hare staff PhD development programme in Economics, the Stellenbosch School for Data Science and Computational Thinking, and the Centre for Learning Technologies to collaborate on a pilot course for the Africa eLearning programme

## *African Doctoral Academy (ADA)*

The ADA, which resorts under the African Centre for Scholarship (ACS), celebrated the tenth year of its existence in May. It had been established in 2009 as part of the Faculty of Arts and Social Sciences, but moved to SUI in 2014 to serve the wider institutional purpose to strategically support, strengthen and advance doctoral training and scholarship on the continent across disciplines. Through its annual summer and winter schools the ADA has presented 210 workshops, attended by 4 526 participants from 53 countries.

The tenth Annual ADA Summer School attracted 218 delegates who participated in 19 workshops. A total of 400 participants attended the 17 workshops of the ADA Winter School this year, making it the best attended school in the past 10 years.

## EMPLOYER OF CHOICE

### *Professional Academic and Support Staff training in Internationalisation*

Six support staff members formed part of the S&I RC's first Support Staff Development Programme in close collaboration with the HR Division. After preparation sessions in Stellenbosch, the group participated in a visit (6 to 13 October 2018) to the KU Leuven, Belgium, and the University of Leipzig, Germany, for training workshops in internationalisation and to work with their counterparts at the host institutions. The Programme aims to become a formal part of the staff development initiative at SU.

### *Erasmus+ Programme*

The S&I RC has been an active participant in the Erasmus+ Programme via the activities of SUI. This grant programme, supported by the European Union (EU), aims to support staff and student mobility between bi-lateral partner institutions within the EU, as well as between a university in the EU and a bilateral partner elsewhere in the world. It has facilitated an extensive programme of incoming and outgoing mobility opportunities for SU staff members and colleagues at our participating counterparts abroad.

In the reporting period, 20 academic staff members across various disciplines at overseas higher education institutions had the opportunity to participate in the academic and research programmes at SU, and 15 staff members of SU's PASS environment visited universities abroad.

## TOWARDS A NEW CENTURY

The S&I RC has made significant strides during the reporting period through its multi-faceted and cross-cutting focus to ensure that SU remains firm in its mission to be the leading research-intensive university on the continent and to be globally recognised for its academic and research excellence. With its focus on strategy integration and alignment, the S&I RC has ensured optimum coherence of the core activities of the University, laying a firm foundation for future institutional cohesion and systemic sustainability.

# REPORT *on* RISK EXPOSURE, EVALUATION *and* MANAGEMENT

Risk management at Stellenbosch University (SU) is a dynamic process that continues to mature. One year into the University's new Strategic Framework 2019–2024 has already seen steps taken to ensure a thriving SU. Showing foresight, the University is expanding its risk management function to include all business processes. In addition, our risk assessment has been improved by introducing risk velocity as a new risk perspective. However, over the years, a number of stubborn risks that seem impervious to mitigating actions, the so-called 'permanent risks', have emerged.

## PERMANENT RISKS

Every risk has a unique lifetime, from its identification to assessment to mitigation to reporting and eventually to closing. Closing a risk does not mean that the risk stops existing but rather signifies that mitigation actions were completed and that management is confident that best practices are being followed.

However, SU experiences exposure to risks that are inherent in our business and within our risk appetite but beyond our institutional ability to mitigate completely. Despite best practices to manage exposure downwards, the residual exposure for a number of risks remains prevalent. Such risks are seen as permanent risks, and the risks that currently fit this characteristic are as follows (in alphabetical order):

- Criminal activities targeting members of the campus community
- Gender violence
- Harmful substance abuse as a risk for student wellness
- Inadequate cybersecurity and information integrity and compliance
- Information technology vendor dependency and escalating costs
- Institutional compliance with laws, regulations and supervisory/regulatory requirements
- Predatory publications and research practices
- Reputational risks as a result of association with spinout companies
- Revised formula for government funding
- Student fee regulation by government
- Sustainable maintenance of ageing physical facilities

These risks will remain on the risk register for the foreseeable future.

## HOW WE MANAGE RISKS

In 2015, Council adopted the Risk Management Policy, which laid the foundation for an enhanced risk management framework for the University. The framework, implemented in 2017, embeds risk management into all operational levels of the University under the supervision of the Director: Risk Management and Campus Security in the Facilities Management Division. According to this framework, risk management supports institutional management processes, with risk owners continuously capturing risks in the University's electronic risk register for managerial oversight. Each risk logged into the electronic risk register is linked to one or more strategic objectives of the University's Strategic Framework 2019–2024.

Following the publication of the *King IV Report on Corporate Governance for South Africa 2016*, the lines of combined assurance were expanded from three to five, namely management, oversight, independent assurance, external audit assurance, and oversight assurance providers. These roles have since been clearly identified and implemented at SU, contributing

to improved and more efficient risk management and control. The Financial Controller is responsible for linking the risk register with the combined assurance report and provides status and progress reports quarterly to the Chief Operating Officer and at all the Audit and Risk Committee meetings.

Risks that require institutional managerial oversight are referred to the responsibility centres' respective risk management committees for detailed discussion, followed by the Rectorate's Risk Management Committee where the cross-cutting risks benefit from comprehensive analysis and management. In this way, the Rectorate manages the high-order institutional risks with increasing agility while maintaining oversight over the remaining approximately 129 risks recorded in the University's risk register. The risk register is attached to the Rector's risk management report that serves before the Audit and Risk Committee of Council.

## VELOCITY AS A NEW RISK PERSPECTIVE

SU evaluates all risks in the risk register through a multi-assessment process. The first, preintervention assessment is done by the risk owner, who is expected to consider the probability of a risk event occurring, the expected timeline of events and the historical occurrence of similar risk events. The second, residual assessment is aimed at determining the extent to which intervention has lessened exposure. SU recently also added a third step: considering the velocity of the risk (i.e. the time to impact). This multi-assessment process serves to highlight those risks that need to be prioritised in order to reduce exposure.

Future risk reports will include risk velocity as well as mitigating risk controls.

## BUSINESS CONTINUITY PLANNING

SU is steadily maturing its risk management function towards full integration with business processes. A two-person task team was appointed by the Chief Operating Officer to oversee existing business continuity planning.

In the year under review, the development of a business continuity plan to supplement the risk management function continued. A comprehensive process database is being developed to list all institutional processes. The business continuity assessment for each identified process has also begun. Thereafter, all processes will

undergo a multistep prioritisation phase that will serve as the basis for business interruption and continuation planning. The process database will be updated annually, with regular repeat assessments.

The management of risks relating to the hosting of events gained momentum during the past months with the appointment of an events risk manager, Mr Brandon Como, in line with the provisions of the Safety at Sports and Recreational Events Act, which was promulgated in 2010. This means that SU is better positioned than before to guide and support event owners towards safe and compliant events management.

Risks related to research ethics are managed by the relevant department with oversight and guidance within the responsibility centre Research, Innovation and Postgraduate Studies.

The University's financial risks are discussed in the financial report (see note 27 on page 159).

## RISK ASSESSMENT AND PRIORITISATION

The table on the next page provides an overview of the 16 institutional risks identified as high-order risks after extensive review and cross-consultation. Among these are three newly identified risks (marked with a star) and six risks (marked with an arrow) for which the residual risk exposure has either increased or remained high despite mitigating actions because of external factors beyond SU's control. The remaining seven risks have been mitigated successfully to lower residual exposure levels.

High-order risks of 2018 that were mitigated to lower orders were the termination of National Research Foundation (NRF) incentive funding, our dependency on external vendors to provide software to SU and the sustainability of corporate entities. Risks delegated to responsibility centre heads for oversight are information governance and litigation under the Protection of Personal Information Act of 2013 (POPIA) and new European Union General Data Protection Regulation (GDPR), and staff and student wellness under increased pressure of financial, political, social and personal demands.

  
*Prof Stan du Plessis*  
Chief Operating Officer



## RISK MANAGEMENT ACCORDING TO OUR STRATEGIC THEMES

Theme	High-order risk	Our response	Responsibility centre
A THRIVING STELLENBOSCH UNIVERSITY	↑ <b>Revised formula for government funding</b>	Investigating the financial implications for each university through a working group. Presenting proposals to the Council on Higher Education for advice, which the Minister of Higher Education, Science and Technology will consider before publishing a revised framework.	Chief Operating Officer
	↑ <b>Student fee regulation by government</b>	Evaluating progress in the sector before the next budget and participating in advocacy and remedial actions. Collaborating in sectoral feedback to the Department of Higher Education and Training.	Chief Operating Officer
	<b>Institutional compliance with laws, regulations and supervisory/regulatory requirements</b>	Updating the schedule of legislation relevant to SU with a high-level compliance risk assessment. Drafting a compliance framework. Drafting a compliance risk management plan for higher education and for information sharing. Adjusting the compliance policy to accommodate current regulations.	Rector
	<b>Sustainable maintenance of ageing physical facilities</b>	Integrating sustainable maintenance with the Campus Renewal Project (CRP) and extending the Project to 2027 with an increased budget. Enhancing capacity through the internal transfer of a senior project manager to the CRP, and the sourcing of a project management consultant for Property Services to assist with upgrading projects.	Chief Operating Officer
	★ <b>Insurability of assets</b>	Implementing mitigation measures and plans provided by the insurer. Installing fire alarms and fire walls in all buildings.	Chief Operating Officer
	<b>SU houses on experimental farms</b>	Providing houses on farms for essential staff only. Developing criteria for staff who need to be accommodated in farm houses and phasing out housing for students and for staff not satisfying the criteria. Implementing a new written lease agreement that clearly sets out the circumstances and the terms upon which the agreement is terminated and the lessee is required to vacate the house.	Chief Operating Officer
	<b>Radiation-related incidents and regulatory compliance</b>	Renewing the radiation safety specialist's contract to manage and improve the Radiation Safety Management Programme (RSMP) at SU. Establishing a dynamic Radiation Safety Committee to support the radiation safety specialist in maintaining a comprehensive RSMP.	Chief Operating Officer
	↑ <b>Inadequate cybersecurity and information integrity and compliance</b>	Improving our monitoring and enforcing compliance. Strengthening our security function capability in the Information Technology Division. Revising the budget model. Running awareness campaigns to promote user defensibility. Investing in better information technology defence mechanisms for the detection of threats and risks. Improving institutional data storage and protection. Strengthening our defensive capabilities through the Identity and Access Management Project over time.	Chief Operating Officer
	<b>Copyright infringement on third party platforms</b>	Communicating with infringing third parties and taking appropriate action. Contracting Custos Media Technologies to assist in detecting and managing copyright infringement by external parties. Sending strong messages to students about copyright infringement. Amending the University's official documentation for application for admission to a programme and registration as a student to include clauses setting out terms and conditions regarding ownership of content created by students as part of their studies undertaken at SU.	Chief Operating Officer
	<b>Exposure to building and mountain fires</b>	Placing a group of diverse expert stakeholders on standby as a contingency committee for fire management. Developing and initiating a management plan for the mountain terrain. Appointing a consultant to manage fire designs and evacuation planning for Property Services. Completing fire risk mitigation projects for roof spaces and maintaining a maintenance contract for alarms.	Chief Operating Officer



## RISK MANAGEMENT ACCORDING TO OUR STRATEGIC THEMES

Theme	High-order risk	Our response	Responsibility centre
A TRANSFORMATIVE STUDENT EXPERIENCE	<b>Implementation of the revised bursaries and loans model*</b>	Integrating SU and National Student Financial Aid Scheme (NSFAS) data to provide a real-time view, ease the administrative burden on the financial aid office and improve the communication with student beneficiaries. Revising and redesigning current bursary processes to create a high level of student satisfaction with the services provided. Specifying business requirements for the Information and Technology Systems Renewal Project to support the redesigned bursary and loan processes and to address current challenges. Harnessing data analytics and operational dashboards to complement and improve institutional financial aid management processes. Implementing internal controls and submitting to formal, external audit reviews to ensure continuous improvement. Developing external funding to replace institutional funds.	Vice-Rector (Learning and Teaching)
	★ <b>Harmful substance abuse as a risk for student wellness</b>	Running a 24/7 call centre throughout the academic year to support students at risk. Hosting 'Difficult Conversations', focusing on all the negative aspects affecting residence life, including substance and alcohol abuse. Running of annual campaigns by the Centre for Student Counselling and Development to raise awareness of the negative effects of substance and alcohol abuse. Reviewing the Policy on Substance Abuse with all relevant stakeholders in order to integrate the Alcohol Policy. Hosting a major campaign on substance and alcohol abuse in the fourth term of 2019. Empowering newly elected student leaders to deal with mental health and substance abuse issues through the promotion of the University's values (see below) as a vehicle towards changing behaviour.	Vice-Rector (Social Impact, Transformation and Personnel)
	★ <b>National Credit Amendment Bill*</b>	Requiring a signed surety for all student loans entered into. Informing students and sureties of the monthly instalments at inception of the loan via a quote and pre-agreement. Including terms and conditions for both the student and the surety as part of the new loan contract. Considering the effect of the new National Credit Amendment Bill.	Chief Operating Officer
EMPLOYER OF CHOICE	↑ <b>Gender violence*</b>	Establishing a task team to investigate gender violence after 'EndRapeCulture' demonstrations in 2016. Implementing an institutional policy on sexual harassment and protocol regarding the management of discriminatory practices. Offering courses developed by the Equality Unit, Transformation Office and Employment Equity Office to raise awareness of a culture of gender violence. Following up the 2017 Staff Culture and Climate Survey in 2019, including questions about gender equality and justice, and implementing actions indicated by the survey. Six Joint Working Groups to combat gender-based violence had been established. A rectorate member serves in each of these groups. Planning a follow-up opinion poll based on the 2019 Staff Culture and Climate Survey to establish progress and identify further actions in 2020.	Vice-Rector (Social Impact, Transformation and Personnel)
NETWORKED AND COLLABORATIVE TEACHING AND LEARNING	<b>Sustainability of our blended learning academic delivery model*</b>	Finalising the report of the task team on blended learning. Consulting with deans and vice-deans (Learning and Teaching) and workshoping with all stakeholders. Developing SUNOnline further and enhancing the capacity of the Centre for Learning Technologies to assist lecturers with designing short courses, modules and programmes. Launching selected short courses and programmes. Developing a business plan for Council funding regarding the licencing fees of software.	Vice-Rector (Learning and Teaching)
PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS	↑ <b>Association with spinout companies*</b>	Amending contract negotiations to include clauses mitigating reputational risk to the University. Ensuring an Innovus representative director on the spinout companies' boards of directors. Reporting regularly to the Innovus Board of Directors and the Audit and Risk Committee of Council.	Chief Operating Officer

**VALUES > Excellence • Compassion • Equity • Respect • Accountability**

\* These risks affect our systemic sustainability

★ New risk

↑ Risk with heightened residual exposure despite mitigating actions

## APPENDIX: RISKS RELATED TO THE COVID-19 PANDEMIC IN 2020

Since early March 2020, Stellenbosch University has operated under unprecedented uncertainty. The Covid-19 pandemic and the national policy response to the risk posed by the virus to public health has led to the disruption of our academic programme and the closure of four of the University's five campuses. The Faculty of Military Science is excepted because military activities are categorised as essential services. Despite this disruption, the management of SU is committed to delivering the successful conclusion of the 2020 academic year, while giving priority to the health and wellbeing of students and staff. The table below summarises the institutional response to the Covid-19 pandemic.

Stellenbosch University manages unexpected and disruptive events by constituting an appropriate Contingency Committee, with participation by SU Senior management and colleagues from the divisions within the university affected by the disruption. On 4 February, therefore, the Rectorate established a contingency committee led by SU's Vice-Rector: Research, Innovation and Postgraduate Studies, Prof Eugene Cloete to manage the impact of the crisis pro-actively. The committee was made up of various experts, including staff from the Centre for Infectious Diseases and the Division of Medical Virology in our Faculty of Medicine and Health Sciences, the South African Centre for Epidemiological Modelling and Analysis on our Stellenbosch campus, our Campus Health Services and Campus Security. Early decisions by this contingency committee included a travel ban and a communication strategy for students and staff. SU's graduation ceremonies scheduled for the beginning of April were also cancelled.

On 15 March 2020, as the pandemic progressed rapidly in overseas countries, President Cyril Ramaphosa declared a national state of disaster to contain the spread of Covid-19 in South Africa. It included travel restrictions, a ban on gatherings of more than 100 people, and school closures until after the Easter weekend. The Covid-19 pandemic and the associated state of national disaster declared in South Africa presented a more complex disruption and the Rectorate decided to convene an extended version of the usual Contingency Committee structure. An overarching Institutional Committee for Business Continuity (ICBC) led by Chief Operating Officer Prof Stan du Plessis was convened to oversee and synthesise input from 11 (later 12) subcommittees, each focusing on key facets of the University's activities affected by the pandemic. The subcommittees were mandated to make operational decisions in their areas, but decisions with an institutional impact had to be reported to the ICBC where the final decision would be taken. The ICBC also implemented the University's Crisis Communication Plan in collaboration with the subcommittee on communication and the Division for Corporate Communication.

While this contingency structure had the merit of broad participation and inclusion, it became unmanageable, especially with electronic meetings. On 2 April 2020 the Rectorate approved a more focussed ICBC structure served by a Medical Advisory Committee and seven work streams: learning and teaching; staff; communication, social impact and external relations; research; student services; finance and legal; and campus operations. Since the ICBC has a business continuity purpose in addition to the usual management of a major disruption, the focus is explicitly on scenario analysis and the continuity of business processes.

Decisions of the ICBC resulted in the following:

- SU extended the recess period between terms 1 and 2.
- The Registrar's office and the Corporate Communication Division joined forces to arrange the University's first ever virtual conferring of qualifications in absentia for our March/April 2020 graduands by SU's new Chancellor, Justice Edwin Cameron, on Friday 3 April at 14:00.
- Teaching moved to online platforms at the start of the second quarter's academic programme on 20 April.
- Initiatives were launched to provide our students and lecturers with all the information and tools needed to make the most of our online teaching and learning programmes.
- Apart from the University's official Covid-19 webpage, postgraduate students and international students have a dedicated webpage for each group with information regarding the impact of Covid-19 on their programmes and measures instituted to support them.
- The 720 students who were unable to return home for the recess and remained in residences were asked to adhere to strict hygiene protocols and other lock-down regulations. They were supplied with cooking utensils and food parcels by the University in collaboration with various NGOs. The students also receive support from the residence heads, while WhatsApp groups have been formed to keep them in contact with the Centres for Student Communities and Student Counselling and Development respectively.
- SU researchers contributed through various research projects to the fight against Covid-19.
- Protocols for staff have been compiled relating to, among others, sick leave, flexible working arrangements, working from home, possible exposure to the virus, testing and self-isolation, travel, and support services for staff health and wellbeing.
- Through our Division for Social Impact, SU focused on establishing mutually beneficial associations, collaborations and partnerships between the University and external societal partners in government, industry and the various institutions of civil society, as well as the broad Stellenbosch community.
- To prepare the University for this disruption and protect the institution against unforeseen institutional expenses relating to the management of the crisis, Council authorised nearly R105 million to be held in reserve.
- Daily, monthly and annual cash flow projections are adjusted as new information regarding COVID-19 becomes available.

## RISKS RELATING TO THE COVID-19 PANDEMIC ACCORDING TO THE WORK STREAMS

Work stream	Risk	Mitigating actions
LEARNING AND TEACHING CHAIR: PROF ARNOLD SCHOONWINKEL	Student going home to other African countries may not be allowed back into SA	Actions to be logged.
	Students not having web access and computers at home	Estimating the number of students who have left the campus and not having internet or computer access. Negotiating with cellphone companies for zero-rate educational sites. Procuring and couriering loan laptops.
	Students are not equipped to study online	Creating online resources for students on how to successfully study online. Expanding technical support and resources for students. Encouraging faculties to appoint online tutors to assist and support students once the term starts.
	Secure and valid online assessments	Adapting Respondus Lockdown browser for online assessment. Investigating alternative ways of assessment and communication with lecturers. Investigating the use of online proctoring software.
	Online teaching risks	Presenting training, webinars and resources for lecturers. Providing additional support to lecturers once the term starts. Providing tutor training to equip tutors to effectively support lecturers and students.
	Underprepared new entrants in 2021	Submitting the names of stakeholders who could participate in a working group to plan for this scenario. Devising mechanisms to facilitate quick interventions as soon as the NSC results become available. Tabling the recommendations at the ICBC. Informing the campus community accordingly. Upon release of the NSC results, immediately assessing the need to activate intervention mechanisms.
	FMHS senior students course completion risk	Finalising a plan of action.
	Food Security during period of lock-down.	Doing emergency purchases from the Division of Student Affairs fund.
	Student self-discipline during period of online study	Provide academic support to students who lack the discipline to learn online.
	Students returning to campus being infected	Communicating with divisions responsible for practical interventions. Putting strict safety and sanitation measures in place for each building and working space.
STAFF CHAIR: PROF NICO KOOPMAN	SETA funding not receivable for incomplete courses	Rescheduling the yearly training programme calendar. Allowing staff to attend sessions in shorter periods. Adapting the training/assessment sessions. Planning for potential funding losses or renegotiating for completion of programmes.
	Financial risk for staff close to retirement.	Providing the best advice possible to limit losses.
	Wellness of staff following online teaching changes	Monitoring and measuring continually via performance management and opinion polls.
	Risks related to staff working from home	IT help desk supporting staff to meet individual needs. Procuring computer equipment as needed. Establishing training needs and offering training where required.
	Reintegrating staff returning to work	Providing a toolkit for the reintegration of staff. It contains a workflow for managers and staff outlining the actions and responsibilities of both; forms, screening procedures and the procurement process for personal protective equipment; and information on the training of staff, health and wellbeing support for staff, scenario planning and the Coida claim process.
RESEARCH CHAIR: PROF EUGENE CLOETE	Covid-19 impact on research and postgraduate studies	Conducting a survey to assess all contractual or award associated research project risks. Submitting a register of financial risks to the Chief Director: Finance for discussion with SU's insurers. Ongoing consultation with national and international funders on their mitigation of the global crisis and on special permissions to grantholders.

## RISKS RELATING TO THE COVID-19 PANDEMIC ACCORDING TO THE WORK STREAMS

Work stream	Risk	Mitigating actions
COMMUNICATION, SOCIAL IMPACT AND EXTERNAL RELATIONS CHAIR: PROF HESTER KLOPPER	Inconsistent Covid-19 messaging	Establishing a website for Covid-19-related information and updating it regularly. Implementing a risk communication strategy. Establishing websites dedicated to postgraduate and international students each with information regarding the impact of Covid-19 on their programmes and measures instituted to support them.
	Fake news and disinformation	Continuous monitoring. No notable examples of fake news related to SU and COVID-19 have been found up to date.
	Building an institutional change enablement model	Refocusing project plan to address what is possible under current circumstances.
	Embedding values as part of the institutional culture	Investigating possibility of online workshops.
STUDENT SERVICES CHAIR: DR RONEL RETIEF	Poor or skewed FTE enrolments	Appointing a working group to plan for this scenario.
	Possible late start of 2021 if NSC results become available later than usual	Appointing a working group to plan for this scenario and devise mechanisms to facilitate quick interventions as soon as the NSC results become available and the probability of the risk realising is evident. Tabling the recommendations of the working group at the Student Services work stream for recommendation to the ICBC. Informing the campus community accordingly.
FINANCE AND LEGAL CHAIR: MR MANIE LOMBARD	Closure of companies in SU group due to COVID-19 impact on market access	Innovus Board and Management monitoring the situation and acting proactively case-by-case where possible. Keeping companies informed of emerging risk mitigations, for example government and private sector COVID-19 support funds.
	Cancellation of accommodation by students and refunds	Considering discounted accommodation fees. Liaising with accredited provider to consider leniency of sort.
	Cash flow shortages as result of COVID-19 impact	Doing scenario planning and stress-testing of the financial implications flowing from the different work streams as well as the different income and expenditure line-items. Continuously monitoring the composition of the investment portfolios for sufficient cash compared to the required cash flow projections. Continuously evaluating the going concern risks.
	Future income not realising as a result of Covid-19	Doing scenario planning for substantial reductions in income streams, cash flow projections for different scenarios, financial impact analysis for suggestions from other work streams and supply chain impact analysis.
	Non-payment of student fees	Monitoring adherence to payment terms and outstanding fees.
	Default on student loans	Continuous monitoring of outstanding student loans and applying agreed actions, including a legal process for defaults.
	Essential service permits issued in terms of disaster management regulations	Appointing an external service provider to manage and administer the issuing of permits as of 20 April 2020.
CAMPUS OPERATIONS CHAIR: MS NICOLETTE VAN DEN EIJKEL	Student Accommodation safety risks during lockdown	Reporting the risk to insurers.
	Exposing essential services contract staff to Corona infection	Service providers issuing staff with protective gear. Providing service provider staff access to hand sanitisers, soap and water for washing hands.
	Non-completion of large building projects during lockdown	Obtaining legal advice regarding legal claims and their impact.
	IT business continuity in a distributed environment	Arranging affordable mobile data for students. Procuring and delivering user devices as required.





Contextualising boards at the Adam Small Theatre Complex

Visual redress has a direct impact on a changing campus culture by adding new symbols, enhancing strong symbols and removing hurtful symbols. The University wishes to create an environment that is more welcoming to all cultures and allows staff and students to feel at home and flourish.





*The Circle, a bronze art installation on the Rooiplein, depicting ten phenomenal South African women thought leaders and one representing all women that symbolise the future of South Africa and leadership in the past, present and future*



*The sandblasted benches on the central Stellenbosch campus welcoming students, staff and members of the community in 15 languages*





# FACULTY

## *Reports*

Stellenbosch University's ten faculties carry out its core business. Collectively, this core business comprises teaching and learning, research and innovation, internationalisation, and social impact.

Our core business produces beneficial outputs as follows:

- the business of teaching and learning delivers academically qualified students equipped for the world of work;
- the business of research and innovation generates new knowledge essential for the advancement of humankind;
- the business of internationalisation enhances excellence through partnerships and intellectual capital exchange; and
- the business of social impact enables the practical two-way sharing of knowledge with society to the benefit of society and the University.

Eight of the University's ten faculties are on our main campus at Stellenbosch, namely AgriSciences, Arts and Social Sciences, Education, Engineering, Law, Science, Theology and the larger part of Economic and Management Sciences. The rest of the Economic and Management Sciences Faculty is situated on the Bellville Park Campus in the form of the University of Stellenbosch Business School and USB Executive Development Ltd., and on the Lynedoch Campus in the form of the School for Public Leadership. The last two faculties are the Faculty of Medicine and Health Sciences at the Tygerberg Campus and the Faculty of Military Science at the coastal town of Saldanha Bay. Details about these faculties may be obtained on the University's website at [www.sun.ac.za](http://www.sun.ac.za).

# Faculty of AGRISCIENCES



*Prof Danie Brink*

Dean: Faculty of AgriSciences

We remain the top faculty for agriculture and forestry studies in Africa, being ranked among the top 25 in the BRICS countries and among the top 100 globally in the latest QS World University Rankings. This strengthens our resolve to continue offering quality education and conduct applied research in agricultural sciences.

Challenges in the form of political, economic, environmental and technological development and complexity have led to rapid transformation in South African, African and global agriculture to which we are responding through curriculum renewal directed at future-focused student attributes, promoting multidisciplinary research initiatives to drive innovation, and establishing strategic partnerships to strengthen sustainability and increase societal impact.

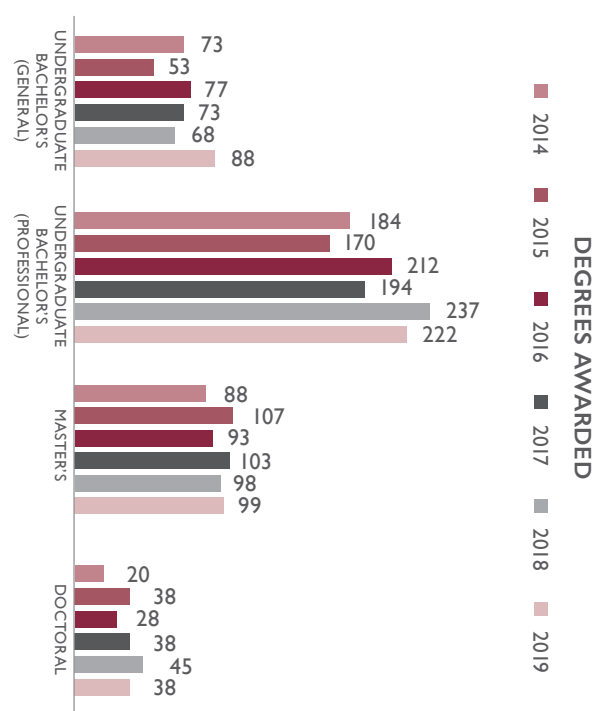
The Faculty remains a key stakeholder in addressing the challenges of South and Southern African agriculture, ensuring that the region's natural resources are utilised and managed ethically and scientifically.

## A TRANSFORMATIVE STUDENT EXPERIENCE

In promoting a transformative student experience, the Faculty has incorporated work-integrated learning as part of the curriculum of programmes such as Viticulture and Oenology, Forestry and Wood Sciences, Conservation Ecology, and Horticulture. A co-curricular programme was initiated in collaboration with USB-ED (University of Stellenbosch Business School Executive Development), to promote 21st-century graduate attributes and to ensure that students achieve their full potential, while the Agrijob portal ([www.agrijob.co.za](http://www.agrijob.co.za)) was launched in partnership with the private sector to act as a career platform for students to access jobs, bursaries and internships in agriculture, agri-business and the agri-food sectors in Southern Africa.

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

The world has become much richer in knowledge in recent years, and networks have responded by becoming an increasingly significant organisational form. The Faculty has embraced this and has, in turn, responded by focusing on a learning-centred approach to teaching, while promoting a holistic understanding of teaching and learning for both staff and students. It actively promotes knowledge sharing





by encouraging students to participate in community activities where staff and students work together to innovate, learn and solve problems. Staff members participate in various activities to improve their scholarship of teaching and learning, and to renew modules on a continual basis. Systematic programme renewal has also continued, with four programmes being targeted for the renewal process in 2019. This allows expansion of our knowledge offering in order to best serve the existing and new student markets, and to ensure that our graduates are well-rounded and able to thrive in a collaborative and networked world.

## RESEARCH FOR IMPACT

The Faculty has responded to rapid changes in agriculture and the related fields by launching new interdisciplinary initiatives on plant health, combining the specialised disciplines of ecology, plant pathology, entomology, virology and weed science; through agro-informatics, the facilitation of the uptake of data science across agricultural value chains and related services; and through post-harvest technologies, expanding the existing knowledge base by means of the incorporation of economics, engineering and food science. AgriSciences is maintaining its focus on postgraduate training, with 782 registered postgraduate students, and 99 master's and 38 PhD graduates in 2019.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

We have hosted a successful high-level colloquium to discuss current and future relationships between academia and industry, in which 25 faculty members, 78 industry representatives and three other universities participated. The event has led to an in-depth review of the value proposition of research and innovation offered by the Faculty and the repositioning of strategic relationships with industry stakeholders.



A panel discussion during the colloquium on the future relationship between academia and industry, led by Dr Pieter Prinsloo (Chair, Commodities Chamber, AgriSA), supported by Nick Dicey (Chair, Hortgro), Piet van Zyl (Managing Director, York Timbers), Francois Strydom (Managing Director, Senwes), Theuns Laas (Red Meat Producers Organisation), Richard Krige (Winter Cereal Trust) and in front Dr Vaughan Hattingh (Chief Executive Officer, Citrus Research International)

The Faculty has made significant inroads in creating African networks, and has formed partnerships with agricultural platforms and institutes in African Union and Southern African Development Community (SADC) countries. Specifically, the Faculty has spearheaded the formation of the SADC Universities Deans of Agriculture Forum. In terms of international networks, the Faculty was invited to present a keynote address on collaboration between European and African Life Science Universities for a sustainable future, as part of the Ninth ICA Rectors and Deans Forum of the European Life Science Universities, at UniLaSalle in Beauvais, France.

## EMPLOYER OF CHOICE

As part of an initiative to develop capacity in scarce skills environments, externally funded positions was established in the departments of Agronomy, Food Science, Forestry and Wood Science, Genetics, and Viticulture and Oenology into which young academic talent, including candidates from designated groups, was attracted. A Research Chair in Weed Science was established in the Department of Agronomy, funded by Land O'Lakes International via Villa Crop. Various members of staff also participated in professional and personal development programs, including management and leadership development.

## A THRIVING STELLENBOSCH UNIVERSITY

We have launched a comprehensive renewal plan for Welgevallen Experimental Farm as part of a drive to improve sustainability and to ensure world-class research and training facilities. It includes the establishment of 20 hectares of vineyards in collaboration with Vinpro and a modernised dairy facility in collaboration with De Hues International. This follows the previous redevelopment of four hectares of fruit orchards. The renewal plan has received financial support to the value of R10 million from the SU Strategic Fund and in-kind contributions from industry. The Faculty is also actively participating in the promotion of entrepreneurship and innovation with dedicated initiatives in collaboration with the Launchlab and Winetech.

## MOVING FORWARD

It will remain a high priority for the Faculty to contribute to the global competitiveness of the South African agricultural sector and related industries through its teaching and research activities and its ability to respond to the unique regional challenges related to climate change and the sustainability of natural resources. The expansion of its impact in Africa through the exchange of regional knowledge systems also provides the Faculty with unique academic opportunities and presents opportunities to its partners and stakeholders. The Faculty's participation in the Agriculture Transformation Initiative in Malawi, with international partners, pays testament to those endeavours.





*Prof Anthony Leysens*

Dean: Faculty of Arts  
and Social Sciences

Through the richness and diversity of its academic project, the Faculty of Arts and Social Sciences is able to contribute to the creation of a thriving Stellenbosch University (SU). We use the arts, languages and social sciences to examine local, regional and global society in all its human dimensions, with a focus on critical thinking, relevant discourses, contemporary challenges, and the breaking down of boundaries between disciplines and conventional notions of identity and practice.

Academically, the Faculty is doing well. In 2019, the Faculty awarded 1 351 qualifications, of which 63 were PhDs – a record number for this academic year – and 176 were master's degrees.

#### AWARDING OF DEGREES

YEAR	UNDER-GRADUATE	HONOURS	MASTER'S	DOCTORATE
2016	707	261	197	52
2017	821	288	193	57
2018	856	305	174	50
2019	749	272	176	63

## A TRANSFORMATIVE STUDENT EXPERIENCE

We prepare our students for a future world of work where technology will no longer augment human capabilities, but may possibly displace them. Fortunately, current research indicates that the future workplace will remain human. Creativity, collaboration, interpersonal and intercultural communication skills and ethical considerations related to advances in artificial intelligence place the humanities at the forefront of educating the new 'soft skills' knowledge worker. This human interface is crucial for innovation and our understanding of changing identities, social movements, governance and the economy, as leading global corporations have come to recognise.

Graduate attributes, as identified by the Organisation for Economic Cooperation and Development, are instilled in our students to ensure that they can respond to twenty-first century challenges by using, among others, complexity synthesis, digital literacy, entrepreneurship, communication, collaboration, problem-solving, critical thinking, empathy and ethical reasoning.

We promote intercultural communication and plurilingualism in our students through our language departments, and have developed multilingual terminology glossaries in Afrikaans, English and isiXhosa for several of our major departments.

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## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

Our Renewal Action Plan responds to the challenges of relevance and sustainability. Academic programme renewal is a top priority. A University Capacity Development Grant of R1 million, secured by the Faculty Programme Renewal Reference Group, has enabled us to initiate fundamental changes to our academic offering and the number of programmes we offer.

Fewer programmes with more choices have been the guiding principle. The BA (Social Dynamics) degree was discontinued and integrated into a broader BA (Humanities), while the foundational information skills module has been redesigned to expose humanities students to digital literacy, computational thinking, algorithms and data science applications. The Faculty is also part of the University's new School for Computational Thinking and Data Science through our departments of Information Science and Philosophy.

More than 60% of our academic staff members have doctorates, which further strengthens our graduate supervision capabilities, and teaching and research excellence. Prof Dennis Francis and Dr Taryn Bernard received the coveted Distinguished Teaching Award, with the former also receiving a Research Excellence Award. Other Research Excellence Award recipients are Dr Alexander Andrason and Profs Ronnie Donaldson, Lindy Heineken, Ashraf Kagee, Johann Mouton, Tony Naidoo, Christo van der Merwe, Anton van Niekerk and Marianne Visser.

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## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS BY FOCUSING ON RESEARCH FOR IMPACT

Research, teaching and learning collaborations and partnerships are vital to maintain and increase our continental and global exposure. In 2019, the Faculty helped secure a grant of R13,6 million from the Andrew W Mellon Foundation for the newly developed Building Capacity for Early-Career Humanities Scholars in Africa (BECHS-Africa) programme. The three-year transnational programme will offer residency for 30 early-career scholars in the humanities to enhance their research agenda, with scholars selected from the BECHS-Africa partner institutions: the University of Ghana, the American University in Cairo, SU, and Washington University in St Louis.

Our research has an impact beyond the University. Research collaboration between Dr Menán du Plessis from the Department of General Linguistics, and the Khoisan community has led to the first extensive documentation of the lost Khoisan language, Kora. The end result is a book completed in close consultation with the Khoisan community of Bloemfontein. Dr Du Plessis' work has been recognised by the Senate Publications Committee of UNISA Press, who awarded her the Hidding Currie Award.

The Centre of Excellence in Scientometrics and Science, the Technology and Innovation Policy and the Centre for Research on Evaluation, Science and Technology under the leadership of Prof Johann Mouton undertake and produce cutting-edge research on science and

higher education, which has had an impact on government policy. The Faculty has two SARChI Research Chairs, respectively focused on the Sociology of Land, Environment and Sustainable Development (Prof Cheryl Walker) and Gender Politics (Prof Amanda Gouws), through which the incumbents and postgraduate students have produced research that is highly relevant for policy development. The Research Alliance for Disaster and Risk Reduction (RADAR) produces policy-relevant research on issues such as droughts and veld fires in Cape Town.

In 2019 our Faculty Board endorsed the establishment of the Transformation Committee as a standing committee. It deals with transformation in all its facets: diversity, visual redress (see pages 63, 82 and 114), disability access and inclusivity. Outside the University, our social impact footprint is extensive and allows us to contribute to issues around citizenship, education, research and well-being in society.

Furthermore, together with our BA Student Committee, we initiated a regular "Talk to the Dean" lunchtime session with an open agenda for students. In future, we will extend this to our alumni to remain fully informed on how our academic offering has contributed to their success and ascertain where we need to improve.

Prof Leslie Swartz, considered one of the most prolific and influential scholars in disability studies, was awarded the 2019 Science-for-Society Gold Medal by the Academy of Science of South Africa for 'excellence in the application of outstanding scientific thinking in the service of society', while the Association of South African Social Work Education Institutions chose Prof Lambert Engelbrecht as the Researcher of the Year and awarded Ms Priscalia Khosa from the Department of Social Work the Emerging Academic of the Year Award.

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## EMPLOYER OF CHOICE

We will continue our work on developing a predictable budget model to ensure more equitable levels of cross-subsidisation. At the same time, it is vital to identify and recruit top-rated scholars to broaden diversity and provide role-model academic leadership, and retain our excellence by promoting top academic performers. Finally, amidst a difficult global funding environment, we must renew our grant-seeking efforts to fund our Graduate School doctoral scholarships.

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## MOVING FORWARD

Through our Arts environments we have implemented initiatives for the optimal utilisation of spaces like the Adam Small Theatre Complex and the Conservatorium for commercial purposes, as well as successfully leveraging the unique talents that exist in our environment. Our Department of Visual Arts has, through Gallery University Stellenbosch and the Stellenbosch University Store, capitalised on commercial opportunities by supplying these stores with the unique creations of our jewellery design students. We also registered two spin-out companies, GeoSmart and SEIN Media.

We are rooted in our African identity, African challenges and African-centred content, but remain abreast of, and linked to, global knowledge production and networks.



*Prof Ingrid Woolard*

Dean: Faculty of Economic and Management Sciences

The Faculty of Economic and Management Sciences is an innovative, values-based faculty that has a significant social impact through academic excellence. We made meaningful contributions in support of Vision 2040 during 2019, and we are extremely proud of how staff and students engaged with the six core strategic themes of the University.

## A THRIVING STELLENBOSCH UNIVERSITY

The economic and management sciences sector of the higher education industry is a highly competitive market. To keep its competitive edge, the Faculty differentiates itself by:

- providing academic programmes of the highest quality and individualised academic support services to ensure high pass rates;
- offering programmes that are strongly aligned to the needs of the world of work;
- offering a learning experience that fully supports learning in both English and Afrikaans at undergraduate level;
- offering research-led teaching and excellence in research with vibrant research centres, institutes and bureaux for enhancing social impact; and
- emphasising internationalisation in its programmes, research and academic collaboration.

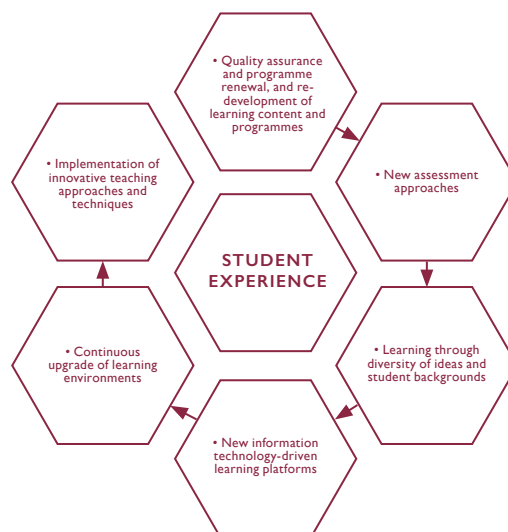
The Faculty has a student-focused approach that contributes substantially to its overall financial sustainability and that of the University as a whole. Almost 1 500 new first-years registered at the beginning of 2019, which was close to the target of 1 550 new entrants. In total, the Faculty had over 9 000 students, 4 300 (43%) of whom were registered for postgraduate qualifications. The main budget income, generated through fees and subsidy, supports the remuneration of two-thirds of the staff, with the remaining one-third supported through other income streams such as research grants and short courses.

The Faculty's operational efficiency is evident from the staff/student ratio standing at 37,8, an increase from the previous year's ratio of 35,2. We aim to keep this ratio from increasing further as we do not wish to compromise the world-class academic offering we currently provide. Despite this challenging student/lecturer ratio, the Faculty awarded 3 138 qualifications in 2019, with 9,8% students graduating cum laude – confirming the outstanding calibre of our students and staff. Of these qualifications, 460 were master's degrees and a record number of 42 doctoral degrees were awarded.

## A TRANSFORMATIVE STUDENT EXPERIENCE

We strive to ensure that all our students participate in a memorable and challenging learning experience that makes them lifelong learners. We constantly review our approach to teaching and learning to ensure best practice, and the diagram below summarises the six key elements of our approach.

### STRATEGIC APPROACHES TO ENHANCE STUDENT EXPERIENCE



In 2019, the Faculty did the following towards achieving these strategies:

- A number of new programmes have been submitted for external accreditation and are currently being evaluated by the CHE or SAQA, namely the Postgraduate Diploma in Strategic Human Resource Management, Postgraduate Diploma in Accounting, Advanced Diploma in Sustainable Development and the bachelor's degree in Data Science. We are confident that these applications will be successful, and the first enrolment will follow in 2021. The Postgraduate Diploma in Financial Analysis and the Advanced Diploma in Public Accountability have received their SAQA accreditation and can enrol students.
- Programme renewal is underway for the BCom (Management Sciences) and general BCom programmes. The planning for the repositioning of the extended degree programme has begun.
- The black African, coloured, Indian and Asian (BCIA) share of the undergraduate student body increased slightly to 26,6% in 2019. This growth is however still very slow and the 2025 target is to grow this figure to 34,4%. At postgraduate level, the BCIA share is at 50% and the Faculty is confident about sustaining and even growing this share.
- In the latter half of 2019, the flexible assessment approach for all undergraduate modules, implemented in 2018, was amended and improved. This model has supported the shift towards a learning-centred teaching and learning philosophy with students taking responsibility for their learning. Other benefits of the flexible assessment approach are a decrease in students' assessment load, enhancement of students' learning experience through various assessment methods, and an increase in student success, as all students have access to all assessment opportunities. No significant drops in average pass rates were evident after the implementation and the Faculty is proud to report an average module pass rate of 82,2% for first-years; 82,7% for second-years and 83,7% for third-years.
- The Campus Renewal Project on the Bellville Park Campus (BPC), which started in September 2017, neared completion in 2019 and the last part of the R140-million facility upgrade will be completed by 31 March 2020.
- On the Stellenbosch Campus, the lecture halls on the ground floor of the Schumann Building were upgraded.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

The Faculty has strengthened its internationalisation of GEM and STEM (our PhD schools) through PhD partnership programmes with international universities. In 2019 we submitted a successful grant application to the DHET for a collaborative staff PhD programme with the universities of Bath (England) and Fort Hare.

The Business School (USB) has a very strong internationalisation strategy. Another highlight was the signing of an agreement for an academic and research partnership with the France-based SKEMA Business School. In December 2019, the Council of the European Foundation for Management Development granted the USB a full five-year reaccreditation, confirming the high regard in which the network of 954 members across 92 countries holds the Business School.

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

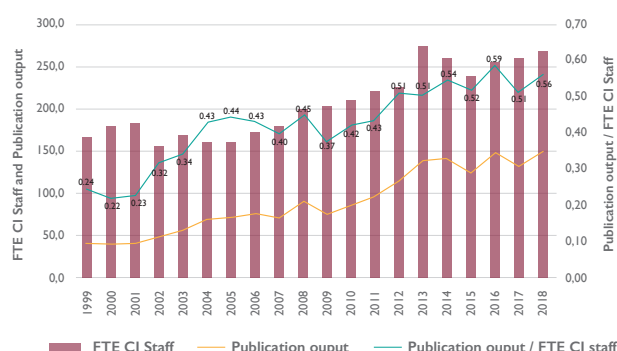
The first cohort of 20 BCom (International Business) students graduated in December 2019. This niche programme is gaining momentum and has quickly established itself as a flagship programme in the market. It is projected that 60 students will be taken in per annum by 2021.

Hybrid learning (HL) experiences – where online platforms are combined with traditional class contact sessions – were expanded. These platforms create a transformative student experience where students are actively integrated into the classroom experience through an online solution. The new Diploma in Strategic Human Resource Management, with its first intake in 2021, will be one of SU's first hybrid learning programmes.

## RESEARCH FOR IMPACT

The Faculty's research output per staff member has almost doubled over the last 20 years (see diagram below), and appears to have stabilised well above the Faculty target of 0,5 units per full-time equivalent number of academic staff. Our research output should however not be evaluated in quantitative terms only, but also in terms of its socio-economic impact. Our researchers have made significant contributions in areas of national interest such as the improvement of secondary education, health-care provision to impoverished communities, urban development, inequality, sustainability and energy security. In recognition of these contributions at national level, the number of NRF-rated researchers in the Faculty has doubled from 18 in 2011 to 36 in 2019, while a further four researchers obtained their ratings in the first round of 2020.

RESEARCH OUTPUT PER FULL-TIME EQUIVALENT RESEARCH STAFF MEMBER



## EMPLOYER OF CHOICE

The Faculty will undertake an institutional climate survey among staff to gain insight into their experiences regarding the Faculty as their employer of choice. Ways to measure the participation of staff in transformational activities and social impact projects are also being investigated.

The Faculty continues to experience difficulties with enhancing staff diversity. Currently 30,1% of permanently employed staff are from the BCIA groups. This figure represents a disappointing 16% of academic staff, and only 6,5% of appointments on post level 6 and higher. In terms of gender, female staff on post level 6 and higher comprise 36,9%, which is somewhat low when compared to the Faculty's total number of female staff, namely 61%. However, during 2019 excellent progress was made to recruit staff from these underrepresented groups. This was done through a faculty recruitment fund, and in 2020 further funding was also received from the institution to keep the momentum of this project.

### NEW RESEARCH CHAIR AWARDED TO PROF JOSEPHINE MUSANGO

The Faculty gained a third SARChI chair when Prof Josephine Musango was awarded a research chair under the SA-Africa-UK Trilateral South African Research Chairs Initiative (SARChI). Prof Musango will collaborate with Dr Amollo Ambole of the University of Nairobi in Kenya and Dr Fabrizio Ceschin of Brunel University in London to develop and advance evidence-based gender mainstreaming as a strategy to achieve energy security in poor urban societies.





## Faculty of EDUCATION



*Prof Mbulu Madiba*  
Dean: Faculty of Education

During the past year, the Faculty of Education's vision of being acknowledged and respected unequivocally as a leading and engaged research-driven education faculty has compelled it to embark on a renewal and optimisation journey. The appointment of its new dean, Prof Mbulungeni Madiba, who started his term of office on 1 September 2019, has provided the faculty with much-needed leadership for the continued implementation of the resulting renewal strategy.

### A THRIVING STELLENBOSCH UNIVERSITY

To ensure sustainability, the Faculty of Education has continued with the implementation of its renewal strategy, which aims to restructure the faculty, streamline expenditure, pursue third-stream income, and utilise its existing strengths in a collaborative, cross-cutting and trans-departmental fashion to achieve its strategic goals.

The move of the Department of Sports Science to the Faculty of Medicine and Health Sciences was completed in 2019, which presented an opportunity for the restructuring of the Faculty in terms of academic considerations. The implementation of new approved programmes – the result of a programme renewal process undertaken in line with national education policy since 2011 – continued in 2019 and is almost complete. Lecturer reflection and student feedback prompted the Faculty to engage in quality assurance activities to optimise student development and learning opportunities.

The Faculty also engaged in environmental scanning in order to develop a proactive, agile and adaptive approach to current and future educational challenges, such as the so-called Fourth Industrial Revolution. One such example is the development of a new module on digital literacy in the BEd Honours (Language Education) programme, which will run from 2020.



## RESEARCH FOR IMPACT

The Faculty of Education takes its mission to make an impact through research very seriously, since education in South Africa can only be improved through research that focuses on addressing current educational issues. Our various departments published 52 articles in accredited journals, five books and 41 chapters in books, and delivered 25 master's and 14 PhD students in 2019. Several scholars in the Faculty were honoured for their contribution to research. Prof Lesley le Grange received the prestigious South African Education Research Association (SAERA) Honours Award. Profs Nuraan Davids, Lesley le Grange, Magda Fourie-Malherbe and Yusef Waghid were recipients of the 2019 SU Research Excellence Awards. The Faculty maintained its publication rate of 2,8 articles per academic staff member.

## TRANSFORMATIVE STUDENT LEARNING EXPERIENCE

The Faculty adopted a strategy of gradually increasing undergraduate enrolments, chiefly through the increased enrolment of African students, and optimising postgraduate enrolments in accordance with the capacity of the Faculty. While the diversity of first-time enrolments has shown a steady improvement, there is still a worrying lack of African students enrolled in the BEd programmes. This is particularly of concern for the BEd Foundation Phase programme where learners are expected to learn in their mother tongue, which is often isiXhosa. The Faculty undertook various actions to broaden access by attracting, retaining and promoting successful throughput of particularly black isiXhosa-speaking students.

Staff continued to work tirelessly to implement five accredited BEdHons blended/hybrid learning programmes, covering the fields of Education Development and Democracy, Educational Support, Language Education, Foundation Phase Education and Curriculum Inquiry. Since 2017, more than 500 postgraduate students have enrolled in these programmes. Plans are under way to develop a postgraduate supportive platform which aims to facilitate effective recruitment, selection, pre-admission preparation, skills development of students and supervisors, as well as provide a better springboard for internationalisation and soliciting of funding.

## PURPOSEFUL PARTNERSHIPS

The Faculty plans to ensure mutually beneficial links with stakeholders with a primary focus on the WCED. Representatives from the WCED and SU discussed the potential development of a new qualification for extended education training of co-curricular staff in WCED schools. This new qualification will be developed in the Department of Educational Psychology. The Faculty is exploring creative solutions with other faculties and universities in the region to curb expenditure on low enrolment modules.

The Faculty continues to advance knowledge in service of society through partnerships developed through the Stellenbosch University Centre for Pedagogy (SUNCEP) and the Centre for Higher and Adult Education (CHAE). The CHAE remained true to its initial focus on teaching and learning in higher and adult education settings, and their work evolved to include a strong focus on postgraduate supervision, doctoral education, and student success in higher education.

With regard to SUNCEP, various projects and activities were conducted in 2019 to improve teaching and learning in schools. In the Teacher Professional Learning (TPL) component, SUNCEP presented the Advanced Diploma in Education (ADE) to more than 195 teachers in Mathematics and Physical Sciences. The Learner Enhancement (LE) component supported learners in their preparations for their Grade 12 NSC examinations with the goal of improving their chances of gaining access to tertiary education. Some of these learners were able to achieve a mark of above 90%, with one learner scoring as high as 97% in Physical Sciences. Overall the cohort also earned a number of distinctions. In addition, a total of 97 learners completed the SciMathUS programme, which offers learners a second opportunity to improve their NSC results in specific subjects, enabling them to re-apply for university programmes. The NSC results for this cohort showed that students attained an average of 68,9% in Mathematics, an average of 76,9% in Physical Science and an average of 69,7% in Accounting. Subsequently most of these students were accepted to study at SU.

## MOVING FORWARD

The Faculty will continue its work to be characterised by its significant research profile, its focus on SU lecturer aims to produce culturally responsive educators.



*Dr Zelda Barends (third from the right) implemented a Social Impact project aimed at improving foundation phase teaching and learning. The "I Can Read" project aims to bridge the gap between the world of theory and practice for student teachers. It also adds to the development of student teachers by promoting context-responsive teaching. Through the programme, student teachers provide home language support activities focusing on phonics and word building (two of the core components for reading skill development) to learners in certain aftercare facilities in the Greater Stellenbosch community.*



## Faculty of ENGINEERING



*Prof Wikus van Niekerk*  
Dean: Faculty of Engineering

The Faculty of Engineering celebrated its 75th year of existence in 2019 and also did a substantial amount of preliminary work for programme renewal. We made good progress with increasing the diversity of students and staff, and appointed a number of new lecturers; also and especially from the designated groups. The Engineering Campus Renewal Project is well underway.

### A TRANSFORMING STUDENT EXPERIENCE

In the course of the past 10 years the Faculty made significant progress with diversifying the composition of the undergraduate student cohort. The target set for 2021, that our first-year intake should comprise at least 40% black African, coloured, Indian and Asian (BCIA) students, was achieved in 2019 already. The Faculty goes all out to recruit students from the designated groups, with the support of our own marketer. A number of initiatives were adopted to support particularly first-year students to succeed academically, and included group study sessions, Dean's periods, and staff in the Dean's Division and the departments who provided additional student support. The Engineering programmes are challenging and demanding, and the Faculty has been using the services of two part-time educational psychologists for the past years to assist Engineering students in dealing with anxiety and stress and in learning more effective study methods.

### NETWORKED AND COOPERATIVE TEACHING AND LEARNING

The year 2020 commenced with the renewal of our academic programmes, which had necessitated a considerable amount of preliminary work and marketing in 2019. The Faculty of Engineering will be offering the first BEng degree in Data Engineering in South Africa from February 2020. This degree has become a new specialisation stream in the existing undergraduate degree in Electrical and Electronic Engineering, that is, BEng (E&E), and for that reason ECSA has accredited it as a suitable qualification for registration as a professional engineer. The aim is to prepare engineers specifically for the Fourth Industrial Revolution, where the world of work has fundamentally changed. A veritable deluge of data has to be structured, modelled and analysed to enable data-led organisations to discover underlying knowledge and to take informed decisions.

Our postgraduate programmes, too, have seen some renewal. From 2020, a structured master's degree and a postgraduate diploma in Industrial Engineering will be offered, focusing specifically on Data Science. Another field that has gained increasing popularity in the past few years is Biomedical Engineering. The Institute for Biomedical Engineering, seated in this faculty, will therefore offer new postgraduate programmes from 2020: A PhD in Biomedical Engineering (research) and a master's degree in Engineering Science in Biomedical Engineering (research). The doctoral and research master's programmes are aimed at training specialist researchers with specific skills in Biomedical Engineering to develop new knowledge at the forefront of health technology. On the other hand, the structured master's programme is aimed at people who already work in the industry, and the Postgraduate Diploma in Engineering Science is mainly intended to act as a bridging programme between the three-year BSc programmes and the master's programmes.

### RESEARCH FOR IMPACT

The Faculty of Engineering is research-intensive and takes pride in the large number of postgraduate students, especially doctoral students, who graduate every year. Engineers, because of the kind of work they do, contribute to the improvement of the quality of life of people and communities and to economic development. Both these aspects are essential elements in a developing country like South Africa. Most of the research topics are aimed at addressing real-life engineering problems. One interesting dissertation in 2019 dealt with the global refugee crisis. Dr Christa de Kock constructed a framework that would make it easier for humanitarian organisations to collect essential data – which could mean the difference between life and death – on forced migration, and to use it in strategic planning.

The modern tendency is to do interdisciplinary research. Dr Wouter Bam's doctorate was not only interdisciplinary; it was also an excellent example of cooperation with an international institution. In his

research he investigated whether it would be more advantageous for countries to export or process their own raw materials, with the focus on industrial policy-making in developing countries that are rich in minerals. This subject overlapped geography, economics and development studies, and Dr Bam undertook his research jointly with KU Leuven. In this way he obtained a PhD (Industrial Engineering) from SU as well as a PhD in Economics from KU Leuven.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

The Faculty strengthened its ties with industry and alumni in June by presenting a research expo in Gauteng – the first of its kind in that province. The programme comprised a series of talks by researchers, as well as posters presenting 24 current research projects. Visitors could view the posters and had an opportunity to speak to researchers with a mind to possible cooperation. The Faculty also houses the newly established Centre of Excellence in Energy of the African Research University Alliance (ARUA) network.

## EMPLOYER OF CHOICE

At this faculty, engineering has long since stopped being regarded as a career solely for men. Bright and capable female students and staff members are increasingly successful. Two women, Prof Natasha Sacks and Prof Jacomine Grobler, have respectively been appointed as full professor and associate professor at the Department of Industrial Engineering. Civil Engineering boasts with their first woman as full professor: Prof Celeste Viljoen. As an Engineering student at Maties, she was the recipient of both an ECSA merit award and the Chancellor's Medal. In 2019 she was inducted as an Associate of the South African Institution of Civil Engineering (SAICE) with three of her colleagues, Profs Kobus du Plessis, Gideon van Zijl and Jan Wium.

## A THRIVING STELLENBOSCH UNIVERSITY

It has become of crucial importance to renew, modernise and densify the 50-year-old Engineering buildings so that they can accommodate more students and staff, and will comply with modern safety regulations. The Engineering Campus Renewal Project is well underway. The cost of this wide-ranging project with a timeframe from 2016 to 2026 is estimated to amount to R750 million. In 2019, progress was made with the renovation of the Mechanical and Mechatronic Engineering Building, the refurbishment of the Electrical Machine Laboratory, and the construction of a modern new Pavement Laboratory for the Department of Civil Engineering.

## MOVING FORWARD

The Faculty of Engineering is managed by a team of professional engineers and academics and is excellently positioned to make an important contribution to the systemic sustainability and transformation of the University. At the same time, it is ready to deliver graduate engineers, high-level skills and applicable solutions to assist in developing and improving the economy and further improving the quality of life of all South African citizens. The management and staff of the Faculty are optimistic about its future and are convinced that optimal solutions will be found through open and robust discussions.

### FACULTY OF ENGINEERING CELEBRATES 75<sup>TH</sup> YEAR OF EXISTENCE



The Faculty of Engineering celebrated the 75th year of its existence on 29 March 2019. More than 200 alumni, faculty staff members, members of the University management, partners in industry and high-ranking guests commemorated this exceptional milestone in a festive atmosphere at the Lord Charles Hotel in Somerset West. Two very special guests were the 88-year-old Mrs Blanca Malherbe, daughter of the first dean of the Faculty, Prof Harry Reitz; and Mr Flip Conradie, who was a first-year student in 1944, the year when Engineering became a full-fledged faculty. The current Dean, Prof Wikus van Niekerk (far right), and four former deans of the Faculty of Engineering attended the gala dinner: from the left, Profs Christo Viljoen, PW van der Walt, Arnold Schoonwinkel and Hansie Knoetze

### DR MARGRETH TADIE RECEIVED THE FLAIR RESEARCH BURSARY TO THE VALUE OF R5 MILLION

Dr Margreth Tadie, a lecturer at the Department of Process Engineering, was one of 30 scientists in Africa who were chosen for the FLAIR (Future Leaders – African Independent Research) research bursaries. FLAIR is a two-year programme of the African Academy of Sciences and the Royal Society, supported by the Global Challenges Research Fund of the United Kingdom. It was designed to help talented young researchers whose research focuses on the needs of the continent to establish their independent careers at African organisations, and eventually their own research groups.





*Prof Nicola Smit*  
Dean: Faculty of Law

The Faculty of Law contributes to the broadening and strengthening of legal science and social justice locally and abroad through its legal education, research and social impact activities. The SU Law Clinic forms an integral part of the Faculty and its work continued to have a significant social impact locally and nationally in 2019.

## A THRIVING STELLENBOSCH UNIVERSITY

During the year under review, two colleagues, Ms Langa Maziya and Ms Nondu Phenyane, obtained their master's degrees from Stellenbosch University (SU) and the University of Cape Town (UCT), respectively. Another colleague, Prof Geo Quinot, was awarded a Master of Public Administration with distinction by the University of Birmingham in the United Kingdom (UK). Towards the end of 2019, Prof Thuli Madonsela delivered her inaugural lecture, "Judicial review through a social justice lens". The Faculty was awarded a second nGap appointment in the course of 2019. This DHET programme that supports a new generation of scholars meant that we could appoint an additional academic staff member as from 1 January 2020, thereby further improving our demographic diversity.

## RESEARCH FOR IMPACT AND PURPOSEFUL PARTNERSHIPS

The Faculty hosted several public lectures and seminars, and attracted renowned scholars as guest lecturers and participants in these discourses, including Mr Thembekile Kimi Makwetu (Auditor-General of South Africa), Ms Gail Schimmel (CEO of the South African Advertising Regulatory Board), Prof Cao Fuguo (School of Law at the Central University of Finance and Economics in Beijing, China) and Prof Johan van der Walt (University of Luxembourg). A panel discussion on "A future in human rights?" in honour of Human Rights Day included representatives from SERI, Webber Wentzel, the Equal Education Law Centre and the Legal Resources Centre, and was very well received by students and staff. The Faculty also collaborates closely with academic partners – a longstanding tradition is a regional teaching conference between the law faculties of UCT, the University of the Western Cape (UWC) and SU. Hosted by SU in 2019, the theme of the conference was "Programme renewal: Post-CHE LLB review".

Our staff members' excellence was recognised internationally and nationally: Our African Procurement Law Unit (APLU) Deputy Director, Prof Sope Williams-Elegbe, served as facilitator at the UN Office for Drugs and Crime (UNODC) Education for Justice Experts meeting in Oxford, UK, and presented at the annual Word Bank Law, Justice and Development meetings as well as the prestigious UN Forum on Business and Human Rights in Geneva; Profs Zsa-Zsa Boggenpoel and Williams-Elegbe were awarded SU awards for Excellence in Research; Mr Stephan van der Merwe received an institutional award for Teaching Excellence; Prof Jacques du Plessis received the Chancellor's Award for Research; Prof Cornie van der Merwe was awarded an AI and Dr Theo Broodryk a YI National Research Foundation rating; and Prof Madonsela received the Leadership for Justice Award in New York and an honorary doctorate from the University of KwaZulu-Natal. What is more, Prof Sandra Liebenberg was elected as vice-chair of the UN Committee on Economic, Social and Cultural Rights and Prof Du Plessis delivered his inaugural lecture as holder of the *Tijdschrift voor Privaatrecht* Wisselleerstoel at the KU Leuven in Belgium.

The SU Law Clinic was recognised as the SA Specialist Law Firm and the SA Social Justice Law Firm of the Year at the 2019 International Annual Global Law Experts Awards.



## A TRANSFORMATIVE STUDENT EXPERIENCE

The Higher Education Quality Committee fully accredited the SU Bachelor of Accounting and Laws (BAccLLB) programme. SU law students actively participated in moot court competitions: Two students progressed to the final of the Competition Commission Inaugural Moot Court; another team reached the semi-finals in the Child Moot Court Competition in Pretoria; and at the African Human Rights Moot Court Competition in Gaborone, the SU team was placed fourth in terms of the written Heads of Argument and seventh overall.

The Faculty is committed to diversifying its staff as well as its undergraduate and postgraduate student body. The strategy to offer recruitment bursaries to qualifying first-year students from the designated groups for the LLB programme continued in 2019. The interest in these bursaries, however, was lower than expected. The Faculty supports the review of the current strategy and will collaborate with institutional divisions to ensure that our targeted recruitment supports our enrolment targets.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

In 2019, the Faculty hosted several alumni events and an inaugural golf day. These events were very successful, and the Faculty values the continued support of its alumni. The Anton Lubowski Memorial lecture, delivered by Justice Albie Sachs and Max du Preez, was an event that gave recognition to the role that this alumnus played in the pursuit of freedom in Namibia and South Africa.

The Law Clinic provides legal services for farm evictions, domestic violence and other civil matters, educational services and practical legal training. In 2019, the Law Clinic continued with broadening access to legal services, empowering farm workers with financial literacy and security of tenure, and providing clinical legal education to its students. In far-reaching impact litigation for the SA credit industry, the Law Clinic was successful in its 'in duplum' application against 49 respondents in the Western Cape High Court.

Dr Mary Nel spearheaded a project where thirty students, comprising 15 incarcerated students from Brandvlei Correctional Facility and 15 SU students, completed the SU Ubuntu Learning short course aimed at promoting social justice and community building. This project will continue in 2020, and gives students and staff an opportunity to experience and reflect on the value of different perspectives.

The Faculty aims to contribute to strengthening social justice and good governance in South Africa. Some initiatives relevant to this aim are the project to train investigators of the Office of the Public Protector of South Africa (a collaboration between the Konrad Adenauer Foundation, the African Procurement Law Unit and the Office of the Public Protector), the Women's Land Summit, the Social Justice M-Plan Summit and International Conference, and induction training to the Executive Council of Gauteng on constitutionalism, administrative law and ethical governance and leadership.

## MOVING FORWARD

The Faculty of Law is preparing for the implementation of new programme curricula to support an optimal transformative student experience. The focus on excellent research and social impact remains an important one, and the Faculty is reviewing its international collaborations and actively updating existing partnerships whilst pursuing new partners in a targeted fashion. A thriving University also involves the Faculty investing in the upgrading of facilities to sustain excellence in legal education.

## SPECIAL LECTURES



Prof Thuli Madonsela and Prof Wim de Villiers at Prof Madonsela's Inaugural lecture



Prof Nicola Smit, Mr Thembekile Kimi Makwetu (Auditor-General) and Prof Sandra Liebenberg at the Annual Human Rights lecture



Anton Lubowski Memorial Lecture with (standing from left) Karen Bruns, Max du Preez and Nicola Smit, and seated Denis Goldberg and Albie Sachs





*Prof Jimmy Volmink*

Dean: Faculty of Medicine  
and Health Sciences

Our vision is to be the leading research-intensive health sciences faculty in and for Africa. We lead by facilitating transformative, life-long learning; creating, sharing and translating knowledge that enhances health and health equity; and co-creating value with and for the communities we serve.

## A THRIVING STELLENBOSCH UNIVERSITY

A sod-turning ceremony was held in January for the new R1 billion Biomedical Research Institute (BMRI), scheduled to be completed by December 2022. The new BMRI will allow the Faculty to expand its current research on the genetic and bio-molecular basis of disease, with a special focus on Africa.

In November, a state-of-the-art imaging facility, hosted by Stellenbosch University (SU)'s Central Analytical Facility, was opened at Tygerberg Hospital. The Nuclear Medicine Research Infrastructure Node for Infection Imaging is South Africa's first positron-emission tomography/computed tomography facility dedicated to clinical research and only the second of its kind in the southern hemisphere.

In recognition of decades of service to the higher education and health sectors in South Africa, Prof Usuf Chikte was honoured with a Chancellor's Award. Prof Bob Mash was similarly honoured with a South African Medical Association Medal for extraordinary service to medicine in South Africa.

## A TRANSFORMATIVE STUDENT EXPERIENCE

We welcomed more than 470 new first-year students in January, including 55 new Bachelor of Nursing students. This marked the reintroduction of undergraduate Nursing after an interruption of 15 years.

The year under review saw 1 144 students from the Faculty being capped, including 52 doctoral, 220 master's, 343 postgraduate diploma/certificate and 428 professional bachelor's students. The MBChB class of the December 2019 graduation ceremony achieved the highest number of graduates (41) completing their degrees with distinction in the Faculty's 64-year history. Dr Jennifer Kate van Heerden, the recipient of the coveted Chancellor's Medal (see page 109), passed every year of her medical studies with distinction, obtained distinctions in every one of the 11 domains of the final-year examinations, and completed the programme with an average of 87,8%.

In December, 30 students participated in the second annual Hippocampus cycle tour, which saw them cycle 1 000 kilometres from the South African border with Namibia to Cape Agulhas over eight days. The goal of this student-driven initiative is to raise funds for the Nkululeko Fund that aims to lighten the financial burden that some students experience.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

Our Faculty plays a leading role in the field of rural health and rural In May, Dr Phil Mjwara, Director-General of the Department of Science and Technology (DST), visited the Faculty to present the DST's 2019 White Paper on Science, Technology and Innovation.

The Ukwanda Centre for Rural Health launched a new clinical training site in Upington in September as part of the expansion of the partnership between SU and the Northern Cape. The first medical, occupational therapy and physiotherapy students completed rotations at the Dr Harry Surtie Hospital in Upington in 2019.

We were also pleased to celebrate the 25-year partnership between the Faculty and the community of Bishop Lavis with a Community Partnership Day held in May.

The Department of Anaesthesiology and Critical Care hosted the second annual congress of the South African Society of Regional Anaesthesia, the largest regional anaesthesia meeting in Africa, at the Tygerberg Campus.

The Division of Orthopaedic Surgery, along with other partners such as South African universities, private practices and the regional non-profit organisation, STEPS, established a national collaboration to improve the treatment of clubfoot.

The Division of Family Medicine and Primary Care was chosen as the organisational hub for the Primary Care and Family Medicine (Primafamed) Sub-Saharan network for departments of family medicine and primary care from 40 institutions in 25 countries.

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

Good progress has been made with the development of the new MBChB curriculum, which we expect to implement in January 2021, pending approval by the Health Professionals Council of South Africa. Prof Susan van Schalkwyk was recognised as a Fellow of the Association for Medical Education in Europe, which is the largest association for health professions and medical educationalists in the world. Prof Karin Baatjes received a Developing Teacher's Award for 2019 at the SU Teaching Excellence Awards.

## RESEARCH FOR IMPACT

The South African Medical Research Council approved the SAMRC/SU Genomics of Brain Disorders Research Unit under the directorship of Prof Soraya Seedat as a new research unit.

The Desmond Tutu TB Centre signed a new grant to the value of more than R280 million, to develop child-friendly treatments and preventative therapy against multidrug-resistant tuberculosis.

The Institute for Life Course Health Research under the leadership of Prof Mark Tomlinson and Dr Sarah Skeen was established in the Department of Global Health. Prof Tomlinson and Dr Skeen are co-investigators in a £200-million UK-led project focusing on the improvement of the health and life prospects of a generation of Africa's youth.

The Centre for Cardio-metabolic Research in Africa was established in the Division of Medical Physiology. This collaboration with the Department of Physiological Sciences in the Faculty of Science will be led by Prof Faadiel Essop as the director, with Prof Hans Strijdom at the FMHS serving as the deputy director.

Profs Helena Kuivaniemi and Mark Cotton were elected as members of the Academy of Science of South Africa, and Prof Jean Nachega was elected as a Fellow of the African Academy of Science. Prof Soraya Seedat was elected as a fellow of the Royal College of Physicians of Edinburgh and was appointed as a 2020 Women Global Chair recipient by the University of Bath. Prof Christine Lochner was selected as a director and full member of the Executive Board of the International College of Obsessive-Compulsive Spectrum Disorders. Prof Peter Hesselberg was recognised with a Lifetime Achievement Award at the 51st Congress of the 'Société Internationale d'Oncologie Pédiatrique'.

Profs Craig Kinnear and Novel Chegou both received SAMRC Silver Medal Achievement Awards at the 2019 Scientific Merit Awards. Dr Eleanor Ochodo was one of four recipients of the highly competitive 2019 African Research Leader Awards from the UK Medical Research Council and the UK Department for International Development.

## EMPLOYER OF CHOICE

We launched our Faculty Charter, a first for a faculty at SU, in October. The Charter is a pledge by our staff and students to create inclusive, fair and friendly environments in every aspect of daily interactions. It serves as a guide for behaviour and an instrument to assist us in holding everyone accountable for their actions, and was developed under the auspices of the Dean's Advisory Committee on Transformation.

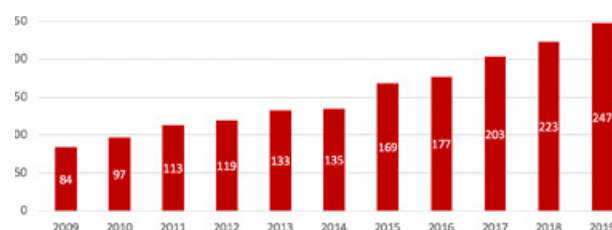
The Faculty has also formalised the Dean's Advisory Committee on Environmental Sustainability that helps us achieve our goals with respect to 10 foci: leadership, waste, water, energy, food, buildings, procurement, biodiversity, transport and chemicals.

## MOVING FORWARD

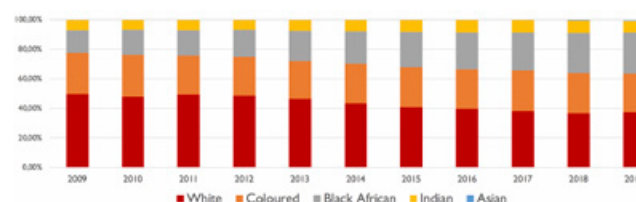
In line with the SU Vision 2040 and the Strategic Framework 2019–2024, we consulted broadly in 2019 and developed the FMHS Strategy 2019–2024. The current plan builds on the solid foundation of our past achievements, while also considering a number of new developments, the latest trends and the diverse challenges in healthcare and health professions education.

We will continue to strive to demonstrate the Faculty's agility, the resilience of our people and a mindset that constantly promotes excellence and innovation.

Growth in doctoral students, 2009–2019



Diversity among undergraduate students, 2009–2019



# Faculty of MILITARY SCIENCE



*Prof Sam Tshehla*

Dean: Faculty of Military Science

Historically, military academies throughout the world have been designed to enhance the intellectual capacities of their officers, thereby preparing them for leadership in the profession of arms. The South African Military Academy is ranked ninth among the elite of world institutions in the provision of military-contextualised higher education qualifications. This should always be recognised.

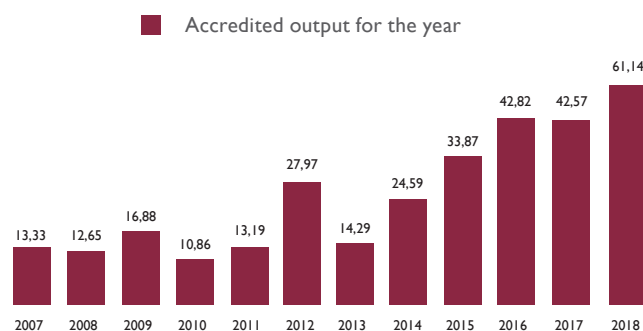
It is acknowledged globally that a military officer in the twenty-first century should have a combination of education and training to be able to deal with the complex and undefined problems of the future. A modern military officer should be agile and adaptive in both thought and action. Professional military education should, in essence, prepare military officers for the conflicts of the future. Therefore, the Military Academy, through its military-contextualised academic programmes, is continuing to contribute to enhancing the capabilities of the SANDF to respond effectively to new and expanded operational requirements and missions. The graduates of this institution are in possession of the key attributes of future military leaders and have the required knowledge and competencies to enhance the capabilities of the SANDF.

## A THRIVING STELLENBOSCH UNIVERSITY

The South African Military Academy is situated on the scenic slopes of Malgaskop, overlooking the historic Saldanha Bay, and is the academic home of more than 500 men and women in six undergraduate programmes delivered on two platforms (residential and distance learning), nine BMil Honours programmes, eight master's degree programmes, and one doctoral programme, the PhD MilSc.

The Faculty's research output increases annually, as shown in the figure below, growing the Faculty's research revenue and ensuring sustainability. This can be partially attributed to our purposeful partnerships and inclusive networks on the one hand, and, on the other, to our institution of a doctoral programme that has delivered its second graduate output.

### FACULTY OF MILITARY SCIENCE RESEARCH OUTPUT



Likewise, our student throughput rate remains high. A total of 109 students graduated in 2019, with the qualifications conferred comprising three PhDs; four master's degrees; 21 honours degrees; 17 postgraduate diplomas and 64 BMil degrees.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

The Faculty has strengthened its international partnerships to ensure that social impact is increased and our knowledge base expanded. In cooperation with and funded by the Danish Embassy in South Africa, a Round Table event on gender, exploitation and violence during peace operations took place in Pretoria. Two further highlights were the cooperation between the Security Institute for Governance and Leadership in Africa (SIGLA) and the Academic Council of the United Nations (ACUNS) (Coventry University), culminating in a workshop

on the United Nations' sustainable development goals (SDGs) for international participants, funded by SIGLA and the United Nations; and the annual ACUNS conference, which brought more than 40 delegates from all over Africa to Stellenbosch and was largely funded through a Big Conference Grant from the NRF. In addition, to increase its cyber focus, SIGLA (through Noelle van der Waag as co-organiser) hosted an international cyber conference at SU.

The Centre for Military Studies successfully hosted the 2019 Netherlands and South African International Security Course, which is facilitated annually in cooperation with the Royal Netherlands Defence Academy. The UN and the Norwegian Institute of International Affairs (NUPI) included Professor Thomas Mandrup (SIGLA) in an international research project on analysing the effectiveness of peace missions in Africa. He serves on the DR Congo field research and reporting team. In November, SIGLA again collaborated with the Danish Embassy for a second workshop and public lecture sponsored by Denmark, addressing the 'Responsibility to Protect' at the Johannesburg Holocaust and Genocide Centre.

## EMPLOYER OF CHOICE

The Faculty of Military Science appoints qualified staff in vacant posts in line with the diversity objectives, and regards transformation appointments as one of its main considerations, as guided by the Department of Defence (DOD) policies. Six new academic staff members reported for duty; four with PhDs and two with master's degrees. This will enable better service delivery, also in technology-enabled blended modes of delivery for academic programmes.

The Faculty's staff has again been recognised for excellence. In terms of our staff members' achievements, Lt Col (Dr) Michelle Nel was recognised for the third time as being the lecturer who contributed most to the success of the Academy's top academic achieving student. The Faculty prides itself on the outstanding achievements of Lt Col André Pretorius, who was awarded the Excellent Teacher Award in the Developing Teacher Category. Col (Dr) Shadrack Ramokgadi completed his PhD in Military Science at Stellenbosch University (SU) and Lt Col (Dr) Els completed her LLD at the University of South Africa. Cdr (Dr) Jacques Bezuidenhout and Dr Nicole Dodd were promoted to the academic ranks of associate professors. Prof Oluwale Makinde, a senior lecturer in the Mathematics Department, published 36 peer-reviewed DHET-approved journal articles in 2019. He received the award for the highest research output at the 2019 Faculty of Military Science Awards ceremony. He is the Faculty's first recipient of the Stellenbosch University Chancellor's Award for Excellent Research. Last but not least, the Faculty's Dean, Prof Samuel Tshehla, received the Golden Star Award for Distinguished Service in Security Education in Africa (see photo below) at the 16th Africa Security Watch Awards held in Dubai, United Arab Emirates, in November. The Awards celebrate Africa's best in security, safety and governance. Prof Tshehla also delivered the keynote address at the event.



Prof Tshehla receiving the Golden Star Award for Distinguished Service in Security Education in Africa from General Joseph Nunoo-Mensah, Former Chief of Defence Staff, Republic of Ghana, and Chair of the Board of Trustees, Security Watch Africa Initiatives.

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

The academic staff has been continuing the development of the community in Vredenburg by drastically improving the Grade 12 learners' matric Mathematics results. The students of the Military Academy, through the Masiza Community Project, again embarked on the community-based project from Port Elizabeth to Saldanha Bay and showed their leadership skills by fundraising and cleaning orphanages and homes for the aged. They made the presence of SU known throughout and all their activities were underwritten by Matie Community Service (MGD). This project received wide media coverage in the towns along the garden route. Lt Col (Dr) Van Nieuwenhuyzen developed the Financial Literacy Programme (FLP) as an SU Social Impact Project to address the financial challenges faced by members of the DOD. The FLP short course, accredited by SU, was presented to members of the Chaplain Services Division. Forty-one members attended, 17 of whom completed the competency assessment and 24 of whom met the attendance requirements.

## A TRANSFORMATIVE STUDENT EXPERIENCE

Technology-enabled learning (telematic education) in the Department of Defence provides learning opportunities that would otherwise not have been available to learners. Five telematic education (TE) students (four SA Navy students and one SA Army student) completed their undergraduate degrees in 2019. Chief Petty Officer (CPO) Pedro de Klerk became the third TE student to complete her degree cum laude. She passed 15 of her modules with distinction, despite losing her father and brother during her studies. Petty Officer (PO) Johan Groenewald completed his degree within four years and obtained six distinctions.

In the year under review, Military Science students were again tested on their military conduct and officership bearing. Candidate Officer (CO) K Nxumalo was the recipient of the 2019 Sword of Honour, which is awarded to the best third-year student who led by example as an officer and was one of the top students for the year. In 2019, the Faculty awarded 109 qualifications, of which four were master's degrees and three were doctoral degrees.

## MOVING FORWARD

In its efforts to better prepare our students for the demands of the external environment, the Faculty constantly renews its programme offering. The Faculty is proud to announce that a new programme, the MPhil in Defence Studies, received full accreditation and will be offered in January 2020. Another new programme has been submitted for accreditation to the DHET, namely the Postgraduate Diploma in Military Legal Studies.



Part-time students on the contact session at the Military Academy





*Prof Louise Warnich*  
Dean: Faculty of Science

The Faculty of Science plays a significant role in positioning Stellenbosch University (SU) as a leading research-intensive university. We provide a general formative education in the natural sciences and for professional degrees such as engineering, medicine and actuarial science.

## A THRIVING STELLENBOSCH UNIVERSITY

The Faculty of Science maintains a strong ethos of excellence in research: 71% of our academic staff members have NRF ratings, while eight SARChI research chairs and three NRF-DHEST Centres of Excellence are associated with the Faculty. Due to the significance of the natural sciences in interdisciplinary research, the Faculty plays an important role in the SU Water Institute, the Centre for Bioinformatics and Computational Biology, the Institute for Biomedical Engineering, the African Microbiome Institute, and the new School for Data Science and Computational Thinking.

Approximately 23% of our students are postgraduates. In 2019, 903 qualifications were awarded, including 527 BSc degrees, 182 BScHons, 124 MSc and 70 PhD degrees. However, recent changes in policies and the decline in available postgraduate bursaries and postdoctoral fellowships pose a challenge to our ability to produce research outputs.

In 2019 the Faculty's postgraduate bursary fund offered bursaries to 12 MSc and nine PhD students, but the income generated is not sufficient to sustain the current number of postgraduate students. It is evident that alternative income sources are urgently required to maintain our contribution to SU as a leading research-intensive institution.

## A TRANSFORMATIVE STUDENT EXPERIENCE

The Faculty has reached its 2019 diversity targets for students: 36% undergraduate and 39% postgraduate students are from the black African, coloured, Indian and Asian (BCIA) group. However, the recruitment and intake of new BCIA first-year students require special efforts. Gender imbalance remains a problem in programmes such as Mathematics, where only 28% of postgraduate students are female. In 2019 the Department of Mathematical Sciences hosted the first African Women in Mathematics conference to address this challenge. The second annual postgraduate symposium, organised by the Science Student Committees from SU and the University of Cape Town, was also hosted on our campus.

As part of ongoing efforts to increase the success rate of students, Chemistry 164 was the first official hybrid module to be offered as part of SU's hybrid learning project. If a student fails a bottle-neck module such as Chemistry 124 in the first semester, adding another year to their studies, Chemistry 164 (which is equal to Chemistry 124) offers them another opportunity to successfully complete their first year.

Ms Sarah Selkirk, an MSc student in Mathematics, was awarded a TATA Master's Scholarship at the SA Women in Science Awards, as well as the S<sub>2</sub>A<sub>3</sub> award for the best MSc student at SU. Dr Taboka Chalebgwa won the AIMS-Fields-Perimeter Africa postdoctoral fellowship at the prestigious Fields Institute for Research in Mathematical Sciences in Canada. Other students who fared well include Dr Upenyu Muza (SACI postgraduate award), Ms Lindo Makhathini (SA Council for Natural Scientific Professions' Award for an exceptional fourth-year Earth Science graduate), and Mr Jonathan Gloyn-Jones (Geological Society of South Africa's Corstophine Medal for an MSc thesis in Earth Sciences with exceptional merit).

## NETWORKED AND COLLABORATIVE TEACHING AND LEARNING

The scholarship of teaching and learning is encouraged through our Teaching and Learning Hub, where we address issues such as the decolonisation of the sciences, the enhancement of students' critical and analytical thinking skills, and the process of scientific reflection.

On an international level, Dr Steve Kroon from the Computer Science Division was selected to participate in the inaugural 2019 Depth First Learning Fellowship. This is an initiative to develop lesson plans to master significant research papers in machine learning that tackle fundamental concepts in mathematics, statistics and information theory.



Dr Marnel Mouton and Dr Ilse Rootman-le Grange won the Best Research-based Paper Award at the annual Scholarship for Teaching and Learning Conference. At the First-Year Prestige Dinner, seven lecturers were recognised by top performing first-year students as important role-players in their achievements. Dr Mouton and Dr Gareth Arnott both received Teaching Excellence Awards for 2019.

In an effort to address the mental health crisis at higher education institutions in South Africa, lecturers participated in a lunch-hour seminar on how to deal with mental health in the postgraduate context.

## EMPLOYER OF CHOICE

Faculty management continuously strives to establish a work culture that fosters an enabling working and learning environment. This includes embracing diversity and equity, leveraging unique talents and strengths, promoting life-long learning, and celebrating achievements. However, it is difficult to manage all the expectations with regard to teaching and research while maintaining quality and a positive work culture. In 2019 the Transformation Advisory Group organised workshops on institutional culture, changing behaviour through innovation, and employment equity.

Four academics delivered their inaugural lectures: Prof Zurab Janelidze (Mathematical Sciences), Prof Alex Valentine (Botany), and Profs André de Villiers and Catharine Esterhuizen (Chemistry and Polymer Science). Prof Esterhuizen is also the first female full professor in the history of that department.

## RESEARCH FOR IMPACT

Through our research and graduates we have an impact on South Africa's global competitiveness in the sphere of science, technology and innovation. In this regard, Prof Guy Midgley, a leading expert in the field of biodiversity and global change science, was awarded the prestigious Humboldt Research Award by the Alexander von Humboldt Foundation in Germany. He was also a lead author on the report "Biodiversity and Ecosystem Services for Africa", one of four regional assessments that formed part of a global biodiversity report, as well as South Africa's National Biodiversity Assessment Report released in October 2019.

The Faculty has established important partners comprising research councils, government organisations and other higher education institutions as well as important stakeholders in national and international industries, as illustrated by industry representation on our advisory board. In 2019, the third research showcase for industry was hosted in Gauteng.

By means of workshops and financial support, staff and students are made aware of entrepreneurial opportunities associated with their work. One of our innovation success stories that started in 2012 is the SharkSafe Barrier™ – a shark-deterrent technology that is currently being tested on Réunion Island for potential full-scale implementation.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

One of the year's highlights was the public lecture "From the Earth to the Moon", organised by Dr Bruce Bartlett to commemorate the 50th anniversary of the Apollo moon landing, and involving speakers from Mathematics, Applied Mathematics, History and Engineering. Dr Leanne Seeliger from the SU Water Institute (SUWI) started working with Stellenbosch Municipality to find long-term sustainable solutions to water and sanitation challenges in the informal township of Enkanini. A three-year partnership between SUWI

and the Maastricht School of Management aims to strengthen skills development and job creation in important fields such as agriculture and water governance in South Africa. Ongoing social impact initiatives include the laboratory-based practicals for high school learners and teachers, Mathematics training camps for the SA Mathematics Olympiad, Science Café Stellenbosch talks on current issues, and a series of lectures on the science behind the Nobel Prizes.

Noteworthy awards made during 2019 include the African Union's Kwame Nkrumah Award for Scientific Excellence to Prof Dave Richardson, the Lifetime Achievement Award of the ninth International Symposium on the Separation and Characterisation of Natural and Synthetic Macromolecules to Prof Harold Pasch, the South African Mathematical Society's Award for Research Distinction to Prof Stephan Wagner, the South African Chemistry Institute's Gold Medal to Prof Klaus Koch, and the Royal Society of South Africa's Marloth Medal to Prof Piet Steyn. Prof Emile van Zyl and Prof Peter Mallon were appointed members of the International Union of Pure and Applied Chemistry (IUPAC) subcommittees on Biotechnology and Polymer Terminology respectively; Prof Faadiel Essop was elevated to a Fellow of the American Physiological Society; Prof Mallon and Prof Willem van Otterlo were elected as president and vice-president respectively of the South African Chemical Institute (SACI) Council, while Prof Carol Simon was elected president of the International Polychaete Association.

Prof Leon Dicks won the 2018 Cipla India world-wide competition for the most innovative idea in medical research. Dr Sara Andreotti received the Chairman's Award at the Nedbank Business Excellence Awards for her work on the SharkSafe Barrier™. An expert in 3D technologies, Prof Anton du Plessis, was recognised by the Department of Trade and Industry for his contributions towards leading SA into the Fourth Industrial Revolution.

## MOVING FORWARD

We strive to recruit the best staff and students, to deliver sought-after graduates and to conduct research with impact. Excellent outputs will enhance our national and international profile, which is critical for long-term financial sustainability. Our teaching and research activities require expensive facilities and equipment, and the maintenance and replacement of these aging assets, spread over 13 of some of the oldest buildings on campus, remain a challenge. Reduced dependency on statutory funding and unlocking alternative income streams will be key to the future sustainability of the Faculty of Science as a research-led environment of excellence.



Ms Sarah Selkirk, MSc student in Mathematics, received a TATA Masters Scholarship at the SA Women in Science Awards, as well as the  $S_2A_3$  award for the best MSc student at SU. Photo: Stefan Els



*Prof Reggie Nel*

Dean: Faculty of Theology

This report is presented at a very exciting time in the history of the Faculty of Theology, as 2019 was the year when the Faculty commemorated 160 years of theological training in Stellenbosch. When Hans Heese (2018:5) gave an overview of the founding of our university, he stated the following:

*Stellenbosch University did not appear out of thin air in 1918, and neither did its predecessor, Victoria College. The establishment in 1859 of the Theological College in Stellenbosch, which also attracted students from the Afrikaner republics of that time, contributed to the development of the academic character of the town.*  
[Translated from the original Afrikaans.]

It was however only in 1920 that a first Faculty of Divinity (“Godsgeleerdheid”) was officially established at Stellenbosch University (SU). This faculty still serves the academic project by addressing matters related to what is perhaps widely considered the biggest component of civil society – the religious communities and faith-based NGOs. But what is the role of civil society as a key partner with government and business in ensuring social, but more so, planetary sustainability? The World Economic Forum recognises civil society and therefore also these religious communities and faith-based organisations as key drivers for transformation. They explain as follows:

*With 80% of the world’s population adhering to a religion, faith communities represent a powerful driver for transformation ... The World Economic Forum recognizes the relevance of religion and faith to the global economy, politics, society and individuals, and is keenly aware of the important role played by faith communities around the world in advancing society in an inclusive and sustainable way”* (Weforum.org).

In line with the new Vision 2040 and Strategic Framework 2019–2024, we will give an indication of how this vocation is embodied at our faculty. I present this under some of the core strategic aims.

## A TRANSFORMATIVE STUDENT EXPERIENCE

The students and staff of the Faculty of Theology are known for playing a transformative role in and through the University. In the South African context of growing inequality and widening of social divisions between population groups, we are one of the most diverse faculties on campus here in Stellenbosch. In 2019, 59,5% of all our students (67,5% undergraduate) were from inclusive black backgrounds. Our current projections are that, by 2024, 70% of all our undergraduate students will be inclusive black. In terms of linguistic diversity at undergraduate level, 49,07% of students are Afrikaans-speaking, hence a slight majority of our students speak a wide variety of languages. We strive to ensure that our graduates develop the attributes, knowledge and expertise to play a transformative role in society, regardless of which platform they work from.

## EMPLOYER OF CHOICE

In terms of our staff component, this shift towards diversity is also prevalent, and we regard it as one of our strengths. Given the wealth of this environment, we believe we have a unique opportunity to provide an exceptional personalised student experience in a diverse African community – indeed a transformative student experience, but also by being an employer of choice. It is therefore no surprise that current students, staff and alumni of the Faculty play key leadership roles on campus and in public life.

## RESEARCH FOR IMPACT

Through its research output, the Faculty has a social impact far beyond the University. This comes in the wake of growing tension about the rise of nationalist populism and fundamentalism in the West, but also in various contexts of the Global South. Our publications are cited globally, which positions the Faculty among the top 100 in the world and the top three on our continent.

Colleagues from the Old and New Testament discipline groups, with scholars from different disciplines, research institutions and religious communities, are in the process of establishing the Centre for the Interpretation of Authoritative Scriptures (CIAS). Two conferences have been held and a publication is in the pipeline.

As far as publications are concerned, the Faculty, with the Beyers Naudé Centre for Public Theology, has published, among others, ground-breaking books that present theological-ethical reflections on reproductive health by Maritza Kotze, Nadia Marais and Nina Mulder-van Velden. Further publications include a study entitled *Searching Islamic Ethical Agency* by Aslam Fataar, *Engaging Public Theology*, edited by Clive Pearson from Australia, and a publication on Africa-specific religious rituals and social capital, as a result of a multi-year research project with colleagues from the Netherlands.

## PURPOSEFUL PARTNERSHIPS AND INCLUSIVE NETWORKS

The Faculty conducts focused research related to matters of social justice and gender-based violence, which strengthens the role of civil society. In this regard, the Unit for Religious and Development Research (URDR) focuses on studying and dismantling rape culture in cooperation with, among others, international faith-based organisations like the New York-based Episcopal Relief & Development Fund, the London-based Tearfund, and the United Nations Commission on the Status of Women. With its unique rich composition and specific subject matter, but also its physical infrastructure and these mutually beneficial partnerships and networks, the Faculty is in a unique position as a proud African hub for scholarly moral, ethical and spiritual formation, research and social impact.

## A THRIVING STELLENBOSCH UNIVERSITY

The Faculty of Theology purposefully contributes to a thriving SU as we cultivate an inclusive and sustainable faculty and University, characterised by a commitment to justice, transformation and excellence.



Centre for the Interpretation of Authoritative Scriptures proposed: Colleagues from the Old and New Testament discipline groups, with scholars from different disciplines, research institutions and religious communities.

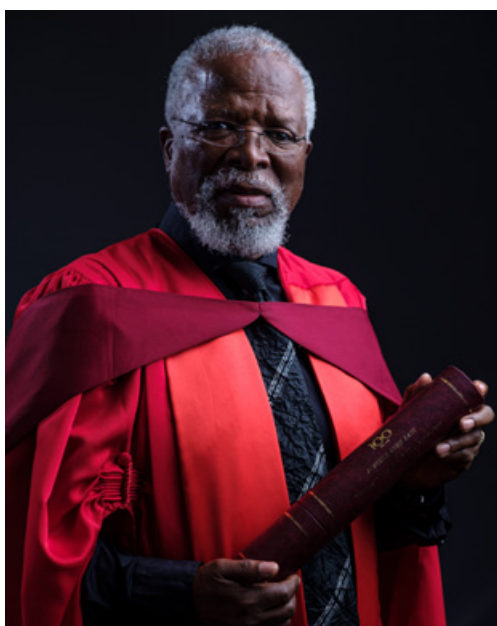
The background of the entire page is a repeating pattern of stylized oak leaves. The leaves are rendered in a dark maroon color against a lighter, muted maroon background. They are scattered across the page, with some appearing more prominently than others, creating a textured, naturalistic feel.

*The University Acknowledges Excellence*



## HONORARY DOCTORATES

*Bonisile John Kani*



Stellenbosch University's honorary doctorates are a way of acknowledging the remarkable work of individuals who are regarded as role-models and an inspiration to Stellenbosch graduates. The University awarded an honorary doctorate to Bonsile John Kani on 13 December 2019. A further five doctorates were to be awarded during the March/April ceremonies in 2020 to Ms Nasima Badsha, Ms Rachel Kachaj, Prof Quarraisha Abdool Karim, Dr Uma Lele and Prof Leonard Wantchekon – but the ceremonies were cancelled even before the lockdown for the Covid-19 pandemic due to the risk of infection. These honorary doctorates will be conferred at the December 2020 graduation ceremonies, circumstances permitting.

Bonisile John Kani received the degree Doctor of Philosophy (DPhil), *honoris causa*, for his passionate commitment to the performing arts as actor, director and playwright; for his dedication to ensuring access to the performing arts for young people from marginalised communities; for using the arts to educate, to create community, and as a tool of expression for the oppressed; and in recognition of his commitment to excellence in his 50-year international career in the performing arts.

John Kani was born on 30 August 1943. His connection to drama started at school and continued after matric. After he forged a bond with Winston Ntshona and Atholl Fugard in 1965, the three of them developed *Sizwe Bansi is Dead* in 1972, followed by *The Island* in 1973. They took both plays to local and international stages and in 1974 Kani and Ntshona both won the Tony Award for Best Actor in these two plays.

In 1977, Kani and Barney Simon established The Market Theatre, and in 1990 The Market Theatre Laboratory, enabling young people from marginalised circumstances to study the performing arts. In 1982, Kani and Sandra Prinsloo shook the very foundations of white South African society when they kissed on stage in Strindberg's *Miss Julie* at the Baxter Theatre. In 1987, he became the first black South African to play Shakespeare's *Othello* in South Africa.

Kani has written and starred in three plays: *Nothing but the Truth* (2002), *Missing* (2014) and *Kunene and the King* (2018). His need to tell the stories of the oppressed and to see the effect they have on people developed his deeply held belief that theatre is a powerful tool for change.



## PRO BENE MERITO MEDAL

*Dr Johann Rupert*



“Don’t think you are in charge of your own life.  
Life lives you; you don’t live life.”

– Dr Johann Rupert,  
outgoing Chancellor and Pro Bene Merito Medal recipient

Stellenbosch University (SU) awards the Pro Bene Merito Medal, in the form of a medal and certificate, only under very special circumstances for exceptional service at local or international level. Dr Johann Rupert, our outgoing Chancellor, was awarded the Medal this year, which makes him only the 12th recipient since its inception in 1998. He has over the years been honoured as distinguished business leader, entrepreneur, conservationist and philanthropist – not only in South Africa but also internationally. He had received SU’s highest award, an honorary doctorate, in 2004 already.

Dr Rupert had served the University with great passion and commitment over the past 10 years. SU had greatly benefited from his facilitation and networks, and he had funded initiatives in areas such as viticulture, law, sport, education, music and conservation.

At a farewell function, Dr Rupert said that late Prof Russel Botman, former SU Rector and Vice-Chancellor, was inspirational in him accepting the position as chancellor and pledged his support to the University, the current Rector and Vice-Chancellor, Prof Wim de Villiers, and the incoming Chancellor, Judge Edwin Cameron.

Dr Rupert will take up an Honorary Professorship of International Business Practice at the University of Stellenbosch Business School (USB) from 1 January 2020 to 31 December 2022. He will deliver an annual lecture, and help to bring international thought leaders to the University as guest lecturers.

## CHANCELLOR'S MEDAL

*Dr Jennifer Kate van Heerden*



Dr Jennifer Kate van Heerden, who obtained the degree MBChB cum laude, received Stellenbosch University's Chancellor's Medal for 2019. This coveted medal is presented annually to a final-year or postgraduate student who has not only excelled academically, but has also contributed to campus life in various ways and worked hard at developing co-curricular attributes.

Dr Van Heerden passed all modules in each of her six years of MBChB study with distinction, and completed the programme with an average percentage of 87,8%. She has scooped several other awards during her academic career, has held a number of student leadership positions and has been involved in national as well as international community outreaches during her studies.

The awarding of this year's medal was also a significant moment for SU, as it was the first time that a former recipient of the Chancellor's Medal presented the Medal to another top performer. Prof Wim de Villiers was awarded the Chancellor's Medal when he graduated in the Faculty of Medicine and Health Sciences in 1983.

Dr Van Heerden said she felt honoured to have received the medal. "My success has been made possible by the support system I have had around me. I absolutely love what I study and my passion for medicine has helped me to go the extra mile, even during the tough times, while studying."

Dr Van Heerden plans to intern at Helen Joseph Hospital in Johannesburg and eventually to specialise in paediatrics.

## CHANCELLOR'S AWARDS

Stellenbosch University Chancellor's Awards recognise some of the leading academics and professionals at the institution for their sustained contributions to excellence in the fields of research, learning and teaching, internationalisation and social impact.

### *Gretchen Arangies*

Ms Gretchen Arangies started her career in SU's Human Resources Division in 1989, and was appointed director of Human Resources (Operations) in 2008. In 2012, she was appointed as director of Operations at the USB and Bellville Park Campus, driving an aggressive growth plan at the USB that proved to be very successful. During the course of her career, Ms Arangies was an active member of the SU Council, served on the Human Resources Committee and the Board of Trustees of the SU Retirement Fund, and chaired the Council Disciplinary Committee. One can hardly give enough recognition to a staff member with such operational capabilities, academic insight and natural leadership qualities as Ms Arangies.

### *André Burger*

For 15 years, Prof André Burger has made an outstanding contribution to the Faculty of Engineering and SU as academic, researcher and manager. He served on various Faculty and University committees and was chair of the Department of Process Engineering for approximately 11 years. The Separations Technology research group, which he heads, enjoys high international standing. His biggest contribution to learning and teaching is probably through his leadership at programme level to ensure that, ever since he joined the Department, the BEng (Chemical Engineering) has not shown any deficiency during any of the accreditation visits by the Engineering Council of South Africa – an outstanding achievement indeed.

### *Usuf Chikte*

Prof Chikte has served the higher education and health sectors for many years; the last 23 here at SU. His career has been grounded on a quest to tackle the disparities faced in our society. He never shies away from asking challenging (and sometimes uncomfortable) questions and his wide-ranging intellect furnishes powerful and persuasive arguments. He is an exemplary academic, professional and intellectual, with sustained excellence across research, innovation, learning and teaching, social impact and stewardship. His work has made a lasting contribution to reshaping the national architecture, culture and regulatory environment in both the higher education and the health sectors.

### *Enzo D'Aguanno*

The manager of the Faculty of Engineering, Mr Enzo D'Aguanno, made a significant contribution to enable the Faculty to effectively double in size, reduce the operational budget shortfall and more than double the research footprint in a mere ten years. He is well known as someone who deeply cares about the well-being of our student body as well as the sustainability of the Faculty and its facilities. With his background in and thorough knowledge of the University's financial systems, he advises the management team on important priorities and appropriate actions. His sustained initiative and contribution over 15 years have had a lasting impact on the Faculty and the broader University.

### *Jacques du Plessis*

Over the past 20 years, Prof Jacques du Plessis has established himself as a leading researcher in the fields of contract law, unjustified enrichment and comparative law. He has held visiting scholarships at prominent international research institutes in Hamburg and Oxford, and his works have been cited both locally, by the Constitutional Court and Supreme Court of Appeal, and internationally, by the Supreme Court of the United Kingdom. Prof Du Plessis serves on the boards of various international journals, societies and research institutions, including the Max Planck Institute for Comparative and International Private Law, and is the holder of a number of awards, including an Alexander von Humboldt scholarship and the President's Award of the National Research Foundation.

### *Maryke Hunter-Hüsselmann*

Ms Maryke Hunter-Hüsselmann, Director: Research Information and Strategy in the Division for Research Development, receives the Chancellor's Award in 2019 for her outstanding contributions to the advancement of SU's research portfolio. Ms Hunter-Hüsselmann plays a ground-breaking role in establishing innovative systems and resources to promote research at SU. She coordinates the multiple award-winning annual *Research @ Stellenbosch University* publication, ensuring that SU's research outputs and impact are visible and accessible to its stakeholders. She furthermore plays a leading role in generating research-related statistics and information for strategic decision-making purposes. Her dedication and passionate support for developing and enabling research at SU are exceptional and exemplary.

### *Oluwole Makinde*

Prof Oluwole is a professor of Applied Mathematics and Computations at the Faculty of Military Science. He has authored and edited 10 university teaching and research textbooks and published 450 peer-reviewed research papers in reputable journals. He has supervised 32 PhD, 72 MSc and 200 BScHons candidates in Applied Mathematics and Computations across the African continent. He has received various research excellence awards, such as the NRF-NSTF Research Award, the African Union Kwame Nkrumah Continental Scientific Award, and Research Excellence Awards from the University of Limpopo, the Cape Peninsula University of Technology (CPUT) and SU's Faculty of Military Science. He is a fellow of the African Academy of Sciences, the International Academy of Physical Sciences and the Papua New Guinea Mathematical Society, and has served as editor/editorial board member of several reputable academic journals.

### *Linus Opara*

Prof Linus Opara is a distinguished professor in the Department of Horticultural Science and holder of the DST-NRF South African Research Chair in Postharvest Technology. Since 2009 he has supervised 38 master's and 29 PhD students and 11 postdoctoral fellows from 14 African countries in related fields, spanning seven departments across four faculties. Prof Opara has published over 350 articles in peer-reviewed journals, book chapters and international conference proceedings, with more than 150 oral presentations at international conferences, including keynote addresses and invited lectures. He is a recipient of the African Union Kwame Nkrumah Continental Scientific Award in Life and Earth Sciences (2016) and the IMPRESSA Award from the Regional Universities Forum for Capacity Building in Agriculture (2015).

### *Pierre Rossouw*

Mr Pierre Rossouw started working at SU on 1 January 1987, on the same day the USB settled on a new campus. Since then, the USB programme offering has grown from an MBA and PhD to 13 postgraduate programmes. Mr Rossouw has been involved in the establishment of the Bellvista Annex and Hostel, the establishment of the Teaching and Learning Committee at the USB, the digitalisation of the USB timetable, the development of the online assessment policy and the implementation of remote proctoring. During each accreditation visit by EQUIS, AMBA and AACSB, Mr Rossouw's centre is acknowledged for excellent service delivery to students. The Chancellor's Award acknowledges him for his contributions to the development and improvement of systems and processes, as well as for his competent service delivery across his career.

### *Andrie Schoombee*

The Department of Economics will celebrate its centenary next year. For the last 20 of those 100 years, Prof Schoombee has been the head of this Department. During these two decades he managed the Department in a unique and professional manner that is widely admired by staff and colleagues. His leadership has enabled the Department to play a prominent role in high-quality research, teaching and community service, while also undergoing significant transformation in terms of its race and gender composition. He leads a team of staff members who are happy in their work and who feel appreciated for their efforts.

### *Jerome Slamet*

Dr Slamet has given shape and content to the new position of Executive Manager: Rectorate. He has enhanced the management and administrative aspects of the Rectorate, and reshaped some of the key business practices in a way that substantially raised the levels of efficiency and process flows across the executive management structure. In his previous role as the first Senior Director: Community Interaction at SU, he spearheaded a knowledge-based approach to the University's community engagement. He has also distinguished himself as bridge-builder and mender of relationships among the divergent communities and stakeholder groupings of the town and the University. He richly deserves a Chancellor's Award in recognition of his stellar career and contribution to the advancement of SU.

### *Susan van der Merwe*

Mrs Susan van der Merwe is widely known and respected throughout the University for her professionalism, diligence, expertise, commitment to the well-being and advancement of the institution and as someone who never shies away from performing beyond the boundaries and call of her formal duties. In her capacity as Director: Communication and Stakeholder Relations, she operates across different stakeholder groupings to interpret and convey the strategic vision and key messages of the University in an inspiring manner across a range of communication platforms, from print to digital media. Corporate annual reports, produced under her expert guidance, report on the remarkable achievements of a transformative institution – a few winning much acclaim and awards from external professional organisations for exceptional editorial content and creative presentation.

### *Marlene van Niekerk*

As an outstanding creative writer, Prof Marlene van Niekerk received the Hertzog Prize for her novel *Agaat* in 2005 and in 2014 for her book of poetry, *Kaar*. She was subsequently nominated for the Man Booker International Prize in appreciation of her achievements in fiction in 2015. Since 2000, Prof Van Niekerk has completed the supervision of 16 MA theses in Creative Writing at SU, and in recognition of her many achievements in the field of literature, the University of Tilburg in the Netherlands awarded her an honorary doctorate in 2009.







# OUR FINANCIAL — *Reports* —

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Special messages in Afrikaans, English and isiXhosa against the walls of the University's library acknowledge the University's role in the injustices of South Africa's divided past.

## UNIVERSITY COUNCIL'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

Refer to note 35 for a description of the COVID-19 pandemic and the expected impact thereof.

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

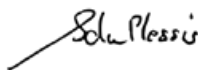
The Audit and Risk Committee has confirmed that adequate internal financial control systems are maintained and that there were no material defects in the functioning of the internal financial control systems during the year.

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

The consolidated annual financial statements on pages 120 to 173 were approved by the Council and were signed by:



**Mr GM Steyn**  
*Chairperson of the University Council*



**Prof SA du Plessis**  
*Chief Operating Officer*



**Prof DP du Plessis**  
*Chairperson of the Audit and Risk Committee*

**22 June 2020**

# INDEPENDENT AUDITOR'S REPORT TO THE MINISTER OF HIGHER EDUCATION, SCIENCE AND TECHNOLOGY AND THE COUNCIL OF STELLENBOSCH UNIVERSITY

## *Report on the Audit of the Consolidated Financial Statements*

### OPINION

We have audited the consolidated financial statements of Stellenbosch University and its subsidiaries (the University) set out on pages 120 to 173, which comprise the consolidated statement of financial position as at 31 December 2019 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows for the year then ended as well as the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Higher Education Act of South Africa, 1997 (Act no. 101 of 1997) (HEA).

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of the University in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct of Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board of Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of the financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively.

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

### RESPONSIBILITIES OF THE COUNCIL FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in the annexure to the auditor's report. This description, which is located at page 119, forms part of our auditor's report.

## *Report on the Audit of the Annual Performance Report*

### INTRODUCTION AND SCOPE

In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, we have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. We performed procedures to identify findings but not to gather evidence to express assurance. Accordingly, we do not express an opinion or conclusion on these matters.

Our procedures address the reported performance information, which must be based on the approved performance planning documents of the University. We have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. Our procedures did not examine whether the actions taken by the University enabled and contributed to the achievement of service delivery outcomes as planned. Our procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, our findings do not extend to these matters.

We evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the University for the year ended 31 December 2019:

Objectives	Pages in the annual report
Objective 1 – to achieve the approved headcount enrolment target	17
Objective 2 – to achieve the approved first-time entering enrolment target	17
Objective 3 – to achieve the approved graduate rate target	17
Objective 4 – to achieve the approved research output per instructional/research professional staff target	41

We performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. We performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

We did not raise any material findings on the usefulness and reliability of the reported performance information for the selected objectives.

### OTHER MATTER

We draw attention to the matter below.

The consolidated financial statements of Stellenbosch University for the year ended 31 December 2018 were audited by another auditor who expressed an unmodified opinion on 19 June 2019.

### ACHIEVEMENT OF PLANNED TARGETS

Refer to the annual report on pages 17 and 41 for information on the achievement of the planned targets for the year.



## Report on Audit of Compliance with Legislation

### INTRODUCTION AND SCOPE

In accordance with the PAA and the general notice issued in terms thereof we have a responsibility to report material findings on the compliance of the University with specific matters in key legislation. We performed procedures to identify findings but not to gather evidence to express assurance. Accordingly, we do not express an opinion or conclusion on these matters.

We did not raise any material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

### OTHER INFORMATION

The Council is responsible for the other information. The other information comprises the information included in the annual report as required by the Regulations for Reporting by Public Higher Education Systems, which includes: Our journey to integrated reporting, Foreword by the Chancellor, The report of the Chair of Council, Council's statement on corporate governance, Senate's report to Council, The institutional forum's report to Council, Our performance against our strategic themes, Report of the Rector and Vice-Chancellor, Overview of our financial capital, Report of the Chief Operating Officer, Report of the Vice-Rector, Report on risk exposure, Evaluation and Management, Faculty reports, The University acknowledges excellence, University Council's responsibility for Financial Reporting and Glossary. The other information does not include the consolidated financial statements, the auditor's report thereon and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

Our opinion on the consolidated financial statements and material findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the selected objectives presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### INTERNAL CONTROL DEFICIENCIES

We considered internal control relevant to our audit of the consolidated financial statements, reported performance information and compliance legislation. However, our objective was not to express any form of assurance on it. Accordingly, we do not express an opinion or conclusion on these matters.

Matters of internal control considered are limited to significant deficiencies that resulted in a basis for a modification of the audit opinion, or any material findings reported on the audit of the annual performance report or any material findings on the audit of compliance with legislation included in this report.

Consequently, as no matters were reported, we did not identify any significant deficiencies in internal control as described above.

### OTHER REPORTS

We draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the University's financial statements, reported performance information, compliance with applicable legislation and other related matters and are either in progress or have been completed. These reports did not form part of our opinion on the consolidated financial statements or our findings on the reported performance information or compliance with legislation:

#### *Audit-related services*

We issued 9 agreed-upon procedure engagement reports during the year ended 31 December 2019. 8 additional agreed-upon procedure engagement reports were issued by other service providers. These agreed upon procedures were performed at the request of various entities providing funding to the University and covered the period ended 31 December 2019.

We conducted 2 special audits as requested by donors during the year ended 31 December 2019. These audits were signed off in terms of the entity specific accounting policies and were performed at the request of various entities providing funds to the University and covered the period ended 31 December 2019.

### *Ernst & Young Inc.*

Ernst & Young Inc.  
Director: JC De Villiers  
Registered Auditor  
Chartered Accountant (SA)  
22 June 2020

3rd Floor, Waterway House  
3 Dock Road  
V&A Waterfront

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## ANNEXURE

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### *Auditor's Responsibilities for the Audit*

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As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated financial statements, and the procedures performed on reported performance information for selected objectives and on the University's compliance with respect to the selected subject matters.

## CONSOLIDATED FINANCIAL STATEMENTS

In addition to our responsibility for the audit of the consolidated financial statements as described in this auditor's report, we also:

- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting in the preparation of the consolidated financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the consolidated financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

## COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

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

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

# ACCOUNTING

## *Policies*

The principal accounting policies applied in the preparation of these consolidated annual financial statements are set out below. The policies are applied consistently for all periods covered by these consolidated annual financial statements, except for the accounting standards which became effective in the current year as set out in note 32 to the consolidated annual financial statements.

### I. BASIS OF PREPARATION

The consolidated annual financial statements of Stellenbosch University are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee applicable to entities reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board. The consolidated annual financial statements are prepared on the historical cost basis, except where stated otherwise (refer to accounting policies). In the preparation of these consolidated annual financial statements in accordance with IFRS, a number of critical accounting estimates are relied upon. Areas requiring greater discretion, and areas involving significant assumptions and estimates, are discussed in note 1 to the consolidated annual financial statements.

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

Certain new standards, amendments and interpretations relating to existing standards that have become compulsory for the financial year starting on 1 January 2019, have been applied by the University for the first time. The adoption of IFRS 16, 'Leases', had a limited impact on the University's accounting policies, measurement and disclosures. Refer to note 32 for a summary of the changes and the impact thereof. These include the reclassification of leases of R97.3 million already accounted for as finance leases to right of use assets.

The adoption of the following standards did not have a material impact on the consolidated annual financial statements:

Amendments to IFRS 9	'Financial instruments'
Amendments to IAS 19	'Employee benefits'
Amendments to IAS 28	'Investments in associates and joint ventures'
IFRIC 23	'Uncertainty over income tax treatments'
Annual changes to reporting requirements	2015–2017 Cycle

## *Standards and amendments to existing standards not yet effective*

Certain new standards and amendments to existing standards that have become compulsory for accounting periods commencing on or after 1 January 2020 or later and that the University has not yet applied, have been published. The University will apply these in the applicable period, if relevant. The new standards and amendments to existing standards are as follows:

Amendment to IAS 1	'Presentation of financial statements'
Amendment to IAS 8	'Accounting policies, changes in accounting estimates and errors' (effective date of 1 January 2020)
	The Conceptual Framework for Financial Reporting (effective date of 1 January 2020)
Amendment to IFRS 3	'Business combinations' (effective date of 1 January 2020)

These new standards and amendments to existing standards are not expected to have a material effect on the consolidated annual financial statements.

## **2. BASIS OF CONSOLIDATION**

The consolidated annual financial statements comprise the financial statements of the University and its subsidiaries and related entities as at 31 December 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to

transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### *a) Business combinations and goodwill*

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

### *b) Investment in associates and joint ventures*

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

## **3. FOREIGN EXCHANGE**

### *Functional and presentational currency*

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

## Transactions and balances

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

## 4. PROPERTY, BOOKS AND EQUIPMENT

Land and buildings mainly consist of stands, lecture halls, laboratories, residences and administrative buildings. Land and buildings are shown at historical cost less accumulated depreciation, excluding donations of land and buildings which are valued at fair value by sworn valuers at the date of donation.

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

Books and equipment are shown at cost, excluding donations of books and equipment that are valued at fair value by sworn valuers at date of donation, in the year in which they are acquired.

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

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

Residual values and depreciation rates are as follows:

	Residual %	Depreciation %
Land	100	-
Buildings	-	1,8-33,3
Computer equipment	-	33,3
Other equipment and motor vehicles	0-40	5-33
Library books	-	100

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

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

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

## 5. RIGHT OF USE ASSETS / LEASE LIABILITIES

The University has adopted IFRS 16, 'Leases', with effect from 1 January 2019 using the modified retrospective approach. The University recognised a lease liability and corresponding equal right

of use asset adjusted by the amount of any prepaid or accrued lease payments relating to those leases recognised in the consolidated statement of financial position immediately before the date of initial application. Under this approach, the comparative information has not been restated and continues to be reported under IAS 17, 'Leases'. The impact of the change in accounting policy is disclosed in note 32.

### Accounting policies applied from 1 January 2019

The University has applied IFRS 16 at 1 January 2019 to all those contracts previously identified as containing a lease except for short-term leases and leases of low value assets. These defined leases were previously classified as operating and where, applicable, finance leases and accounted for and disclosed as such in terms of IAS 17, 'Leases'.

For contracts entered into or changed on or after 1 January 2019, the University assesses at inception or date of change, whether a contract is, or contains, a lease. It does so if the contract conveys the right to control the use of an identified asset, as assessed, for a period of time in exchange for a consideration.

At inception or on reassessment of a contract that contains lease components, the University allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

### As a lessee

The University leases a variety of properties and equipment from third parties. These previously defined leases are now transitioned in the consolidated annual financial statements in terms of IFRS 16.

The University applies the short-term lease exemption to its short-term leases with a period of 12 months or less. It also applies the leases for low value assets recognition exemption to leases that are considered low value. The University recognises the lease payments associated with these leases as an expense over the term of the lease on a straight-line basis.

The University recognises a right of use asset and lease liability at the lease commencement date. The right of use asset is initially measured at cost or estimate thereof, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

However, where the consideration for non-lease components is not determinable, the University has elected not to separate non-lease components and therefore accounts for the lease and non-lease components as a single lease component.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. If ownership of the leased asset transfers to the University at the end of the lease term, depreciation is recognised using the estimated useful life.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot readily be determined, the University's incremental borrowing rate. Generally, the University uses the incremental borrowing rate as the discount rate.

Lease payments allocated to lease components that are included in the measurement of the lease liability comprise the following:

- fixed payments
- variable lease payments that depend on an index or rate
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the University is reasonably certain to exercise, lease payments in an optional



renewal period if the University is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the University is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimate of the amount expected to be payable under a residual value guarantee, or if the University changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The University presents right of use assets separately in the consolidated statement of financial position and includes lease liabilities with interest-bearing borrowings.

#### As a lessor

The accounting policy applicable to the University as a lessor in the comparative period was similar to that of the requirements of IFRS 16.

When the University acts as a lessor, it determines at inception whether each lease is a finance lease or an operating lease. To classify each lease, the University makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case the lease is a finance lease, if not, then it is an operating lease. As part of this assessment, the University considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the University is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset.

The net investment in finance sub-leases is initially measured at the present value of the lease receipts that have not been received at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot readily be determined, the University's incremental borrowing rate. The corresponding lease liability arising from the head-lease, is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot readily be determined, the University's incremental borrowing rate.

The University recognises lease receipts under operating leases as income on a straight-line basis over the lease term.

#### Accounting policies applied until 31 December 2018

For contracts entered into before 1 January 2019, the University applied IFRIC 4 to determine whether the arrangement was or contained a lease based on an assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets, and
- the arrangement had conveyed a right to use the asset

The University applied IAS 17 rules to determine whether the leases were classified as finance or operating leases and were then recognised, measured and disclosed as such.

As a lessor, where the University retained the significant risks and benefits associated with ownership of the leased items, these were classified as operating leases and recognised in the consolidated income statement on a straight-line basis over the period of the lease.

The University did not have any finance leases as a lessor.

As a lessee, where the University received all the significant risks

and benefits of ownership, the leases were classified as finance leases. These were capitalised at the beginning of the lease term at the lower of the market value of the leased property or cost of the lease equipment and the current value of the minimum lease payments. Each lease payment had a finance liability and finance charge element and was apportioned accordingly. Property and equipment acquired by means of finance leases were depreciated over the shorter of the useful life or the lease term of the asset.

Assets held under other leases were classified as operating leases and were not recognised in the consolidated statement of financial position. Lease payments made were expenses over the term of the lease.

The University had both operating and finance leases as a lessee.

## 6. INTANGIBLE ASSETS

Purchased computer software licences and packages are capitalised at the cost incurred to obtain and use the specific software. This cost is amortised over the expected useful life of the software. The expected useful life of software falling into this category ranges from 10 to 15 years. Post-acquisition costs incurred in the maintenance of computer software are recognised as expenditure in the period in which incurred.

Intangible assets include only computer software licences.

## 7. FINANCIAL INSTRUMENTS

### *Investments and other financial assets*

#### (i) Classification

The University classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through comprehensive income or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the University's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the University has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through comprehensive income.

The University reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the University commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the University has transferred substantially all the risks and rewards of ownership.

### (iii) Measurement

At initial recognition, the University measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

Subsequent measurement of debt instruments depends on the University's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the University classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship, is recognised in profit or loss and presented net in the consolidated income statement within other gains/(losses) in the period in which it accrues.

Accounts payable, interest-bearing borrowings and lease liabilities are measured at amortised cost.

Debt instrument investments are held for trading and is therefore classified at fair value through profit or loss.

#### Equity instruments

The University subsequently measures all equity investments at fair value through OCI as they are not held for trading. Where the University's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss where the University's right to receive payments is established.

### (iv) Impairment

The University assesses, on a forward looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 1 details how the University determines whether there has been a significant increase in credit risk.

For trade receivables and student fees receivable, the University applies the simplified approach and for student loans and other receivables, the general approach as permitted by IFRS 9.

#### *Trade and other payables*

Trade and other payables, excluding forward foreign exchange contract liabilities, are initially recorded at fair value. Thereafter they are shown at amortised cost using the effective interest method.

#### *Interest-bearing borrowings*

Lease liabilities are included with interest-bearing borrowings and recognised as detailed in note 5 above. Other borrowings are initially recognised at fair value, taking into account any transaction costs incurred. After initial recognition, borrowings are carried at amortised cost. Differences between the initially recognised amount and the redemption amount are recognised in the consolidated income statement over the term of the borrowings by using the effective interest method. All borrowings are shown as current liabilities, except where the University has an unconditional right to defer payment for at least 12 months after year-end, in which case these are shown as non-current liabilities.

#### *Trade and other receivables*

Trade receivables are amounts due for goods sold or services performed in the ordinary course of the University's business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The University holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the University's impairment policies and the calculation of the loss allowance are provided in note 1 and note 9 of the consolidated financial statements.

## 8. RESEARCH COSTS

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

## 9. INVENTORIES

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

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

## 10. IMPAIRMENT OF NON-FINANCIAL ASSETS

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

## II. INCOME RECOGNITION

The University provides higher education and related services and performs research activities. The main income streams of the University consists of the following:

- Government grants;
- Student, accommodation and other fees;
- Grants and contracts;
- Sale of services and products; and
- Bursaries.

Government grants consists of subsidy income and research grants. Subsidy income relates to central government grants and are accounted for in terms of IAS 20, 'Accounting for government grants'. Central government grants are recognised in the period for which they are received. Government grants received for infrastructure are included in liabilities as deferred government grants and are credited to the asset when the asset becomes available for use, resulting in a decrease in the depreciation recognised in the consolidated income statement over the expected lives of related assets. Research grants are accounted for in terms of IFRS 15, 'Revenue from contracts with customers' and is discussed below with revenue from research contracts.

Student, accommodation and other fees relates primarily to fees earned for the provision of educational services to registered students. It is measured based on the transaction price in accordance with the University's fee structure and are recognised as and when the service is provided. As the academic year is consistent with the financial year, a receivable is recognised at year-end for any unpaid student fees relating to that particular year. Where student fees are received in advance, it gives rise to a contract liability as the performance obligations associated with these amounts (the provision of educational services) will only be fulfilled in the next academic and financial year. Bursaries paid by the University to students are treated as a reduction in student, accommodation and other fees and is not treated as an expense.

Bursary income is measured based on the contract value and is recognised over time. Bursary income is reduced by the amount of bursaries where the University acts as an agent and not a principal.

Revenue from research contracts is measured based on the contract value. Progress payments are received over the period of the contracts and recognised as revenue as performance obligations are fulfilled or milestones reached. Where revenue has been received and the related performance obligations have not yet been fulfilled, a contract liability is recognised.

Revenue from sundry contracts is measured based on the contract value and recognised as the related performance obligations are fulfilled. This includes rental income, laboratory analysis fees and course material.

When a bursary is received, the University considers whether it is an agent or principal in the arrangement. Revenue is only recognised where the University is the principal. This revenue is based on the contract value and recognised over time.

Donations are recognised at a point in time when there are no donor requirements to utilise the donation over a period. When donations are received and a specific period of utilisation is prescribed, the donation is recognised over time. Where donations are received in advance, a contract liability is created. Donations are recognised at fair value at the date of the donation, based on external valuations, except when it is received in cash.

Revenue from the rendering of services is recognised as the service is rendered. This includes programme fees, gymnasium fees and short course income. Revenue from the sale of products is recognised at the point of sale or as goods are transferred.

Interdepartmental income is eliminated.

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

Dividend income is recognised when the shareholder's rights to receive a dividend vest, ie on the last day for registration in respect of listed shares, and when declared in the case of unlisted shares.

### *Contract Balances*

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer only when this right is conditional upon something other than the passage of time. If the University performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the University has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the University transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the University performs under the contract. This also includes donations received in advance.

## 12. STAFF BENEFITS

### *Post-retirement medical benefits and group life insurance scheme*

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

### *Pension liabilities*

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

### *Long-service benefits*

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

## 13. DEFERRED TAXATION

Deferred tax is calculated by using the liability method. Deferred tax represents the tax effect of temporary differences between the tax bases of assets and of liabilities and their carrying values for financial reporting purposes. Deferred tax assets and liabilities are determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are only recognised to the extent of their recoverability. Deferred tax is not provided if it arises from the initial recognition of assets and liabilities from transactions other than business combinations and at the date of the transaction does not impact accounting profits or losses or taxable income or determined losses.

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## 14. FUNDS AND TRANSFERS BETWEEN FUNDS 14. FUNDS AND TRANSFERS OR APPORTIONMENTS BETWEEN FUNDS

Funds consist of restricted and unrestricted funds. Restricted funds consist of operational, loan, donor and fixed asset funds with specific conditions for use. Unrestricted funds are those which Council is able to use at its own discretion. In the pool of unrestricted funds are funds which are earmarked for specific purposes and can therefore not be used for other purposes.

Transfers of funds between the educational and general unrestricted, restricted and student and staff accommodation reserves are required for operational purposes and are internal funds transfers.

The apportionment between the educational and general restricted and student and staff accommodation reserves in the consolidated statement of comprehensive income is made as the student and staff accommodation reserve is managed as a break-even segment with any surplus or loss to be transferred to the restricted educational and general reserve.

The apportionment between funds in the consolidated statement of comprehensive income relates to the allocation of the fair value reserve to the individual funds, as the fair value reserve is not disclosed as a separate reserve.

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2019

	NOTES	2019 R000	Restated* 2018 R000	Restated* 2017 R000
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>		<b>15 741 404</b>	<b>14 221 972</b>	<b>14 060 723</b>
Property, books and equipment	4	6 005 460	5 356 745	5 084 044
Right of use asset	5	107 843	-	-
Intangible assets	6	14 568	15 342	5 158
Long-term investments	7	9 549 834	8 792 606	8 888 708
Investment in associate companies	8	11 959	7 682	6 391
Long-term portion of trade and other receivables	9	47 480	48 801	73 333
Deferred tax	10	1 940	-	1 885
Operating lease asset	12	2 320	796	1 204
<b>CURRENT ASSETS</b>		<b>1 163 742</b>	<b>1 439 334</b>	<b>1 195 715</b>
Inventories	11	10 104	7 234	6 671
Short-term portion of trade and other receivables	9	444 592	511 503	414 729
Contract asset		2 063	8 486	-
Short-term portion of operating lease asset	12	-	409	200
Short-term portion of investments	7	444 092	523 831	-
Cash and cash equivalents	26	262 891	387 871	774 115
<b>TOTAL ASSETS</b>		<b>16 905 146</b>	<b>15 661 306</b>	<b>15 256 438</b>
<b>FUNDS AND LIABILITIES</b>				
<b>AVAILABLE FUNDS</b>		<b>14 449 314</b>	<b>13 433 304</b>	<b>13 338 103</b>
Unrestricted funds: earmarked	2	792 955	748 904	651 493
Unrestricted funds: unearmarked	2	399 247	347 393	571 491
Restricted funds	2	10 709 011	9 788 604	9 562 516
		11 901 213	10 884 901	10 785 500
Property revaluation reserve	2	2 538 731	2 538 731	2 538 731
Non-controlling interests	2	9 370	9 672	13 872
<b>NON-CURRENT LIABILITIES</b>		<b>894 299</b>	<b>877 182</b>	<b>857 531</b>
Interest-bearing borrowings	3	212 431	207 715	202 411
Post-retirement medical benefits	28	681 868	669 467	655 120
<b>CURRENT LIABILITIES</b>		<b>1 561 533</b>	<b>1 350 820</b>	<b>1 060 804</b>
Trade and other payables	13	1 203 376	1 080 384	1 049 726
Contract liability	13	341 083	266 688	-
Short-term portion of interest-bearing borrowings	3	16 648	3 748	11 078
Operating lease liability	12	426	-	-
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>16 905 146</b>	<b>15 661 306</b>	<b>15 256 438</b>

\* Refer to note 33



## CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTES	EDUCATIONAL & GENERAL	EDUCATIONAL & GENERAL	EDUCATIONAL & GENERAL	STUDENT AND STAFF ACCOMMODATION	2019 TOTAL	RESTATED* 2018 TOTAL
		UNRESTRICTED R000	RESTRICTED R000	TOTAL R000	RESTRICTED R000	R000	R000
<b>TOTAL REVENUE</b>		<b>2 903 870</b>	<b>2 677 320</b>	<b>5 581 190</b>	<b>320 608</b>	<b>5 901 798</b>	<b>5 284 348</b>
<b>RECURRING ITEMS</b>							
Government grants	15	1 809 007	450 850	2 259 857	25 337	<b>2 285 194</b>	2 023 292
Student, accommodation and other fees		865 652	64 476	930 128	271 784	<b>1 201 913</b>	1 078 301
Gross student, accommodation and other fees	16	1 076 467	80 179	1 156 646	337 973	<b>1 494 619</b>	1 397 799
Bursaries paid by Stellenbosch University	19	(210 815)	(15 703)	(226 518)	(66 188)	<b>(292 706)</b>	(319 498)
Grants and contracts	16	70 298	1 095 134	1 165 432	-	<b>1 165 432</b>	1 105 770
Private donations		2 896	225 594	228 490	-	<b>228 490</b>	264 956
Sale of services and products	16	41	237 358	237 399	-	<b>237 399</b>	228 026
<b>Subtotal</b>		<b>2 747 893</b>	<b>2 073 413</b>	<b>4 821 306</b>	<b>297 122</b>	<b>5 118 428</b>	<b>4 700 345</b>
Interest and dividends earned	20	103 652	321 066	424 718	11 048	<b>435 766</b>	383 434
Profit/(loss) on disposal of property, books and equipment		218	(9 847)	(9 629)	12 438	<b>2 809</b>	1 356
Profit realised on disposal of investments		21 105	32 832	53 937	-	<b>53 937</b>	67 315
Fair value movement on fair value through profit or loss investments		30 841	255 224	286 065	-	<b>286 065</b>	123 461
Equity profit in associate companies		-	1 177	1 177	-	<b>1 177</b>	2 444
Foreign exchange gain		160	3 456	3 616	-	<b>3 616</b>	5 994
		<b>2 903 870</b>	<b>2 677 320</b>	<b>5 581 190</b>	<b>320 608</b>	<b>5 901 798</b>	<b>5 284 348</b>
<b>TOTAL EXPENDITURE</b>		<b>2 228 014</b>	<b>2 635 579</b>	<b>4 863 593</b>	<b>174 151</b>	<b>5 037 744</b>	<b>4 677 833</b>
<b>RECURRING ITEMS</b>							
Staff costs	17	1 684 593	942 705	2 627 298	38 194	<b>2 665 492</b>	2 479 504
Academic professional		905 649	273 964	1 179 613	-	<b>1 179 613</b>	1 098 524
Other		778 944	668 741	1 447 685	38 194	<b>1 485 879</b>	1 380 980
Other operating expenditure and impairments	19	433 107	1 486 000	1 919 107	97 148	<b>2 016 255</b>	1 870 333
Depreciation and amortisation	19	110 314	196 830	307 144	11 766	<b>318 910</b>	292 510
<b>Subtotal</b>		<b>2 228 014</b>	<b>2 625 535</b>	<b>4 853 549</b>	<b>147 108</b>	<b>5 000 657</b>	<b>4 642 347</b>
Finance charges	23	-	10 044	10 044	27 043	<b>37 087</b>	35 486
		<b>2 228 014</b>	<b>2 635 579</b>	<b>4 863 593</b>	<b>174 151</b>	<b>5 037 744</b>	<b>4 677 833</b>
APPORTIONMENT TO/(FROM) RESERVES <sup>1</sup>		-	116 527	116 527	(116 527)	-	-
TRANSFERS (FROM)/TO RESERVES <sup>2</sup>		(791 649)	821 579	29 930	(29 930)	-	-
		(791 649)	938 106	146 457	(146 457)	-	-
<b>(LOSS)/SURPLUS FOR THE YEAR <sup>2</sup></b>		<b>(115 793)</b>	<b>979 847</b>	<b>864 054</b>	<b>-</b>	<b>864 054</b>	<b>606 516</b>
Attributable to parent		(115 793)	978 657	862 864	-	<b>862 864</b>	605 758
Attributable to non-controlling interest		-	1 190	1 190	-	<b>1 190</b>	758
<b>(LOSS)/SURPLUS FOR THE YEAR <sup>2</sup></b>		<b>(115 793)</b>	<b>979 847</b>	<b>864 054</b>	<b>-</b>	<b>864 054</b>	<b>606 516</b>

<sup>1</sup> The apportionment to/(from) reserves is made as the student and staff accommodation reserve is managed as a break-even segment with any surplus or loss to be transferred to the restricted educational and general reserve.

<sup>2</sup> The majority of the transfers from unrestricted to restricted reserves consists of funds to be utilised for the Campus Renewal Plan, which has a total approved budget R4,385.73 million for the period 2015 to 2027.

\* Refer to note 33

## CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	NOTES	RESTATED* EDUCATIONAL & GENERAL	RESTATED* EDUCATIONAL & GENERAL	RESTATED* EDUCATIONAL & GENERAL	RESTATED* STUDENT AND STAFF ACCOMMODATION	RESTATED* 2018 TOTAL
		UNRESTRICTED R000	RESTRICTED R000	TOTAL R000	RESTRICTED R000	R000
<b>TOTAL REVENUE</b>		<b>2 518 953</b>	<b>2 487 126</b>	<b>5 006 079</b>	<b>278 269</b>	<b>5 284 348</b>
<b>RECURRING ITEMS</b>						
Government grants	15	1 581 784	421 338	2 003 121	20 171	2 023 292
Student, accommodation and other fees		769 232	62 288	831 519	246 782	1 078 301
Gross student, accommodation and other fees	16	997 154	80 743	1 077 896	319 903	1 397 799
Bursaries paid by Stellenbosch University	19	(227 922)	(18 455)	(246 377)	(73 121)	(319 498)
Grants and contracts	16	81 335	1 024 435	1 105 770	-	1 105 770
Private donations		5 796	259 159	264 956	-	264 956
Sale of services and products	16	26	228 000	228 026	-	228 026
<b>Subtotal</b>		<b>2 438 173</b>	<b>1 995 220</b>	<b>4 433 392</b>	<b>266 953</b>	<b>4 700 345</b>
Interest and dividends earned	20	83 362	288 756	372 117	11 316	383 434
Profit on disposal of property, books and equipment		280	1 076	1 356	-	1 356
Profit/(loss) realised on disposal of investments		(14 794)	82 109	67 315	-	67 315
Fair value movement on fair value through profit or loss investments		11 753	111 708	123 461	-	123 461
Equity profit in associate companies		-	2 444	2 444	-	2 444
Foreign exchange gain		180	5 814	5 994	-	5 994
		<b>2 518 953</b>	<b>2 487 126</b>	<b>5 006 079</b>	<b>278 269</b>	<b>5 284 348</b>
<b>TOTAL EXPENDITURE</b>		<b>2 049 300</b>	<b>2 464 692</b>	<b>4 513 991</b>	<b>163 841</b>	<b>4 677 833</b>
<b>RECURRING ITEMS</b>						
Staff costs	17	1 529 402	914 076	2 443 479	36 025	2 479 504
Academic professional		834 168	264 356	1 098 524	-	1 098 524
Other		695 234	649 720	1 344 954	36 025	1 380 980
Other operating expenditure and impairments	19	423 488	1 354 212	1 777 700	92 633	1 870 333
Depreciation and amortisation	19	96 410	185 656	282 066	10 444	292 510
<b>Subtotal</b>		<b>2 049 300</b>	<b>2 453 944</b>	<b>4 503 244</b>	<b>139 103</b>	<b>4 642 347</b>
Finance charges	23	-	10 747	10 747	24 738	35 486
		<b>2 049 300</b>	<b>2 464 692</b>	<b>4 513 991</b>	<b>163 841</b>	<b>4 677 833</b>
APPORTIONMENT TO/(FROM) RESERVES <sup>1</sup>		-	108 373	108 373	(108 373)	-
TRANSFERS (FROM)/TO RESERVES <sup>2</sup>		(593 059)	599 114	6 055	(6 055)	-
		(593 059)	707 487	114 428	(114 428)	-
<b>(LOSS)/SURPLUS FOR THE YEAR <sup>2</sup></b>		<b>(123 405)</b>	<b>729 922</b>	<b>606 516</b>	<b>-</b>	<b>606 516</b>
Attributable to parent		(123 405)	729 164	605 758	-	605 758
Attributable to non-controlling interest		-	758	758	-	758
<b>(LOSS)/SURPLUS FOR THE YEAR <sup>2</sup></b>		<b>(123 405)</b>	<b>729 922</b>	<b>606 516</b>	<b>-</b>	<b>606 516</b>

1 The apportionment to/(from) reserves is made as the student and staff accommodation reserve is managed as a break-even segment with any surplus or loss to be transferred to the restricted educational and general reserve.

2 The majority of the transfers from unrestricted to restricted reserves consists of funds to be utilised for the Campus Renewal Plan, which has a total approved budget R3,685.550 million for the period 2015 to 2027.

\* Refer to note 33

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTES	EDUCATIONAL & GENERAL	STUDENT AND STAFF ACCOMMO- DATION	SUBSIDIARY COMPANIES	LOAN FUNDS	ENDOW- MENT FUNDS	FIXED-ASSET FUNDS	NON-CON- TROLLING INTERESTS	TOTAL
		R000	R000	R000	R000	R000	R000	R000	R000
<b>31 DECEMBER 2018</b>									
<b>(Restated*)</b>									
<b>Surplus for the year</b>		605 758	-	-	-	-	-	758	606 516
<b>Other comprehensive income</b>									
<i>Item that will not be reclassified to profit or loss</i>									
Actuarial gain for the year	28	16 639	-	-	-	-	-	-	16 639
Fair-value reserve									
- Unrealised (loss)/profit for the year		(195 520)	(12 347)	(19)	-	(318 750)	(32 217)	-	(558 854)
Profit realised on disposal of investments		7 963	772	-	-	21 829	2 069	-	32 633
<i>Items that may be reclassified to profit or loss</i>									
Apportionment (from)/to reserves		160 332	101 181	(402)	42 900	360 319	(661 107)	(3 223)	-
Transfers to/(from) reserves		(328 430)	(108 373)	-	26 371	(44 004)	454 436	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>266 742</b>	<b>(18 768)</b>	<b>(421)</b>	<b>69 271</b>	<b>19 394</b>	<b>(236 819)</b>	<b>(2 465)</b>	<b>96 934</b>
<b>31 DECEMBER 2019</b>									
<b>Surplus for the year</b>		862 864	-	-	-	-	-	1 190	<b>864 054</b>
<b>Other comprehensive income</b>									
<i>Items that will not be reclassified to profit or loss</i>									
<b>Fair-value reserve</b>									
Actuarial gain for the year	28	18 199	-	-	-	-	-	-	<b>18 199</b>
Fair-value reserve									
- Unrealised (loss)/profit for the year		(51 411)	(19 645)	41	-	(14 235)	18 822	-	<b>(66 427)</b>
Profit realised on disposal of investments		40 248	324	-	-	141 224	18 305	-	<b>200 101</b>
<i>Items that may be reclassified to profit or loss</i>									
Apportionment (from)/to reserves		(1 283 021)	162 331	(524)	(13 027)	299 560	834 681	-	-
Transfers to/(from) reserves		(425 204)	(115 990)	-	30 012	(173 208)	684 390	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(838 324)</b>	<b>27 020</b>	<b>(483)</b>	<b>16 985</b>	<b>253 341</b>	<b>1 556 198</b>	<b>1 190</b>	<b>1 015 928</b>

\* Refer to note 33

## CONSOLIDATED STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTES	EDUCATIONAL & GENERAL	STUDENT AND STAFF ACCOMMO- DATION	SUBSIDIARY COMPANIES	LOAN FUNDS	ENDOW- MENT FUNDS	FIXED-ASSET FUNDS	NON-CON- TROLLING INTERESTS	TOTAL
		R000	R000	R000	R000	R000	R000	R000	R000
<b>BALANCE AS AT 1 JANUARY 2018 (Restated*)</b>		<b>4 263 699</b>	<b>224 469</b>	<b>31 091</b>	<b>395 125</b>	<b>3 637 212</b>	<b>4 772 635</b>	<b>13 872</b>	<b>13 338 103</b>
<b>Surplus for the year</b>		605 758	-	-	-	-	-	758	606 516
Movement of interest in subsidiary		-	-	-	-	-	-	(1 735)	(1 735)
Other comprehensive income for the year		(339 016)	(18 768)	(421)	69 271	19 394	(236 819)	(3 223)	(509 582)
<b>BALANCE AS AT 31 DECEMBER 2018</b>	<b>2</b>	<b>4 530 441</b>	<b>205 701</b>	<b>30 670</b>	<b>464 396</b>	<b>3 656 606</b>	<b>4 535 816</b>	<b>9 672</b>	<b>13 433 304</b>
<b>BALANCE AS AT 1 JANUARY 2019</b>		<b>4 530 441</b>	<b>205 701</b>	<b>30 670</b>	<b>464 396</b>	<b>3 656 606</b>	<b>4 535 816</b>	<b>9 672</b>	<b>13 433 304</b>
<b>Surplus for the year</b>		862 864	-	-	-	-	-	1 190	<b>864 054</b>
Movement of interest in subsidiary		-	-	1 575	-	-	-	(1 492)	<b>83</b>
Other comprehensive income for the year		(1 701 188)	27 020	(483)	16 985	253 341	1 556 198	-	<b>151 873</b>
<b>BALANCE AS AT 31 DECEMBER 2019</b>	<b>2</b>	<b>3 692 117</b>	<b>232 721</b>	<b>31 762</b>	<b>481 381</b>	<b>3 909 947</b>	<b>6 092 014</b>	<b>9 370</b>	<b>14 449 314</b>

\* Refer to note 33

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTES	2019 R000	Restated* 2018 R000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash received from government grants		<b>2 360 194</b>	2 225 292
Cash received from student, accommodation and other fees		<b>1 548 571</b>	1 384 277
Cash received from private donations		<b>240 374</b>	234 529
Cash received from grants and contracts		<b>1 228 780</b>	1 123 674
Cash received from sale of services and products		<b>237 398</b>	228 026
Cash paid for staff costs		<b>(2 620 761)</b>	(2 435 026)
Cash paid for inventories and services		<b>(2 315 712)</b>	(2 181 902)
Cash generated by operations	25	<b>678 844</b>	578 869
Plus: Interest received	21	<b>256 236</b>	223 742
Dividends received	22	<b>168 512</b>	147 759
Less: Interest paid	23	<b>(34 516)</b>	(26 669)
Net cash inflow from operating activities		<b>1 069 076</b>	923 701
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
Addition to investments		<b>(6 236 697)</b>	(3 962 205)
Disposal of investments		<b>6 029 785</b>	3 200 184
Net additions to property, books and equipment		<b>(1 052 686)</b>	(539 343)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of interest-bearing borrowings	24	<b>(9 458)</b>	(8 581)
Grant received in respect of capital projects		<b>75 000</b>	-
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>			
		<b>(124 980)</b>	(386 244)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>			
		<b>387 871</b>	774 115
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>			
	26	<b>262 891</b>	387 871

\* Refer to note 33



# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
*31 December 2019*

## I. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

### *Post-retirement medical benefits*

A number of assumptions are made in the provision for Post-retirement medical benefits. Refer to note 28 for the assumptions.

The significant assumptions include a discount rate of 10,2% (2018: 10,1%), a medical inflation rate of 7,6% (2018: 8,3%) and an expected retirement age of 65 years (2018: 65 years).

	2019 R000	2018 R000
<b>The effect of a 1% increase in the discount rate will be as follows:</b>		
Decrease in the accrued medical liability	(55 209)	(56 595)
<b>The effect of a 1% decrease in the discount rate will be as follows:</b>		
Increase in the accrued medical liability	65 866	67 891
<b>The effect of a 1% increase in the medical inflation rate will be as follows:</b>		
Increase in the accrued medical liability	63 946	65 349
Increase in the current service and interest cost of the medical liability	7 534	9 203
<b>The effect of a 1% decrease in the medical inflation rate will be as follows:</b>		
Decrease in the accrued medical liability	(54 426)	(55 368)
Decrease in the current service and interest cost of the medical liability	(6 363)	(5 066)
<b>The effect of an increase of one year in the expected retirement age will be as follows:</b>		
Decrease in the accrued medical liability	(10 924)	(11 329)
<b>The effect of a decrease of one year in the expected retirement age will be as follows:</b>		
Increase in the accrued medical liability	11 262	11 767

The University's policy on retirement age states that employees retire at 65 years of age. After age 65, employment may be extended to a maximum age of 70, based on the "Regulation for application and/or continuation of service after the age of 65" of the University. For computation purposes, the normal and expected retirement age is therefore deemed 65 years.

### *Impairment of outstanding student fees and loans*

The impairment of outstanding student fees and loans are based on an "expected credit loss" ("ECL") model.

For the student loans portfolio, the ECL is calculated using the generalised approach which is based on a probability of default ("PD") and loss given default ("LGD") model. The PD's are calculated based on monthly historical hazard rates, whereas the LGD model is based on a discounted cash flow approach using historical recoveries. The PD and LGD is multiplied by the exposure at default which is the expected balance at default to obtain the ECL estimate. The calculated ECL is discounted using the original effective interest rate applicable to the financial asset.

The ECL distinguishes between a 12-month ECL and lifetime ECL. Determining whether a loss allowance should be based on a 12-month ECL or lifetime ECL, depends on whether there has been a significant increase in the credit risk ("SICR") of the financial instrument since initial recognition (or the commitment date). If the credit risk has increased significantly since initial recognition, the loss allowance is measured at lifetime ECL and classified as being in Stage 2 or Stage 3. If it has not, it is measured at 12-month ECL and classified as Stage 1. The following staging criteria is applied in the student loans portfolio:

Stage 1: 0 instalments in arrears

Stage 2: more than 0 but less than 3 instalments in arrears (i.e. SICR trigger)

Stage 3: 3 or more instalments in arrears (i.e. default status)

The ECL model incorporates forward-looking information that is available without undue cost and effort. Historical macro-economic factors with associated forecasts were obtained from the Bureau for Economic Research at the University and considered in the ECL model.

IFRS 9 allows a simplified approach when calculating the ECL for trade receivables, contract assets and lease receivables. The simplified approach allows for the use of a provision matrix based on historical loss rates to estimate a lifetime expected loss allowance. For student fees receivable, the University adopted the simplified approach and the ECL is calculated using historical loss rates to estimate expected future losses. The historical loss rates are calculated based on a discounted cash flow approach using historical recovery information observed for outstanding student fees.

### *Useful life and residual value of property, books and equipment*

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

## 2. FUND BALANCES

The accumulated balances as at 31 December are as follows:

	RESTRICTED R000	UNRESTRICTED R000	PROPERTY REVALUATION RESERVE* R000	FAIR VALUE RESERVE R000	NON- CONTROLLING INTERESTS R000	TOTAL R000
<b>2019</b>						
Educational and general	2 627 687	865 948	-	198 482	-	3 692 117
Student and staff accommodation	231 124	-	-	1 597	-	232 721
Subsidiary companies	31 642	-	-	120	-	31 762
Loan funds	481 381	-	-	-	-	481 381
Endowment funds	2 772 522	440 992	-	696 433	-	3 909 947
Fixed asset funds	3 463 014	-	2 538 731	90 270	-	6 092 015
Non-controlling interests	-	-	-	-	9 370	9 370
	<b>9 607 370</b>	<b>1 306 940</b>	<b>2 538 731</b>	<b>986 903</b>	<b>9 370</b>	<b>14 449 314</b>
<b>2018</b>						
Educational and general	3 519 466	794 512	-	216 466	-	4 530 444
Student and staff accommodation	184 728	-	-	20 973	-	205 701
Subsidiary companies	30 591	-	-	79	-	30 670
Loan funds	464 396	-	-	-	-	464 396
Endowment funds	2 691 218	372 008	-	593 380	-	3 656 606
Fixed asset funds	1 940 839	-	2 538 731	56 246	-	4 535 816
Non-controlling interests	-	-	-	-	9 672	9 672
	<b>8 831 238</b>	<b>1 166 520</b>	<b>2 538 731</b>	<b>887 143</b>	<b>9 672</b>	<b>13 433 304</b>

The allocation of the fair value reserve is as follows:

	FUNDS AT BOOK VALUE R000	ALLOCATION OF FAIR VALUE RESERVE R000	FUNDS AT MARKET VALUE R000
<b>2019</b>			
Restricted funds	9 607 369	1 101 641	10 709 011
Unrestricted funds	1 306 940	(114 739)	1 192 202
Earmarked funds	792 955	-	792 955
Unearmarked funds	513 985	(114 739)	399 247
	<b>10 914 309</b>	<b>986 903</b>	<b>11 901 213</b>
<b>2018</b>			
Restricted funds	8 831 238	957 366	9 788 604
Unrestricted funds	1 166 520	(70 223)	1 096 297
Earmarked funds	748 904	-	748 904
Unearmarked funds	417 617	(70 223)	347 393
	<b>9 997 758</b>	<b>887 143</b>	<b>10 884 901</b>

\*The property revaluation reserve relates to an one-off event in 2004 when the University applied the IFRS1 exemption in terms of which the fair market value of the buildings at the date of transition to IFRS, became the deemed cost of the buildings.

### 3. INTEREST-BEARING BORROWINGS

	2019 R000	2018 R000
Various loans from financial institutions	<b>34 236</b>	39 628
Bank facility for financing the University's various motor vehicle schemes	<b>29 562</b>	33 626
Lease liabilities	<b>165 281</b>	-
Finance lease liabilities	-	138 209
	<b>229 079</b>	211 463
Less: Portion repayable within one year	<b>(16 648)</b>	(3 748)
	<b>212 431</b>	207 715

The maturity dates of interest-bearing borrowings are as follows:

Within one year	<b>16 648</b>	-
Between two and five years	<b>39 239</b>	73 254
After five years	<b>173 192</b>	138 209
	<b>229 079</b>	211 463

The average interest rate on borrowings amounts to 17% (2018: 16.3%) at year-end. The interest rate applicable to the finance leases includes a maintenance charge.

The majority of the loans from financial institutions consists of a loan bearing interest at 13.4% which is repayable in biannual instalments over the next 4 years.

Motor vehicle loans owing by employees are included in trade and other receivables (refer to note 9). All the borrowings, excluding the motor vehicle schemes, have fixed interest rates. Motor vehicle loans are repayable over the next 1 to 5 years at rates linked to prime.

Leases are payable over various periods in monthly, quarterly or biannual instalments over periods ranging from 1 to 17 years. Lease liability rates for leases previously treated as finance leases approximate 19%. This rate includes a maintenance charge. Other lease liability rates, based on incremental borrowing rates, approximate prime.

The minimum finance lease payments are payable as follows:

Within one year	<b>28 165</b>	19 192
Between two and five years	<b>129 378</b>	96 382
After five years	<b>483 663</b>	511 790
Total payments	<b>641 206</b>	627 364
Less: finance charges payable	<b>(475 925)</b>	(489 155)
	<b>165 281</b>	138 209

The current value of lease payments is as follows:

Within one year *	<b>(2 041)</b>	(7 705)
Between two and five years *	<b>(5 870)</b>	(24 299)
After five years	<b>173 192</b>	170 213
	<b>165 281</b>	138 209

\*Interest capitalised in initial periods of the lease exceed the capital repayments.

#### 4. PROPERTY, BOOKS AND EQUIPMENT

	2019			2018		
	COST R000	ACCUMULATED DEPRECIATION R000	NET CARRYING AMOUNT R000	COST R000	ACCUMULATED DEPRECIATION R000	NET CARRYING AMOUNT R000
Land	15 679	-	15 679	15 679	-	15 679
Buildings	6 375 213	1 239 230	5 135 983	5 739 688	1 167 609	4 572 079
Computer equipment	510 846	422 113	88 733	478 242	397 552	80 689
Other equipment and motor vehicles	1 288 422	523 357	765 065	1 162 143	473 846	688 297
Library books	810 989	810 989	-	734 962	734 962	-
	<b>9 001 148</b>	<b>2 995 689</b>	<b>6 005 460</b>	<b>8 130 714</b>	<b>2 773 969</b>	<b>5 356 745</b>

	LAND R000	BUILDINGS R000	COMPUTER EQUIPMENT R000	OTHER EQUIPMENT AND MOTOR VEHICLES R000	LIBRARY BOOKS R000	TOTAL R000
<b>2019</b>						
Reconciliation of the carrying amount:						
Cost at the beginning of the year	15 679	6 005 615	478 242	1 162 143	734 962	8 396 641
Less: Government grant	-	(265 927)	-	-	-	(265 927)
Restated cost	15 679	5 739 688	478 242	1 162 143	734 962	8 130 714
Accumulated depreciation at the beginning of the year	-	(1 167 609)	(397 553)	(473 846)	(734 962)	(2 773 968)
Net opening carrying value	15 679	4 572 079	80 689	688 297	-	5 356 745
Reclassification of property to right of use assets	-	(97 335)	-	-	-	(97 335)
Cost	-	(117 593)	-	-	-	(117 593)
Accumulated depreciation at the beginning of the year	-	20 258	-	-	-	20 258
Net additions and disposals	-	754 038	60 580	148 960	84 688	1 048 267
Depreciation	-	(92 799)	(52 537)	(72 193)	(84 688)	(302 217)
Net closing carrying value	15 679	5 135 983	88 733	765 065	-	6 005 460

<b>2018</b>						
Reconciliation of the carrying amount:						
Cost at the beginning of the year	15 679	5 639 827	455 677	1 079 571	668 260	7 859 014
Less: Government grant	-	(242 060)	-	-	-	(242 060)
Restated cost	15 679	5 397 766	455 677	1 079 571	668 260	7 616 953
Accumulated depreciation at the beginning of the year	-	(1 069 060)	(368 682)	(426 907)	(668 260)	(2 532 909)
Net opening carrying value	15 679	4 328 706	86 995	652 664	-	5 084 044
Net additions and disposals	-	343 872	45 173	101 321	73 223	563 589
Depreciation	-	(100 499)	(51 478)	(65 688)	(73 223)	(290 888)
Net closing carrying value	15 679	4 572 079	80 689	688 297	-	5 356 745



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

Included in land is property in Stellenbosch on which a notarial bond of R191,6 million (2018: R191,6 million) was registered. The rights in terms of the lease were ceded to the financier.

Work in progress to the value of R1 092,5 million (2018: R524,3 million) is included in the cost of buildings. No depreciation is recognised on work in progress. Additions and improvements amounting to R21,3 million (2018: R44,2 million, included in net additions and disposals to buildings, were funded by the maintenance budget of the University.

## 5. RIGHT OF USE ASSETS

The right of use assets consist mainly of three residences.

	2019		
	COST R000	ACCUMULATED DEPRECIATION R000	NET CARRYING AMOUNT R000
Land	2 874	-	2 874
Buildings	108 076	(10 783)	97 293
Computer equipment	1 993	(754)	1 239
Other equipment and motor vehicles	8 472	(2 035)	6 437
	<b>121 416</b>	<b>(13 573)</b>	<b>107 843</b>

	Land R000	Buildings R000	Computer equipment R000	Other equipment and motor vehicles R000	TOTAL R000
2019					
Reconciliation of the carrying amount:					
At the beginning of the year:					
Reclassification of property to right of use assets	-	97 335	-	-	97 335
Cost	-	117 593	-	-	117 593
Accumulated depreciation at the beginning of the year	-	(20 258)	-	-	(20 258)
Right of use assets recognised on transition	-	8 604	1 993	3 491	14 088
Additions – Right of use assets	-	2 136	-	4 981	7 119
Additions - Finance sub-lease	3 246	-	-	-	3 246
Depreciation per consolidated income statement	-	(10 783)	(754)	(2 035)	(13 573)
Finance sub-lease capital received	(372)	-	-	-	(372)
Net closing carrying value	2 874	97 293	1 239	6 437	107 843

The University leases various properties over periods of 1 to 17 years and equipment over periods of 2 to 5 years.

The sub-lease which represents a net investment in a land lease and which has been included above and in the maturity analysis below, is as follows:

	2019 R000	2018 R000
Within one year	501	-
Between 2 and 5 years	2 373	-
	<b>2 874</b>	<b>-</b>

## 6. INTANGIBLE ASSETS

	2019			2018		
	COST R000	ACCUMULATED AMORTISATION R000	NET CARRYING AMOUNT R000	COST R000	ACCUMULATED AMORTISATION R000	NET CARRYING AMOUNT R000
Software and programmes	<b>31 100</b>	<b>18 676</b>	<b>12 424</b>	25 653	15 469	10 184
Goodwill	<b>2 144</b>	-	<b>2 144</b>	5 158	-	5 158
	<b>33 244</b>	<b>18 676</b>	<b>14 568</b>	30 811	15 469	15 342

	SOFTWARE AND PROGRAMMES R000	GOODWILL R000	TOTAL R000
<b>2019</b>			
Reconciliation of the carrying amount:			
At the beginning of the year	<b>10 184</b>	<b>5 158</b>	<b>15 342</b>
Cost	<b>25 653</b>	<b>5 158</b>	<b>30 811</b>
Accumulated amortisation	<b>(15 469)</b>	-	<b>(15 469)</b>
Additions	<b>5 361</b>	-	<b>5 361</b>
Disposal of subsidiary	-	<b>(3 014)</b>	<b>(3 014)</b>
Amortisation	<b>(3 121)</b>	-	<b>(3 121)</b>
Net closing carrying value	<b>12 424</b>	<b>2 144</b>	<b>14 568</b>

<b>2018</b>			
Reconciliation of the carrying amount:			
At the beginning of the year	-	5 158	5 158
Cost	13 913	5 158	19 071
Accumulated amortisation	(13 913)	-	(13 913)
Additions	11 806	-	11 806
Amortisation	(1 622)	-	(1 622)
Net closing carrying value	10 184	5 158	15 342

## 7. INVESTMENTS

	2019 R000	Restated* 2018 R000
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
<b>Non-current</b>		
	<b>5 892 617</b>	4 327 208
International equity	<b>3 334 667</b>	2 710 501
International property	<b>79 635</b>	92 450
International fixed interest/Capital market	<b>57 390</b>	33 381
Local fixed interest/Capital market	<b>1 509 567</b>	875 465
Local cash	<b>432 870</b>	223 206
International cash	<b>475 538</b>	387 964
Fixed deposits	<b>2 950</b>	4 241

	2019 R000	Restated* 2018 R000
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>		
Non-current		
Quoted/listed	<b>3 650 798</b>	4 462 039
Local equity	<b>3 528 725</b>	4 275 815
Local property	<b>122 073</b>	186 224
Unquoted/unlisted	<b>6 419</b>	3 359
Local equity	<b>6 419</b>	3 358
Debentures	-	1
Total non-current investments	<b>9 549 834</b>	8 792 606
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
Current investments		
Money market/Capital market	<b>444 092</b>	523 831
	<b>444 092</b>	523 831
TOTAL INVESTMENTS	<b>9 993 926</b>	9 316 437
<b>RECONCILIATION OF CARRYING VALUE:</b>		
Opening carrying value	<b>9 316 437</b>	8 888 708
Additions	<b>6 236 697</b>	3 963 357
Disposals (including realised losses)	<b>(5 778 846)</b>	(3 100 235)
Unrealised fair value losses recognised in other comprehensive income	<b>(66 427)</b>	(558 854)
Unrealised fair value gains recognised in profit and loss	<b>286 065</b>	123 461
Closing carrying value	<b>9 993 926</b>	9 316 437

\*Refer to note 33

The average interest rate for purposes of valuation applicable to government bonds as at year-end was 10,3% (2018: 7,7%) and to fixed deposits 7,3% (2018: 7,2%).

The University's investment portfolios are managed by professional asset managers under the supervision of the Investment Committees of respectively the Council and Stellenbosch Trust.

## 8. INVESTMENT IN ASSOCIATE AND SUBSIDIARY COMPANIES

### 8.1 INVESTMENT IN ASSOCIATE COMPANIES

NAME	NUMBER OF SHARES	INTEREST AND EFFECTIVE VOTING RIGHT
Unistel Medical Laboratories (Pty) Ltd	350	35.00%
Stellenbosch Nanofiber Company (Pty) Ltd	728	18.35%
GeoSUN Africa (Pty) Ltd	30	25.00%
Custos Technologies (Pty) Ltd	856	26.48%
Bridgiot (Pty) Ltd	2 000	22.22%
Sun Magnetix (Pty) Ltd	48	38.40%
Geosmart (Pty) Ltd	350	35.00%
Cubespace (Pty) Ltd	200	20.20%
Sharksafe Barriers (Pty) Ltd	24	20.00%
Cargo Telematics (Pty) Ltd	429	30.00%
Sein Media (Pty) Ltd	4 000	50.00%
African Sun Media (Pty) Ltd	250	25.00%
AxioVR (Pty) Ltd	24	20.00%

#### 8.1.1 Unistel Medical Laboratories (Pty) Ltd

Balance at the beginning of the year	4 347	4 286
Net share in profit of associate company	770	61
Balance at the end of the year	5 117	4 347

#### 8.1.2 Stellenbosch Nanofiber Company (Pty) Ltd

Balance at the beginning of the year	-	116
Net share of loss of associate company	(2 113)	(2 699)
Increase in investment	2 736	-
Adjustment for net share of loss limited to zero	-	2 583
Balance at the end of the year	623	-

#### 8.1.3 GeoSUN Africa (Pty) Ltd

Balance at the beginning of the year	1 855	1 026
Net share in profit of associate company	1 273	829
Balance at the end of the year	3 128	1 855

#### 8.1.4 Custos Media Technologies (Pty) Ltd

Balance at the beginning of the year	-	781
Net share of loss of associate company	(2 073)	(1 683)
Adjustment for net share of loss limited to zero	2 073	902
Balance at the end of the year	-	-

#### 8.1.5 Bridgiot (Pty) Ltd

Balance at the beginning of the year	-	-
Net share of loss of associate company	(146)	(186)
Adjustment for net share of loss limited to zero	146	186
Balance at the end of the year	-	-

	2019 R000	2018 R000
<b>8.1.6 Surfactant Medical Technologies (Pty) Ltd</b>		
Balance at the beginning of the year	-	-
Net share in loss of associate company	-	(314)
Adjustment for net share of loss limited to zero	-	314
Balance at the end of the year	-	-
<b>8.1.7 Sun Magnetics (Pty) Ltd</b>		
Balance at the beginning of the year	457	182
Net share in profit of associate company	339	275
Balance at the end of the year	796	457
<b>8.1.8 Geosmart (Pty) Ltd</b>		
Investment made	74	1
Net share of profit of associate company	92	73
Balance at the end of the year	166	74
<b>8.1.9 Cubespace (Pty) Ltd</b>		
Balance at the beginning of the year	866	-
Investment made	-	1
Net share of profit of associate company	825	865
Balance at the end of the year	1 691	866
<b>8.1.10 Sharksafe Barriers (Pty) Ltd</b>		
Balance at the beginning of the year	35	-
Investment made	-	1
Net share of profit of associate company	72	34
Balance at the end of the year	107	35
<b>8.1.11 Cargo Telematics (Pty) Ltd</b>		
Balance at the beginning of the year	-	-
Investment made	-	1
Net share of profit of associate company	-	-
Balance at the end of the year	-	1
<b>8.1.12 Sein Media (Pty) Ltd</b>		
Balance at the beginning of the year	47	-
Investment made	-	1
Net share of profit of associate company	16	46
Balance at the end of the year	63	47
<b>8.1.13 African Sun Media (Pty) Ltd</b>		
Investment made	1	-
Net share of profit of associate company	286	-
Balance at the end of the year	287	-
<b>8.1.14 AxioVR (Pty) Ltd</b>		
Investment made	1	-
Net share of loss of associate company	(23)	-
Adjustment for net share of loss limited to zero	23	-
Balance at the end of the year	1	-
<b>Total investment in associate companies</b>	<b>11 959</b>	<b>7 682</b>



	2019 R000	2018 R000
<b>8.1.15 Assets, liabilities and profit of Unistel Medical Laboratories (Pty) Ltd</b>		
Non-current assets	20 095	15 722
Current assets	12 096	15 374
Total assets	32 191	31 096
Non-current liabilities	6 363	7 150
Current liabilities	1 928	1 548
Total liabilities	8 291	8 698
Profit	2 375	4 155

<b>8.1.16 Assets, liabilities and loss of Stellenbosch Nanofiber Company (Pty) Ltd</b>		
Non-current assets	21 466	3 260
Current assets	6 615	5 955
Total assets	28 081	9 215
Non-current liabilities	1 899	-
Current liabilities	5 728	650
Total liabilities	7 627	650
Loss	(11 516)	(12 115)

<b>8.1.17 Assets, liabilities and profit of GeoSUN Africa (Pty) Ltd</b>		
Non-current assets	177	210
Current assets	7 208	5 319
Total assets	7 385	5 529
Non-current liabilities	-	-
Current liabilities	293	48
Total liabilities	293	48
Profit	2 434	3 316

<b>8.1.18 Assets, liabilities and loss of Custos Media Technologies (Pty) Ltd</b>		
Non-current assets	78	126
Current assets	596	2 191
Total assets	674	2 317
Non-current liabilities	16 080	10 586
Current liabilities	767	136
Total liabilities	16 847	10 722
Loss	(7 831)	(6 396)

<b>8.1.19 Assets, liabilities and loss of Bridgiot (Pty) Ltd</b>		
Non-current assets	25	196
Current assets	1 689	4 160
Total assets	1 714	4 356
Non-current liabilities	600	600
Current liabilities	2 476	4 946
Total liabilities	3 076	5 546
Loss	(658)	(510)

	2019 R000	2018 R000
<b>8.1.20 Assets, liabilities and loss of Surfactant Medical Technologies (Pty) Ltd</b>		
Non-current assets	-	618
Current assets	-	1 535
Total assets	-	2 153
Non-current liabilities	-	4 828
Current liabilities	-	-
Total liabilities	-	4 828
Loss	-	(628)

The company became a subsidiary during the current year.

<b>8.1.21 Assets, liabilities and profit of Sun Magnetics (Pty) Ltd</b>		
Non-current assets	58	85
Current assets	3 175	2 094
Total assets	3 233	2 179
Non-current liabilities	-	-
Current liabilities	64	132
Total liabilities	64	132
Profit	1 506	159

<b>8.1.22 Assets, liabilities and profit of Geosmart (Pty) Ltd</b>		
Non-current assets	-	-
Current assets	360	211
Total assets	360	211
Non-current liabilities	-	-
Current liabilities	12	-
Total liabilities	12	-
Profit	261	211

<b>8.1.23 Assets, liabilities and profit of Cubespace (Pty) Ltd</b>		
Non-current assets	418	772
Current assets	11 359	7 725
Total assets	11 777	8 497
Non-current liabilities	500	1
Current liabilities	1 275	1 603
Total liabilities	1 775	1 604
Profit	4 084	4 287

<b>8.1.24 Assets, liabilities and profit of Sharksafe Barriers (Pty) Ltd</b>		
Non-current assets	-	-
Current assets	123	1 498
Total assets	123	1 498
Non-current liabilities	595	840
Current liabilities	148	484
Total liabilities	743	1 324
Profit	362	174

	2019 R000	2018 R000
<b>8.1.25 Assets, liabilities and loss of Cargo Telematics (Pty) Ltd</b>		
Non-current assets	-	159
Current assets	-	-
Total assets	-	159
Non-current liabilities	-	-
Current liabilities	-	592
Total liabilities	-	592
Loss	-	(638)

<b>8.1.26 Assets, liabilities and profit of Sein Media (Pty) Ltd</b>		
Non-current assets	8	-
Current assets	46	95
Total assets	54	95
Non-current liabilities	-	-
Current liabilities	-	-
Total liabilities	-	-
Profit	35	94

<b>8.1.27 Assets, liabilities and profit of African Sun Media (Pty) Ltd</b>		
Non-current assets	1 393	-
Current assets	5 723	-
Total assets	7 116	-
Non-current liabilities	-	-
Current liabilities	1 743	-
Total liabilities	1 743	-
Profit	1 151	-

<b>8.1.28 Assets, liabilities and loss of AxioVR (Pty) Ltd</b>		
Non-current assets	-	-
Current assets	-	-
Total assets	-	-
Non-current liabilities	-	-
Current liabilities	-	-
Total liabilities	-	-
Loss	(115)	-

## 8.2 INVESTMENT IN SUBSIDIARY COMPANIES

<b>8.2.1 Assets, liabilities and profit of Stellenbosch Trust</b>		
Non-current assets	1 728 063	1 626 174
Current assets	50 425	48 334
Total assets	1 778 488	1 674 508
Non-current liabilities	-	-
Current liabilities	92 953	80 922
Total liabilities	92 953	80 922
Comprehensive income for the year	372 951	250 738

	2019 R000	2018 R000
<b>8.2.2 Assets, liabilities and profit of InnovUS Technology Transfer (Pty) Ltd</b>		
Non-current assets	30 922	27 559
Current assets	8 520	1 841
Total assets	39 442	29 400
Non-current liabilities	8 760	5 984
Current liabilities	4 855	367
Total liabilities	13 615	6 351
Comprehensive income for the year	2 777	620

<b>8.2.3 Assets, liabilities and profit of USB Executive Development Ltd</b>		
Non-current assets	14 987	8 400
Current assets	38 407	36 601
Total assets	53 394	45 001
Non-current liabilities	6 309	-
Current liabilities	19 497	17 192
Total liabilities	25 806	17 192
Comprehensive income for the year	1 028	1 472

<b>8.2.4 Assets, liabilities and profit of Aquastel (Pty) Ltd</b>		
Non-current assets	1 928	1 928
Current assets	15	15
Total assets	1 943	1 943
Non-current liabilities	-	-
Current liabilities	325	325
Total liabilities	325	325
Comprehensive income for the year	-	158

<b>8.2.5 Assets, liabilities and profit of Sun Media Stellenbosch (Pty) Ltd</b>		
Non-current assets	-	782
Current assets	-	5 540
Total assets	-	6 322
Non-current liabilities	-	-
Current liabilities	-	2 369
Total liabilities	-	2 369
Comprehensive income for the year	-	572

<b>8.2.6 Assets, liabilities and profit of Stellenbosch Wind Energy Technologies (Pty) Ltd</b>		
Non-current assets	-	18
Current assets	-	31
Total assets	-	49
Non-current liabilities	-	5 765
Current liabilities	-	-
Total liabilities	-	5 765
Comprehensive income for the year	-	-

	2019 R000	2018 R000
<b>8.2.7 Assets, liabilities and profit of Maties Gymnasium (Pty) Ltd</b>		
Non-current assets	14 422	9 527
Current assets	13 794	9 598
Total assets	28 216	19 125
Non-current liabilities	4 972	-
Current liabilities	4 122	3 413
Total liabilities	9 094	3 413
Comprehensive income for the year	3 410	3 017

<b>8.2.8 Assets, liabilities and loss of LaunchLab (Pty) Ltd</b>		
Non-current assets	1 245	3 594
Current assets	5 699	7 464
Total assets	6 944	11 058
Non-current liabilities	-	-
Current liabilities	883	1 318
Total liabilities	883	1 318
Comprehensive loss for the year	(3 679)	(2 185)

<b>8.2.9 Assets, liabilities and profit of The Stellenbosch Development Trust</b>		
Non-current assets	33 176	33 176
Current assets	25 858	24 325
Total assets	59 034	57 501
Non-current liabilities	-	-
Current liabilities	2 122	2 122
Total liabilities	2 122	2 122
Comprehensive income for the year	1 533	1 432

<b>8.2.10 Assets, liabilities and profit of Stellenbosch Law Faculty Trust</b>		
Non-current assets	48 662	42 203
Current assets	50 090	14 953
Total assets	98 752	57 156
Non-current liabilities	-	-
Current liabilities	-	-
Total liabilities	-	-
Comprehensive income for the year	32 032	2 368

<b>8.2.11 Assets, liabilities and profit of Stellenbosch Financing Partnership</b>		
Non-current assets	-	-
Current assets	-	-
Total assets	-	-
Non-current liabilities	-	-
Current liabilities	-	-
Total liabilities	-	-
Comprehensive income for the year	-	3 573



	2019 R000	2018 R000
<b>8.2.12 Assets, liabilities and loss of Surfactant Medical Technologies (Pty) Ltd</b>		
Non-current assets	423	-
Current assets	444	-
Total assets	867	-
Non-current liabilities	-	-
Current liabilities	-	-
Total liabilities	-	-
Loss	(203)	-

<b>8.2.13 Assets, liabilities and profit of USB Executive Development Botswana (Pty) Ltd</b>		
Non-current assets	-	-
Current assets	8 409	-
Total assets	8 409	-
Non-current liabilities	-	-
Current liabilities	6 057	-
Total liabilities	6 057	-
Profit	2 346	-

2019  
R000

Restated\*  
2018  
R000

Restated\*  
2017  
R000

## 9. TRADE AND OTHER RECEIVABLES

Student fees	147 886	168 553	103 046
Student fees due	298 863	303 216	264 086
Less: Allowance for credit losses of student fees	(150 977)	(134 663)	(161 040)
Student loans	52 930	94 351	105 308
Student loans due	184 252	252 795	236 053
Less: Fair value loss due to non-market-related interest rates	(15 625)	(25 701)	(23 974)
Less: Allowance for credit losses of student loans	(115 697)	(132 743)	(106 771)
Trade receivables	113 515	117 247	98 215
Trade receivables due	115 091	120 075	102 844
Less: Allowance for credit losses of trade receivables	(1 576)	(2 828)	(4 629)
Motor vehicle loans	37 493	39 908	44 651
Interest and dividends receivable on investments	33 506	22 489	10 556
Insurance claim receivable	-	-	12 769
Payroll control accounts	23 427	25 972	25 267
VAT control account	11 985	11 172	12 656
Sundry receivables	71 330	80 613	75 595
	492 072	560 304	488 062
	(47 480)	(48 801)	(73 333)
Less: Long-term portion of motor vehicle loans	(24 797)	(26 642)	(30 267)
Less: Long-term portion of student loans	(22 683)	(22 159)	(43 066)
	444 592	511 503	414 729

\*Refer to note 33

Refer to note 30 for amounts outstanding by related parties included above.

All non-current receivables are receivable within five years from the financial year-end.

### Student fees

Refer to note 1 for detail regarding the calculation of the allowance. The provision was calculated as follows:

#### 2019

Debt grouping	Academic year	Outstanding student fees R000	Coverage %	Expected credit loss R000
Current year	2019	142 248	28%	39 785
One year old	2018	44 408	62%	27 488
Two years old	2017	28 054	67%	18 907
Older than two but less than 5 years old	2016 and 2015	39 317	73%	28 708
5 years and older	Older than 2015	44 836	80%	36 089
Total		298 863	51%	150 977

## 2018

Debt grouping	Academic year	Outstanding student fees R000	Coverage %	Expected credit loss R000
Current year	2018	163 570	31%	49 511
One year old	2017	35 296	61%	21 467
Two years old	2016	23 921	64%	15 421
Older than two but less than 5 years old	2015 and 2014	37 136	65%	24 025
5 years and older	Older than 2014	43 293	56%	24 240
Total		303 216	44%	134 663

	2019 R000	2018 R000
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The increase in the allowance for the year, as well as irrecoverable debts written off, is shown in the consolidated income statement under 'Other operating expenditure'.

The movement in the allowance for credit losses for student fees is as follows:

Balance at the beginning of the year	134 663	161 040
Increase/(decrease) in allowance for the year	46 809	(24 333)
Amounts written off during the year as irrecoverable	(30 495)	(2 044)
Total	150 977	134 663

## Student loans

Student loans are granted at rates below market-related interest rates. A fair value adjustment is made on the transaction price at recognition of the loan which results in a day 1 loss recognised in the consolidated income statement.

## 2019

IFRS 9 stage	Exposure R000	Coverage %	Expected credit loss R000
Stage 1 - registered	55 523	2.6%	1 448
Stage 1 - deregistered	10 830	10.8%	1 167
Stage 2	901	42.7%	385
Stage 3	116 998	96.3%	112 697
Total	184 252	62.8%	115 697

## 2018

IFRS 9 stage	Exposure R000	Coverage %	Expected credit loss R000
Stage 1 - registered	81 161	3.3%	2 711
Stage 1 - deregistered	17 322	17.7%	3 060
Stage 2	1 444	45.3%	654
Stage 3	127 167	99.3%	126 318
Total	227 094	58.5%	132 743

Stage 1 exposures are split between registered and deregistered loans in order to incorporate the activation rate for the registered stage 1 exposures.

The ECL model incorporates forward-looking information when calculating the ECL. Historical macro-economic factors with associated forecasts were obtained from the Bureau for Economic Research at the University and considered in the ECL model.

**The movement in the allowance for credit losses of student loans is as follows:**

Balance at the beginning of the year	132 743	106 771
Increase in allowance for the year	30 390	26 049
Amounts written off during the year as irrecoverable	(47 436)	(77)
Balance at the end of the year	115 697	132 743

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

***Trade Receivables***

For trade receivables, the University adopted the simplified approach. The historical loss rates are calculated based on a discounted cash flow approach using historical recovery information observed for outstanding trade receivables.

Receivables older than four months are considered for an allowance for credit losses. The allowance for credit losses of receivables is as follows:

Balance at the beginning of the year	2 828	4 629
Increase/(decrease) in allowance for the year	667	(1 235)
Amounts written off during the year as irrecoverable	(1 919)	(566)
Balance at the end of the year	1 576	2 828

***Motor vehicle loans***

The risk of non-recoverability of motor vehicle loans owed by employees is regarded as low as repayments are deducted from their salaries and consequently no allowance for credit losses is created for this category (refer to note 3).

***Interest and dividends receivable on investments***

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

**10. DEFERRED TAX**

The movement in the deferred tax asset and liability is as follows:

Balance at the beginning of the year	-	1 885
Movement during the year:		
Temporary differences on property, books and equipment and right of use assets	(1 443)	(1 885)
Temporary differences on lease liabilities, trade and other payables and contract liabilities	3 383	-
Balance at the end of the year	1 940	-

The deferred tax balance consists of the following:

Temporary differences on property, books and equipment and right of use assets	(1 443)	-
Temporary differences on lease liabilities, trade and other payables and contract liabilities	3 383	-
Balance at the end of the year	1 940	-

A deferred tax asset is recognised for tax losses only to the extent that recovery is probable. The movement in deferred tax for the year is included in 'Other operating expenditure'.

## 11. INVENTORIES

Inventories consist of the following items:

Stationery	4 132	3 024
Consumables	5 972	4 210
	<b>10 104</b>	7 234

## 12. OPERATING LEASE ASSET

The net operating lease asset is made up as follows:

Operating lease asset	2 320	1 204
Operating lease liability	(426)	-
	<b>1 894</b>	1 204

Actual lease payments receivable:

Within 1 year	14 250	6 083
Between 2 to 5 years	25 011	5 489
After 5 years	1 536	1 370
	<b>40 797</b>	12 942

## 13. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITY

### TRADE AND OTHER PAYABLES

Trade payables	80 868	44 509
Accrued remuneration costs	72 658	65 025
Accrued expenditure	32 162	49 767
Accrued leave liability	190 655	186 573
Income other than student fees received in advance	590 346	450 633
NRF deposit	69 800	75 400
Interstructure balances (STIAS, WAT, MCS)	31 495	70 729
Bank control accounts: income received in advance	72 229	63 513
Other	63 163	72 234
	<b>1 203 376</b>	1 080 384

### CONTRACT LIABILITY

Student fees received in advance	188 046	173 648
Grants and contracts received in advance	129 322	88 398
Donations received in advance	23 715	4 642
	<b>341 083</b>	266 688

### CONTRACT LIABILITY RECONCILIATION

Balance at the beginning of the year	266 688	184 605
Movement during the year	74 396	82 083
Balance at the end of the year	<b>341 084</b>	266 688

Refer to note 30 for amounts payable to related parties included above.



## 14. COMMITMENTS

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

Buildings	<b>1 838 269</b>	1 651 273
Library books and journals	<b>240</b>	671
	<b>1 838 509</b>	1 651 944

## 15. GOVERNMENT GRANTS

Government grants comprise the following:

### GOVERNMENT GRANTS

- subsidy income	<b>1 914 432</b>	1 681 764
- research grants	<b>370 762</b>	341 528
	<b>2 285 194</b>	2 023 292
- over time	<b>2 285 194</b>	2 023 292

Subsidy income and research grants from Government are recognised over time and do not contain a significant financing component.

## 16. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers comprise the following:

### NET STUDENT, ACCOMMODATION AND OTHER FEES

- gross student course and registration fees	<b>1 156 646</b>	1 076 131
- gross student accommodation fees	<b>337 973</b>	321 668
- bursaries paid by Stellenbosch University treated as a reduction	<b>(292 706)</b>	(319 498)
	<b>1 201 913</b>	1 078 301
- over time	<b>1 201 913</b>	1 078 301

Student course, registration and accommodation fees are recognised over time and do not contain a significant financing component.

	2019 R000	2018 R000
GRANTS AND CONTRACTS		
- research grants and contracts: local	107 228	151 242
foreign	507 072	404 018
- rental income	40 625	31 373
- sponsorships	10 031	13 940
- laboratory analysis fees	18 590	19 904
- bursaries	75 033	78 882
- membership fees	19 472	19 433
- course material	170 496	157 809
- sundry contracts	216 885	229 169
	<b>1 165 432</b>	<b>1 105 770</b>
- over time	778 051	718 792
- point in time	387 381	386 978
	<b>1 165 432</b>	<b>1 105 770</b>

Research grants and contracts, rental income, sponsorships, laboratory analysis fees, bursaries and membership fees are recognised over time and do not contain a significant financing component.

Revenue from course material and sundry contracts are recognised at a point in time as the specific performance obligations are satisfied. All items in the table above are revenue from contracts with customers, except rental income.

#### SALE OF SERVICES AND PRODUCTS

- short course income	54 683	43 363
- conference income	14 444	25 942
- programme fees	147 947	131 736
- gymnasium fees	18 927	17 860
- sundry services rendered	1 398	9 125
	<b>237 399</b>	<b>228 026</b>
- over time	236 001	218 901
- point in time	1 398	9 125
	<b>237 399</b>	<b>228 026</b>

Short course, conference, programme and gymnasium fees are recognised over time and do not contain a significant financing component.

Sundry revenue is recognised at a point in time when the service is rendered and the performance obligations are satisfied.

## 17. STAFF COSTS

Remuneration and fringe benefits	<b>2 634 892</b>	2 448 518
Increase in provision for staff benefits in income statement	<b>30 608</b>	31 559
Decrease in provision for long-service benefits in consolidated income statement	<b>(8)</b>	(573)
	<b>2 665 492</b>	2 479 504
Decrease in provision for staff benefits included in comprehensive income	<b>(18 199)</b>	(16 639)
	<b>2 647 293</b>	2 462 865

The number of permanent employees (which includes fixed term employees) is 3 467 (2018: 3 441).

The number of non-permanent employees is 953 (2018: 1 026).

## 18. STAFF COSTS: EXECUTIVE MANAGEMENT

The following information on amounts actually accrued during the financial year is supplied in order to comply with the Higher Education Act (101 of 1997, as amended) and the Regulations for Annual Reporting by Higher Education Institutions (section 7.8).

Name	Position	Nature	Total value 2019 R000	Period	Total value 2018 R000	Period
Prof WJS de Villiers	Rector and Vice-chancellor	Remuneration paid out	<b>4 771</b>	Jan - Dec 2019	4 490	Jan – Dec 2018
		Bonus paid out	<b>372</b>	Jan - Dec 2019	350	Jan – Dec 2018
Prof A Schoonwinkel	Vice-rector (Learning and Teaching)	Remuneration paid out	<b>2 674</b>	Jan - Dec 2019	2 518	Jan – Dec 2018
		Additional remuneration paid out	-		2	Jan – Dec 2018
Prof SA du Plessis	Chief Operating Officer	Remuneration paid out	<b>3 087</b>	Jan - Dec 2019	2 905	Jan – Dec 2018
		Leave paid out	<b>277</b>	Jan - Dec 2019	-	
		Additional remuneration paid out	<b>2</b>	Jan - Dec 2019	1	Jan – Dec 2018
Prof TE Cloete	Vice-rector (Research, Innovation and Post-graduate studies)	Remuneration paid out	<b>2 619</b>	Jan - Dec 2019	2 465	Jan – Dec 2018
		Additional remuneration paid out	-		23	Jan – Dec 2018
Prof NN Koopman	Vice-rector (Social Impact, Transformation and Personnel)	Remuneration paid out	<b>2 645</b>	Jan - Dec 2019	2 489	Jan – Dec 2018
		Leave paid out	<b>67</b>	Jan - Dec 2019	119	Jan – Dec 2018
Prof HC Kloppe	Vice-rector (Strategy and Internationalisation)	Remuneration paid out	<b>2 606</b>	Jan - Dec 2019	2 452	Jan – Dec 2018

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

Paid to	Number of members	Attendance of meetings Average value R000	Reimbursement of expenses Total value R000
Chairperson of the Council	1	-	-
Members of the Council	29	-	114

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

## 19. TOTAL EXPENDITURE

Total expenditure includes the following:

### DEPRECIATION AND AMORTISATION

Buildings	<b>92 799</b>	100 499
Computer equipment	<b>52 537</b>	51 478
Other equipment and motor vehicles	<b>72 193</b>	65 688
Library books	<b>84 688</b>	73 223
Amortisation	<b>3 121</b>	1 622

Depreciation: Right of use assets

Buildings	<b>10 783</b>	-
Other equipment and motor vehicles	<b>2 789</b>	-
	<b>318 910</b>	292 510

### OTHER OPERATING EXPENDITURE

Bursaries	<b>193 075</b>	200 556
Leases	<b>78 270</b>	68 869
- Lease payments	-	68 869
- Short-term leases	<b>64 599</b>	-
- Low value assets	<b>13 671</b>	-
Maintenance and repairs (refer to note 4)	<b>139 295</b>	121 961
Auditors' remuneration	<b>7 421</b>	6 603
For statutory audit		
- Provision for current year	<b>3 684</b>	3 038
For other audit services	<b>2 329</b>	2 748
For other consulting services	<b>1 408</b>	817
Internal audit	<b>5 178</b>	3 643
Forensic audit	<b>1 835</b>	1 437
Net increase in allowance for credit losses for student fees, student loans and trade receivables	<b>77 866</b>	481
Consultation and other services	<b>234 680</b>	252 513
Travelling and accommodation	<b>214 258</b>	226 631
Utility fees	<b>197 580</b>	179 152

Summary of bursaries paid and administered by the SU consisting of agent, principal and internal bursaries

	<b>1 104 452</b>	972 336
- Own funds and research contracts	<b>193 075</b>	200 556
- Bursaries paid by Stellenbosch University treated as reduction in student, accommodation and other fees	<b>269 758</b>	285 350
- Gap funding treated as reduction in student, accommodation and other fees	<b>22 948</b>	34 148
- Agent relationship (incl. NSFAS)	<b>618 671</b>	452 282

Maturity of short term and low value operating leases

Within one year	4 765
Two-five years	10 726
	<b>15 491</b>

## 20. INTEREST AND DIVIDENDS EARNED

Interest received	- short-term investments	83 384	78 726
	- long-term investments	116 393	115 787
	- amortised cost (including interest received on student fees and student loans)	62 996	41 162
Dividends received		172 993	147 759
		<b>435 766</b>	<b>383 434</b>

## 21. INTEREST RECEIVED

Amount receivable at the beginning of the year	22 489	10 556
Amount in income statement	262 773	235 675
Amount receivable at the end of the year	(29 026)	(22 489)
	<b>256 236</b>	<b>223 742</b>

## 22. DIVIDENDS RECEIVED

Amount receivable at the beginning of the year	-	-
Amount in income statement	172 993	147 759
Amount receivable at the end of the year	(4 481)	-
	<b>168 512</b>	<b>147 759</b>

## 23. FINANCE CHARGES PAID

Amount payable at the beginning of the year	17 681	16 045
Amount in income statement	37 087	35 486
Lease finance charges	28 910	24 738
Interest on loans and bank facility	8 177	10 748
Adjustment for non-cash items	(20 252)	(7 181)
Amount payable at the end of the year	-	(17 681)
	<b>34 516</b>	<b>26 669</b>

## 24. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Balance at the beginning of the year	211 464	213 491
Non-cash flow items:		
Finance leases	-	(626)
Additions to leases	24 501	-
Interest accrued	37 087	24 738
Less:		
Interest paid	(34 516)	(17 558)
Capital repayments	(9 458)	(8 581)
Balance at the end of the year	<b>229 078</b>	<b>211 464</b>



## 25. RECONCILIATION OF SURPLUS WITH CASH FLOWS

Surplus according to the consolidated income statement	<b>864 054</b>	606 516
Adjustments for:		
Interest and dividends received	<b>(435 766)</b>	(383 434)
Finance charges	<b>37 087</b>	35 486
Profit on disposal of property, books and equipment	<b>(2 809)</b>	(1 356)
Impairment of property	<b>1 038</b>	-
Profit realised on disposal of investments	<b>(53 937)</b>	(67 315)
Fair value movement on fair value through profit and loss investments	<b>(286 065)</b>	(123 461)
Increase in accrual for leave gratuity	<b>4 082</b>	6 380
Increase in accrual for post-retirement medical benefits	<b>30 602</b>	30 986
Decrease in provision for impairment of student fees, student loans and trade receivables	<b>(12 060)</b>	(479)
Depreciation	<b>318 910</b>	292 510
Loss in associate companies	<b>(1 177)</b>	(2 444)
Adjustment to operating lease liability	<b>426</b>	-
Adjustment to operating lease asset	<b>(1 116)</b>	200
Increase in deferred tax	<b>(1 940)</b>	-
Donation of property, books and equipment	<b>(7 189)</b>	(35 069)
Operating income before changes in working capital	<b>454 140</b>	358 520
Change in working capital	<b>224 704</b>	220 349
Decrease/(increase) in trade and other receivables	<b>91 311</b>	(59 830)
Decrease/(increase) in contract asset	<b>6 423</b>	(8 486)
Increase in inventories	<b>(2 869)</b>	(563)
Increase in trade and other payables and post-retirement medical benefits	<b>55 443</b>	22 741
Increase in contract liability	<b>74 396</b>	266 688
Decrease in operating lease asset	<b>-</b>	(200)
Cash generated by operations	<b>678 844</b>	578 869

## 26. CASH AND CASH EQUIVALENTS

Favourable bank balances	<b>262 891</b>	387 871
The average interest rate on cash and cash equivalents for 2019 amounts to 5.5% (2018: 5,8%).		
The University's facilities at banks, reviewed annually	<b>271 897</b>	260 897

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

## 27. FINANCIAL RISK MANAGEMENT

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

### 27.1 BUSINESS RISKS

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

- National fee regulation;
- Growing pressure on the unearmarked government subsidy to universities;
- Infrastructure constraints and the high cost of the ongoing maintenance of facilities and science equipment; and
- The pace of transformation and broadening of accessibility.

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

### 27.2 MARKET RISK

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

#### (a) Foreign exchange risk

The University's foreign exchange risk arises from its exposure to certain global unit trusts/pooled vehicles invested offshore. Although these unit trusts are Rand denominated and there is no financial risk of currency conversion, the underlying investments do expose the University to foreign exchange risk. The foreign currency risk is included in the price risk for these investments.

Total amount of offshore investments at 31 December	<b>3 947 230</b>	3 224 297
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Owing to international transactions in currencies other than the South African rand (the University's functional currency), the University is exposed to foreign currency risk. This risk arises from future financial transactions as well as recognised assets and liabilities denominated especially in US dollar, pound and euro. Foreign exchange risk associated with future financial transactions is managed in certain instances by taking out forward cover through forward foreign exchange contracts.

The following balances are not covered by forward foreign exchange contracts. If the exchange rate had increased/decreased by 5.0% as at 31 December 2019, with all other factors remaining unchanged, the surplus for the year would have increased/(decreased) as follows:

AUD	-	30
EURO	<b>38</b>	11
GBP	<b>98</b>	43
USD	<b>273</b>	338
	<b>409</b>	422

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

	Foreign exchange 2019 000	Rand value 2019 R000	Foreign exchange 2018 000	Rand value 2018 R000
TRADE RECEIVABLES				
AUD	-	-	60	591
EURO	<b>50</b>	<b>764</b>	14	229
GBP	<b>108</b>	<b>1 955</b>	48	854
USD	<b>398</b>	<b>5 460</b>	479	6 761
Net foreign exchange asset		<b>8 179</b>		8 435

**(b) Price risk**

The University is exposed to price risk due to changes in the market values of its quoted and unquoted equity share investments and unit trust investments, as well as other debt instruments.

Should the share prices of the equity instruments in the portfolio rise/fall by 10% at 31 December 2019, and all other factors remain unchanged, other comprehensive income would have increased/decreased by R365,1 million (2018: R446,2 million) and the surplus for the year would have increased/decreased by R341,4 million (2018: R280,3 million). A bond exchange rise or fall of 10% as at 31 December 2019 would have resulted in an increase/decrease of R156,7 million (2018: R90,9 million) in the fair value reserve for capital market and money market instruments. The University is not directly exposed to commodity price risk.

Although the University follows a policy of diversification, the portfolio managers must maintain the market exposure of the portfolios within the following permitted ranges:

Asset class	Permitted ranges
Equities	40% - 75%
Property	0% - 30%
Interest-bearing	0% - 60%
Commodities	0% - 10%

**(c) Interest rate risk**

The interest rate features of new and existing loans are continuously reviewed. The University did not enter into any interest-rate-derivative agreements for the years ended 31 December 2019 and 2018. The interest rate profile of the debt securities is as follows:

At floating rates	<b>925 601</b>	257 816
At fixed rates	<b>1 190 851</b>	1 292 533
	<b>2 116 452</b>	1 550 349

Should the interest rate on floating interest rate investments as at year-end increase/decrease by 100 basis points, the surplus for the year would have increased/decreased by R9,3 million (2018: R2,5 million).

Should the interest rate on balances at banks as at year-end increase/decrease by 100 basis points, the surplus for the year would have increased/decreased by R2,6 million (2018: R3,9 million).

## 27.3 LIQUIDITY RISK

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

In order to cover possible liquidity risks the University is in a position to realise long-term investments at short notice. Cash investments amounting to R908,4 million (2018: R611,2 million) have also been included in long-term investments.

Current assets	<b>1 163 741</b>	1 439 334
Current liabilities	<b>1 561 533</b>	1 350 820
Operating capital ratio	<b>0.75</b>	1.07

## Financial liabilities

### 31 December 2019

	CARRYING AMOUNT R000	CONTRACTUAL CASH FLOW R000	< 1 YEAR R000	1-5 YEARS R000	> 5 YEARS R000
Interest-bearing borrowings	229 079	727 794	53 311	190 819	483 663
Trade and other payables	300 782	300 782	300 782	-	-
Total financial liabilities	529 861	1 028 576	354 093	190 819	483 663

### 31 December 2018

Interest-bearing borrowings	211 463	731 659	28 046	191 823	511 790
Trade and other payables	358 440	358 440	358 440	-	-
Total financial liabilities	569 903	1 090 099	386 486	191 823	511 790

## 27.4 CREDIT RISK

Credit risk mainly arises from investments, outstanding student fees and student loans, trade receivables and cash resources. Credit risk arising from student fees, student loans and trade receivables are disclosed in note 9.

Investment counterparties are limited to high credit-quality financial institutions. The credit quality of debt securities that are subject to credit risk, is limited per investment management agreement. Money market investments must have a national short-term credit rating of F1 or higher as defined by Fitch Ratings, or an equivalent rating from another recognised rating agency. The following restrictions apply to SA bond investments:

Credit rating (Fitch/S&P national scale)	Issuer limit (% of total portfolio)
RSA Government issued or guaranteed	Unrestricted
AAA band (banks)	15%
AAA band (non-banks)	10%
AA band (AA+ to AA-) (banks)	12.50%
AA band (AA+ to AA-) (non-banks)	7.50%
A band (A+ to A-) (banks)	5%
A band (A+ to A-) (non-banks)	2.50%
BBB band (BBB+ to BBB-)	1%
Below BBB-	Nil

The largest component of outstanding student fees is due by former students. Trade receivables consist of a large number of clients and their creditworthiness is evaluated continuously by the University. Cash surpluses are invested only at reputable financial institutions. As at 31 December 2019 and 31 December 2018 there was no material credit risk for which adequate provision had not been made. Trade and other receivables are shown net of any allowance for credit losses.

## 27.5 ESTIMATION OF FAIR VALUE

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

Fair value measurements are disclosed in accordance with the hierarchy below:

- Level 1:** Quoted prices in terms of active markets for identical assets and liabilities  
The fair values of listed investments are based on quoted market prices at year-end. The quoted market price refers to the closing price on the last date of business before year-end. The following instrument classifications, as reflected on the consolidated statement of financial position are included in this category: Listed equity instruments, listed corporate bonds/notes and unit trusts with a quoted market price.
- Level 2:** Inputs other than quoted prices obtained directly (prices) or indirectly (derived from prices)  
Valuation techniques using observable inputs: quoted prices (other than those included in level 1) for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are less than active and financial assets and liabilities valued using models where all significant inputs are observable directly or indirectly from market data. The following financial instrument classifications, as reflected on the consolidated statement of financial position are included in this category: unlisted money market investments, cash deposits and corporate bonds.
- Level 3:** Inputs for assets and liabilities not based on available market data  
The following financial instrument classifications, as reflected on the consolidated statement of financial position are included in this category: unlisted equity instruments. Fair values are determined on the basis of discounted cash flow models.

Assets as at 31 December 2019 shown at fair value:

	LEVEL 1 R000	LEVEL 2 R000	LEVEL 3 R000	TOTAL R000
Debt instruments	5 827 485	509 024	-	6 336 509
Equity instruments	3 653 114	-	4 303	3 657 417
	9 480 599	509 024	4 303	9 993 926

The nominal values of trade and other receivables and payables and interest-bearing borrowings less impairments and allowances for credit losses are deemed as their fair values. Short-term debt instruments represent endowment funds where the donor may determine the application and time of application, and are measured at fair value. As at 31 December 2018 listed shares, fixed deposits and other investments were classified as level 1 and unlisted shares as level 2.

The University assesses annually at year- end whether transfers between levels are deemed to have occurred.

## 27.6 FINANCIAL INSTRUMENTS BY CATEGORY

The following classifications for financial instruments have been applied to the line items below:

	Financial assets/ liabilities at amortised cost R000	Financial assets at fair value through profit or loss R000	Financial assets at fair value through other comprehensive income R000	Non-financial assets R000	Total R000
<b>2019</b>					
<b>Assets</b>					
Investments	-	5 892 617	4 101 309	-	9 993 926
Trade and other receivables	480 087	-	-	11 985	492 072
Cash and cash equivalents	262 891	-	-	-	262 891
<b>Total</b>	742 978	5 892 617	4 101 309	11 985	10 748 889
<b>Liabilities</b>					
Interest-bearing borrowings	229 079	-	-	-	229 079
Trade and other payables	300 782	-	-	902 594	1 203 376
<b>Total</b>	529 861	-	-	902 594	1 432 455

**2018****Assets**

Investments	-	4 327 208	4 989 229	-	9 316 437
Trade and other receivables	549 132	-	-	11 172	560 304
Cash and cash equivalents	387 871	-	-	-	387 871

**Total**

937 003	4 327 208	4 989 229	11 172	10 264 612
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**Liabilities**

Interest-bearing borrowings	211 463	-	-	-	211 463
Trade and other payables	358 440	-	-	721 944	1 080 384

**Total**

569 903	-	-	721 944	1 291 847
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**27.7 GAINS AND LOSSES ON FINANCIAL INSTRUMENTS**

The table below summarises the gains/losses on financial instruments:

	Fair value gains/ (losses) R000	Dividend income R000	Investment income R000	Finance costs R000	Impairment loss R000	Total R000
<b>2019</b>						
Trade and other receivables	-	-	62 996	-	77 866	140 862
Investments at fair value through profit or loss	286 065	-	199 777	-	-	485 842
Investments at fair value through other comprehensive income	(66 427)	172 993	-	-	-	106 566
Financial liabilities at amortised cost	-	-	-	(37 087)	-	(37 087)
<b>Total</b>	219 638	172 993	262 773	(37 087)	77 866	696 183
<b>2018</b>						
Trade and other receivables	-	-	41 162	-	481	41 643
Investments at fair value through profit or loss	123 461	147 759	194 513	-	-	465 733
Investments at fair value through other comprehensive income	(558 854)	-	-	-	-	(558 854)
Financial liabilities at amortised cost	-	-	-	(35 486)	-	(35 486)
<b>Total</b>	(435 393)	147 759	235 675	(35 486)	481	(86 964)



## 27.8 MANAGEMENT OF AVAILABLE FUNDS

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

## 28. POST-RETIREMENT MEDICAL BENEFITS

### *Contributions To The University Of Stellenbosch Retirement Fund (USRF)*

USRF, established on 1 November 1994 and managed in terms of the Pension Funds Act of 1956 (as amended), is a defined-contribution plan for permanent employees of the University. The fund is valued by independent actuaries at least every three years. The fund's assets amounted to R4 324,1 million (2018: R3 746,2 million) as at 31 December 2019, and members totalled 3 617 (2018: 3 574). Membership contribution rates vary from 10% to 35% of pensionable earnings. The actuaries declared the fund financially sound.

Total contributions paid amounted to R283.8 million (2018: R256,9 million). The most recent audit had been done for the year ended 31 December 2018 and an unqualified opinion was expressed.

### *Other Benefits*

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

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

Liabilities are calculated by the independent actuaries at least every three years and are reviewed annually. A complete actuarial valuation was performed as at 31 December 2019. The most recent valuation was performed on 4 February 2020. The next actuarial valuation will be performed no later than 1 January 2021.

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

Discount rate	<b>10.2%</b>	10.1%
Consumer price index	<b>5.6%</b>	6.3%
Medical inflation	<b>7.6%</b>	8.3%
Salary inflation	<b>7.1%</b>	7.8%
Expected average retirement age	<b>65.0</b>	65.0
Age difference between principal member and spouse	<b>4.0</b>	4.0
Income at retirement	<b>75.0%</b>	75.0%
Proportion married at retirement	<b>75.0%</b>	75.0%
Group life proportion married at retirement	<b>90.0%</b>	90.0%
Maximum age for orphan contributions	<b>21.0</b>	21.0
Continuation at retirement	<b>100.0%</b>	100.0%

Reconciliation of the carrying amount:

	2019			2018		
	MEDICAL LIABILITY R000	GROUP LIFE INSURANCE R000	TOTAL R000	MEDICAL LIABILITY R000	GROUP LIFE INSURANCE R000	TOTAL R000
Liability at the beginning of the year	<b>598 326</b>	<b>68 396</b>	<b>666 722</b>	587 910	63 892	651 802
Adjustments in the consolidated income statement:						
- Current service charges	<b>5 745</b>	<b>3 965</b>	<b>9 710</b>	6 302	3 273	9 575
- Interest charge	<b>58 229</b>	<b>6 733</b>	<b>64 962</b>	56 224	6 163	62 387
- Contributions payable by the employer	<b>(40 755)</b>	<b>(3 309)</b>	<b>(44 064)</b>	(37 287)	(3 116)	(40 403)
Actuarial gain adjustments in the consolidated statement of comprehensive income	<b>(12 593)</b>	<b>(5 606)</b>	<b>(18 199)</b>	(14 823)	(1 816)	(16 639)
	<b>608 952</b>	<b>70 179</b>	<b>679 131</b>	598 326	68 396	666 722

The actuarial gain is attributable to the following:

Change in real discount rate	<b>(55 209)</b>	(46 566)
Change in expected cost inflation and members' benefit options	<b>14 699</b>	4 631
Change in demographic assumptions	<b>13 414</b>	16 947
Change in membership	<b>8 897</b>	8 349
	<b>(18 199)</b>	(16 639)

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

Continued members	<b>502 571</b>	481 053
In-service members	<b>176 560</b>	185 669
	<b>679 131</b>	666 722

The expected increase in the liability for the next 12 months is R27,7 million (2018: R50,5 million).

The duration of the liability is 11.9 years (2018: 12 years). An amount of R46.3 million (2018: R42,3 million) is payable with 12 months and R635,6 million (2018: R627,2 million) after 12 months.

### *Long-Service Benefits*

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

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

Active members: long service benefits	<b>2 737</b>	2 745
<b>TOTAL POST-RETIREMENT MEDICAL BENEFITS LIABILITY</b>	<b>681 868</b>	669 467

Summary of data for five years of:

	2019 R000	2018 R000	2017 R000	2016 R000	2015 R000
Current value of liability	681 868	669 467	655 120	629 581	571 105
Actuarial loss/(gain) due to experience	14 699	4 631	(254)	8 610	(28 378)

## 29. INCOME TAX

The University is exempted from normal income tax in terms of section 10(1)(cA)(i) of the Income Tax Act. The University does however pay indirect taxes, eg Value Added Tax. Some of the subsidiaries of the University are liable for normal income tax. Refer to note 10.

## 30. RELATED-PARTY TRANSACTIONS

### 30.1 THE ENTITIES BELOW ARE DEEMED RELATED PARTIES OF THE UNIVERSITY

The consolidated financial statements as at 31 December 2019 include the following trusts and partnerships:

Name of trust/partnership	Nature of activities	Loan
Stellenbosch Trust	Fund recruiting and investing of donations	Zero
The Stellenbosch Development Trust	Investment of property for educational and research activities	Zero
Stellenbosch Law Faculty Trust	Promotion of Law Faculty for access to members of the general public	Zero
Stellenbosch Financing Partnership	Loan of funds in accordance with partnership agreement	Zero

The University has the following investments in unlisted subsidiaries as at 31 December 2019:

Name of company	Nature of activities	Effective shareholding	Book value of interest	
			Investment R	Loan R
InnovUS Technology Transfer (Pty) Ltd	Commercialising of intellectual property and sources from the University for research, educational and community interactions	100.0%	Zero	8 760 134

InnovUS Technology Transfer (Pty) Ltd, a wholly-owned subsidiary of the University, has the following investments in unlisted subsidiaries and associates as at 31 December 2019:

Name of company	Nature of activities	Effective shareholding	Book value of interest	
			Investment R	Loan R
USB Executive Development (Pty) Ltd	Development and presentation of executive development programmes and provision of consultation services	66.0%	20 729 580	Zero
USB Executive Development Botswana (Pty) Ltd	Development and presentation of executive development programmes and provision of consultation services	52.8%	5 465	Zero
Aquastel (Pty) Ltd	Development of aqua culture	100.0%	1 000	Zero
Surfactant Medical Technologies (Pty) Ltd	Development of patented synthetic lung technology	100.0%	1 086 641	4 960 962
Unistel Medical Laboratories	Providing human and animal genetic, diagnostic and testing services	35.0%	350	Zero
Unistel Technology (Pty) Ltd	Dormant	100.0%	1 000	Zero
Maties Gymnasium (Pty) Ltd	Providing of sport related services	100.0%	1 000	1 572 920
Stellenbosch Nanofiber Company (Pty) Ltd	Commercialising of nanofiber technology	18.4%	5 728 370	Zero
AxioVR (Pty) Ltd	The company supplies virtual reality solutions with customised software paradigms for research, training and marketing applications	20.0%	1 000	Zero
GeoSUN Africa (Pty) Ltd	Service providers to the solar power industry	30.3%	30	Zero
LaunchLab (Pty) Ltd	Support on campus through networking opportunities, mentorship and affordable leasing tariffs in an entrepreneurial environment	100.0%	100	Zero
Custos Media Technologies (Pty) Ltd	Development of technology to dissuade consumers from illegally sharing purchased media	26.6%	3 200 000	Zero
Sun Magnetics (Pty) Ltd	The development and sale of inductance extraction and magnetic field calculation software for integrated circuit verification (including superconducting integrated circuits)	38.4%	48	Zero

Name of company	Nature of activities	Effective share-holding	Book value of interest	
			Investment R	Loan R
Bridgiot (Pty) Ltd	The development of an internet of things platform aimed at connecting household and other electronics to the cloud	22.2%	400	Zero
Vulamanz (Pty) Ltd	The use of a patented Capillary Ultrafiltration Membrane Nanotechnology to produce high quality drinking water	40.0%	1 000	Zero
Geosmart (Pty) Ltd	Geosmart finds solutions to geographical problems by combining out-of-the-box geospatial thinking with cutting-edge technologies, such as geographical information systems, earth observation satellites, global navigation satellite systems, mobile devices, cloud computing and artificial intelligence	35.0%	500	Zero
Sun Media Stellenbosch (Pty) Ltd	Publishing and printing services	25.0%	250	Zero
Cubespace (Pty) Ltd	The company designs, builds, tests and supports innovative, high quality, miniaturized satellite components, with a strong focus on control systems	20.2%	200	Zero
Sharksafe Barriers (Pty) Ltd	The company develops eco-friendly technology that combines magnetic and visual stimuli to deter shark species considered dangerous to humans. The technology aims at keeping people safe from sharks while protecting the sharks	20.0%	24	Zero
Cargo Telematics (Pty) Ltd	The main object of the company is to provide products for the telematics transport industry	30.0%	429	Zero
Sein Media (Pty) Ltd	The company offers prime film scoring and music recording services at Stellenbosch University	50.0%	500	Zero

Members of the executive management are also deemed related parties of the University. Refer to note 18 for a list of the executive management members and payments made to them during the year.

## 30.2 TRANSACTIONS WITH RELATED PARTIES

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

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

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

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

	2019 R000	2018 R000
<b>30.2.1 INCOME</b>		
From subsidiaries:		
Distribution of earmarked donations from Stellenbosch Trust	281 002	292 356
Services	31 102	26 183
Interest	127	77
	<b>312 231</b>	<b>318 616</b>
<b>30.2.2 EXPENDITURE</b>		
To subsidiaries:		
Services	502	19 213
Interest	948	792
	<b>1 450</b>	<b>20 005</b>

2019  
R000

2018  
R000

### 30.2.3 AMOUNTS OUTSTANDING AS AT YEAR-END

Receivable from:

Subsidiaries

**67 727**

48 484

Payable to:

Subsidiaries

**17 624**

9 053

### 30.2.4 LOANS GRANTED TO RELATED PARTIES

Maties Gymnasium (Pty) Ltd (previously Stellenbosch University Sport Performance Institute (Pty) Ltd)

**1 573**

475

InnovUS Technology Transfer (Pty) Ltd

**8 760**

5 984

**10 333**

6 459

The loan to Maties Gymnasium (Pty) Ltd (previously Stellenbosch University Sport Performance Institute (Pty) Ltd) bears interest linked to prime and has fixed terms for repayment. The loan to InnovUS Technology Transfer (Pty) Ltd bears no interest and has no fixed terms for repayment.

## 31. CONTINGENT LIABILITY

The University guarantees a percentage of the outstanding amount on mortgage loans of qualifying employees. The maximum exposure as at year-end amounts to R24 829 (2018: R24 829).

## 32. CHANGES IN ACCOUNTING POLICIES

The University's accounting policies changed due to the mandatory adoption of IFRS 16, "Leases", which became effective on 1 January 2019. The modified retrospective approach, in terms of which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019, has been applied.

### Leases

Previously the University determined at contract inception whether an arrangement is or contained a lease under IFRIC 4 and then determined its classification, i.e. finance or operating lease under IAS 17 based on its assessment of whether the lease transferred significantly all of the risks and benefits incidental to ownership of the underlying assets to the University.

Under IFRS 16, the University assesses whether a contract is or contains a lease based on its definition. On transition to IFRS 16, the University elected to apply the practical expedient to grandfather the assessment of which contracts were or contain leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IFRIC 4 and classified under IAS 17, were not reassessed for whether there was a lease. Thus, the definition of a lease under IFRS 16 is only applied to contracts entered into or changed after 1 January 2019.

### As a lessee

As a lessee, the University previously classified its leases as operating or finance leases in terms of IAS 17. The University decided to apply recognition exemptions for all short-term leases of 12 months or less for all categories of assets and for all leases of low value, being leases or leased assets costing or valued at R75 000 or less.

The University has leases for property and equipment from third parties. At 1 January 2019, and for all leases excluding those of a short term period of 12 months or less or of low value which were previously classified as operating leases, lease liabilities were measured at the present value of the remaining lease payments, discounted on a portfolio basis at the incremental borrowing rate that the University had with its primary bankers as at 1 January 2019. The incremental borrowing rate applied to most of the leases was 10.25%.

At 1 January 2019, for all leases previously classified as finance leases under IAS 17, the carrying amount of the right of use assets and the lease liabilities at 1 January 2019, were determined at the respective carrying amounts under IAS 17 immediately before that date.

At 1 January 2019, the lease liabilities for property have been recognised over the contractual term of the leases, including any option periods if reasonably certain to exercise the option, with the final year contractual lease payment utilised for the option renewal period. For equipment leases, the lease liabilities have been recognised over the remaining periods of the leases.

At 1 January 2019, for leases previously recognised as operating leases, the right of use assets have been recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The University used the following practical expedients when applying IFRS 16 to the previously classified operating leases under IAS 17:

- applied a single discount rate to a portfolio of leases with similar characteristics; and
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The total impact on the University's financial statements as at 1 January 2019 is as follows:

	1 JANUARY 2019 AS ORIGINALLY PRESENTED R000	IFRS 16 R000	1 JANUARY 2019 RESTATED R000
Property, books and equipment - Finance leases (as lessee)*	97 335	(97 335)	-
Right of use assets – previously operating leases capitalised	-	14 088	14 088
Right of use assets – previously finance leases reclassified	-	97 335	97 335
Lease liabilities – previously operating leases capitalised	-	(14 088)	(14 088)
Lease liabilities – previously finance leases*	(138 209)	-	(138 209)
Total	(40 874)	-	(40 874)

\* Finance leases as lessee were included in Property, books and equipment and the corresponding Finance lease liability in interest-bearing borrowings

Lease liabilities consist of the following:

Previously operating leases treated in accordance with IFRS16:

Discounted payments based on the lease term and renewal options using the incremental borrowing rate for:

	1 JANUARY 2019 TRANSITION TO IFRS 16
Operating leases recognised in accordance with IFRS16:	
Property	8 604
Equipment	5 485
	<hr/> 14 089
Finance lease liability reclassified in accordance with IFRS16:	
Property	138 209
	<hr/> 152 298
Total IFRS16-related liabilities consists out of the following categories:	
Lease liabilities - Property	146 813
Lease liabilities - Equipment	5 485
	<hr/> 152 298

As a lessor

The University is not required to make any adjustments on transition to IFRS 16 for leases in which it acts as a lessor, except for a sub-lease. At 1 January 2019, there were no sub-leases linked to a head lease and consequently no lessor finance leases on transition.



### 33. PRIOR YEAR CORRECTIONS

#### 33.1 CLASSIFICATION OF INVESTMENTS

In the prior year, all investments were classified as at fair value through other comprehensive income. In the current year it was found that certain of these instruments should have been considered to be debt instruments that would not qualify for FVOCI. The movement on these instruments must therefore be treated as fair value through profit and loss based on the cash flow characteristics of the assets. The 2018 figures were adjusted to reflect this change.

The impact was as follows:

CONSOLIDATED INCOME STATEMENT	2018 R000
Increase in profit realised on disposal of investments	67 315
Increase in fair value movement on fair value through profit and loss investments	123 461
	<u>190 776</u>
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	
Decrease in profit realised on disposal of investments	(67 315)
Decrease in fair value reserve adjustment for the year	(123 461)
	<u>(190 776)</u>
CLASSIFICATION OF INVESTMENTS	
Increase in financial assets at fair value through profit and loss	4 322 967
Decrease in financial assets at fair value through other comprehensive income	(4 322 967)
	<u>-</u>

#### 33.2 CURRENT AND NON-CURRENT PORTION OF STUDENT LOANS

The classification of student loans between current and non-current was amended in the current year to more accurately reflect the payment dates of loans, incorporating the allowance for credit losses. The figures of the prior year, as well as 2017, were adjusted to reflect this change.

The impact was as follows:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2018 R000
Increase in current portion of student loans receivable	220 476
Decrease in non-current portion of student loans receivable	(220 476)
	<u>-</u>
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	
	2017 R000
Increase in current portion of student loans receivable	158 538
Decrease in non-current portion of student loans receivable	(158 538)
	<u>-</u>

#### 33.3 TREATMENT OF BURSARIES FUNDED BY THE UNIVERSITY

Bursaries provided by the University to students as funding for student and accommodation fees, were treated as a bursary expense in the prior year and the gross student and accommodation fees received was recognised as revenue. In the current year, these bursaries were treated as a reduction in the student and accommodation fees received and the figures of the prior year were adjusted to reflect this change.

The impact was as follows:

#### CONSOLIDATED INCOME STATEMENT

	2018 R000
Decrease in student, accommodation and other fees	(270 000)
Decrease in other operating expenditure	270 000
	-

## 34. GOING CONCERN

The consolidated annual financial statements have been prepared on the going concern basis as the Council has every reason to believe that the University has sufficient resources in place to continue with operations for the next twelve months.

## 35. SUBSEQUENT EVENTS

A pneumonia of unknown cause detected in Wuhan, China, was first reported to the Chinese office of the World Health Organization (WHO) on 31 December 2019. The outbreak was declared a public health emergency of international concern on 30 January 2020. On 11 February 2020, the WHO announced a name for the new coronavirus disease, namely COVID-19.

President Ramaphosa declared a national state of disaster on 15 March 2020 and a national lockdown on 23 March 2020 for an initial period of 21 days, but this was extended on 6 April 2020. South Africa is currently at a level 3 stage of lockdown.

The COVID-19 pandemic and international lockdowns have already had and will continue to have a negative impact on the world's economy. On 27 March 2020, Moody's downgraded South Africa's sovereign credit rating to subinvestment grade with a negative outlook.

The University's Rectorate decided to convene an overarching Institutional Committee for Business Continuity (ICBC) in February 2020, led by the Chief Operating Officer. The ICBC is served by a Medical Advisory Committee and seven workstreams, covering student services, staff, learning and teaching, communications, community impact and external relations, campus operations, finance and legal matters, and research. The overarching objectives are to ensure that students can complete their academic year, and that the University remains sustainable. Since the ICBC has a business continuity purpose in addition to the management of a major disruption, the focus is explicitly on scenario analysis and the continuity of business processes. The ICBC's scenario planning currently focuses on two scenarios, namely delayed recovery and prolonged contraction, and all work streams align their plans contingent on these scenarios. In conjunction with the scenario analysis, an explicitly risk-based approach is followed to mitigate the impact of these two scenarios.

### 35.1 OVERALL FINANCIAL IMPACT

The full extent of the financial implications of the COVID-19 pandemic for the University remains to be seen. However, it is likely that the impact will be significant in terms of direct and indirect costs, as well as loss of revenue. To prepare the University for this disruption and protect the institution against unforeseen institutional expenses relating to the management of the crisis, the Council has authorised nearly R105 million to be held in the Contingency Reserve.

Cash flow projections are managed on a daily, monthly and annual basis as and when new information pertaining to COVID-19 becomes available. In addition to short-term cash flow management (on a daily and monthly basis), longer-term projections have been made until 2027.

Council has decided that the currently unallocated R14,5 million in the institutional block of the 2020 main budget should also be held in reserve for expenses relating to COVID-19 and that spending from main budget balance funds in responsibility centres and faculties should be embargoed. Until further notice, expenditure for any new initiatives from balance funds will only be possible with the permission of the Chief Operating Officer or the Chief Director: Finance.

Management is satisfied that the financial measures taken to date are adequate to ensure financial sustainability over the next 12 months and up to the planning horizon of six years.

A summary is presented below of the main areas affected by COVID-19 related to the operations of the University:

## 35.2 INVESTMENTS AND INVESTMENT INCOME

Sharp declines on equity markets, both locally and abroad, as well as significant current volatility have had a large impact on the University's investment portfolio. The University's medium- and long-term portfolios jointly declined by 9,9% from 1 January 2020 to 31 March 2020. This outcome was significantly better than the local market (in rand) and most international markets (in their local currencies) due to the considerable devaluation of the rand over the same period.

The Investment Committee held meetings on 28 April 2020 and 14 May 2020 to discuss the COVID-19 pandemic, and implemented specific strategies to manage the University's cash flow requirements and ensure the best possible return on investments.

## 35.3 GOVERNMENT GRANTS

The current indication received from the DHET is that the full block grant for 2020 (R1,9 billion) will be paid over to the University as planned and set out in the ministerial statements received at the end of 2019. The University received the first payment of R484 million (covering the first three months of the year) early in April and the next instalment of R484 million on 4 May 2020, accounting for 50% of the subsidy for 2020. The University was informed on 29 May 2020 by the DHET that only 38% of the June instalment will be paid, and no instalment will be paid in July. This was due to administrative processes to be followed for the approval of the remaining budget by Parliament. An indication was given that the shortages in payments will be rectified before the end of 2020.

There is a concern that the adjustments to the national budget announced by the President to redirect resources to particularly the health sector, as well as the various economic relief efforts, might impact future block grant allocations to universities. The block grant is also under pressure as a result of the announcement of the extension of the NSFAS funding (R350 000) in 2018. COVID-19 measures add additional pressure on this funding stream and may have an impact on future budgets. The impact is uncertain at this stage and will be dealt with in budget scenarios for 2021 onwards.

The DHET did however indicate that there will be a delay in the release of funding for the earmarked grants for 2020. The projects will not be cancelled, but funds will not be released immediately. The University received funding from the DHET for some of the projects (R103,9 million) at the end of March, and a detailed investigation revealed that the projects do not face a cash flow risk in the short to medium term.

## 35.4 STUDENT, ACCOMMODATION AND OTHER FEES

As an immediate consequence of the lockdown the University has had to extend the recess period between terms one and two. This meant that the University also had to make adjustments to the rest of the 2020 academic year. Despite the disruption of COVID-19, the University is committed to delivering the successful conclusion of the 2020 academic year, while prioritising the health and wellbeing of students.

The suspension of contact teaching and learning because of the pandemic and the resulting lockdown meant that the University had to move to online platforms to ensure completion of the 2020 academic year. The second quarter's academic programme commenced on 24 April 2020 and is being presented online.

All the short-term scenarios on which planning is done assume that the 2020 academic year will be successfully completed.

To date there has not been a material increase in the number of discontinuation cases, but this is being monitored. Procedures have already been put in place to relax certain of the continuation requirements for 2021 registrations.

There has been a decrease in payments received from students, and the same tendency has been noted at other universities. This has had a negative impact on our cash flow position.

A decision was taken at the end of May 2020 that students will not be charged accommodation fees for the period where they could not live in the residences due to the lockdown. The shortfall in accommodation income will be covered by the remaining surplus on the accommodation budget and unearmarked unrestricted funds.

## 35.5 GRANTS AND CONTRACTS

Income from research contracts is by far the largest component of the non-main budget income of the University. Since many research projects require human interaction or the collection of data or samples, this area of work is affected materially. A large portion of the funding is released based on deliverables or targets. Many funders are also currently negatively impacted by the pandemic, and the release of funds could be affected.

The Department for Research Development is currently conducting a survey of all active research projects to determine the risks the University is exposed to in terms of the technical delivery of the project as well as on the financial side. A decision was taken on 12 June 2020 by the ICBC to consider support for research projects from the Contingency Reserve were necessary.

It seems unlikely that large projects will be cancelled, but there could be a delay in the delivery of the projects, which would require extensions of the timelines, and, as a result, extended cash flow.

There will be a large decrease in rental income. The major component of this income stream is currently the rental from the Neelsie Student Centre, as well as some University properties. In the case of the Neelsie, rental has been waived for occupants, while a deduction in rental has been granted to lessees in current lease contracts.

### 35.6 PRIVATE DONATIONS

It is difficult to forecast the impact of the lockdown and the pandemic on this income stream. It could happen that companies and benefactors have less funding available to donate to institutions, but it could also be that donors see this as a reason to make more donations to the University to support certain COVID-19-related interventions.

Actual donations recorded for the year until 31 May 2020 was 54% higher compared to the same period in the prior year. The expectation is however that donations receivable for the rest of the year might be lower on a month to month basis compared to the prior year.

### 35.7 SALE OF SERVICES AND PRODUCTS

The largest components of this income stream are programme fees received by USB Executive Development (Pty) Ltd and short course income.

Revenue from in-person services provided by USB Executive Development (Pty) Ltd is expected to be affected the most by COVID-19. Income from a conversion to remote learning services is expected to partially cushion this decline. All teams have been tasked to approach customers proactively with an offer of a remote delivery option to replace previous face-to-face options.

There will be a decrease in short course income, but also a decrease in the direct costs related to presenting a short course.

### 35.8 EXPENDITURE

Remuneration will remain a constant expense for the next 12 months.

A decrease in operating expenditure is expected in some cases, namely travel, research-related expenses and entertainment. The University will however have to incur additional, non-budgeted costs to deal with matters related to COVID-19, such as the roll-out of the online teaching and learning platform and equipment requirements for staff to enable them to work from home. Most of these costs will be funded from planned savings on budget allocations, balance funds, and the contingency reserve.

### 35.8 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The University does not deem it necessary to make any adjustments to the figures reported in the consolidated statement of financial position at 31 December 2019.

Forward-looking information was used for the calculation of the allowance for credit losses for student fees and student loans and no adjustments are deemed necessary.

No impairments to property and other assets are necessary at reporting date.

## 36. BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)

The University measures its BBBEE status against the generic scorecard criteria of the Department of Trade and Industry, excluding the ownership criteria. Per the most recent evaluation of the University's BBBEE status, which was performed in October 2019, the University obtained a score of 55,01 and subsequently attained a level 8 contribution status.

# Glossary

TERMS AND DEFINITIONS	
rated researcher	Researchers who are regarded as world leaders in their respective research fields.
graduate attributes	<p>In order to create sustainable hope in Africa, Stellenbosch University seeks to equip every graduate with desirable and enduring attributes in the course of his or her studies. A Stellenbosch graduate:</p> <ul style="list-style-type: none"> <li>• has an enquiring mind (accepts responsibility for lifelong learning and the application of knowledge; thinks critically and creatively);</li> <li>• is an engaged citizen at the local, regional and global level (acts accountably towards society and the environment; exercises efficient leadership; participates in a diverse, multilingual society; creates opportunities for others as a social entrepreneur);</li> <li>• is a dynamic professional (applies and communicates knowledge; seizes opportunities and solves problems; innovates; uses sustainable and efficient technologies; behaves ethically); and</li> <li>• is a well-rounded individual both socially and intellectually (utilises opportunities for personal growth – cultural, intellectual and in sports; seeks enriching experiences; takes informed and well-considered decisions).</li> </ul>
black	In this report, the word black signifies black African only and not “black African, coloured, Indian and Asian”.
blended learning	A collaborative system of learning that integrates technologies such as web-based, satellite and mobile applications with face-to-face learning and teaching. Blended learning enhances interaction among students, and between staff and students, while also improving access to resources.
business model	An organisation's system of transforming its business activities into outputs and outcomes that aims to fulfil the organisation's strategic purposes and create value over the short, medium and long term.
capitals	<p>The term capitals refers broadly to any store of value that an organisation can use in the production of goods or services. Using the term emphasises the role of the various capitals as stores of value that can be built up or run down over time, but which must be maintained if they are to continue to produce a flow of benefits in the future. Financial and manufactured capitals are the ones organisations most commonly report on. Integrated reporting takes a broader view by also considering intellectual, social and relationship, and human capitals (all of which are linked to the activities of humans) and natural capital (which provides the environment in which the other capitals sit). (<i>Capitals Background Paper for &lt;IR&gt;</i>, 2013)</p> <p>This report uses structural capital to describe the value an institution creates through its governance activities when laws are adhered to and management and control structures and processes created.</p>
flipped classroom	A pedagogical model in which the typical lecture and homework elements of a course are reversed. The term is widely used to describe almost any class structure that provides pre-recorded lectures followed by in-class exercises. ( <i>Educause</i> , February 2012)
full-cost approach	In the context of facilities management, an approach that acknowledges that the organisation commits to a comprehensive chain of costs when procuring a specific facilities solution. By taking into account first costs (capital investment, purchase and installation) as well as future costs (energy, operating, maintenance, capital replacement and financing), this approach helps minimise overall costs by benchmarking them against alternatives.
full-time equivalent (FTE) staff	FTE staff is an important measure of staff utilisation. A full-time staff member appointed for a full university year (January to December), counts as 1 FTE. Full-time staff appointed for only part of the year, as well as part-time staff, count only as a pro rata part of 1 FTE. See the example under FTE student.
full-time equivalent (FTE) student	<p>The FTE value of an undergraduate student enrolment in a specific year is calculated as the sum of the HEMIS credit values of the modules that the student has enrolled for. The HEMIS credit value of a relevant module is mainly based on the credits of the relevant module (e.g. 12) divided by the minimum number of prescribed module credits for the specific year of the relevant programme (e.g. 120).</p> <p>For enrolments in research programmes on postgraduate level, the average graduation time, as well as the minimum formal study time for the programme (as prescribed by the DHET) are used to establish the FTE value of a student enrolment. This is illustrated by means of an example:</p> <p>Suppose that there were 7, 8 and 7 graduates for the doctoral degree in Faculty A respectively in 2015, 2016 and 2017, while these graduates respectively were enrolled for a total of 30, 34 and 37 years to complete their degrees. According to national education policy the minimum formal time for the doctoral degree is 2 years. The FTE value for an enrolled doctoral student in Faculty A in 2017 is then calculated as: <math>2 \times (7+8+7) \div (30+34+37) = 0.436</math></p>
Horizon 2020	The European Union's biggest research and innovation funding programme to promote excellent science and industrial leadership, and to tackle social challenges. Funding is made available to a variety of projects over a seven-year period – from 2014 to 2020 – generally in a framework of three to four years per project.
hybrid learning	Students learn by a combination of face-to-face and online interaction. The pedagogically sound use of technology has significant potential benefits, including wider reach, more effective use of lecturers' time and potential savings through reduced physical infrastructure requirements, among others.

TERMS AND DEFINITIONS	
income stream	<p>The University's financial capital was until recently divided into four income (money) streams, numbered for easy distinction. The four streams depend on different financial inputs, namely:</p> <ul style="list-style-type: none"> <li>• first-stream income: state subsidy;</li> <li>• second-stream income: student and accommodation fees paid by students;</li> <li>• third-stream income: earned from (contract) research and related consultation contracts; and</li> <li>• fourth-stream income: philanthropic donations and bequests.</li> </ul> <p>A fifth income stream was recently added. This is a newly pursued income stream generated from leveraging and commercialising the University's assets more effectively (investment income, commercialisation, technology transfer, short courses).</p>
indirect cost recovery	A general practice in the higher education sector that enables the University to recover the indirect costs associated with externally funded projects (third-stream income) from its clients by means of a surcharge for legal, financial, human resources, research management, information technology and library services, as well as support with intellectual property matters.
interpreting	The class is presented entirely in either Afrikaans or English, and an interpreter simultaneously translates the lesson into the other language. The interpreter uses a headset or hand microphone, and students listen to the lecture through earphones.
knowledge and other partnerships	The University establishes relationships through formal, institutional partnerships with civil society organisations, local governments or municipalities, the Western Cape provincial government, the Western Cape Department of Health, the national departments of Defence and Military Veterans, churches (Theology), Elsenburg (AgriSciences), etc. These partnerships are usually informed by a formal memorandum of understanding.
language policy and plan	Available at <a href="http://www.sun.ac.za/language">www.sun.ac.za/language</a> .
module	A module is a set of classes or lectures, seminars or practical sessions forming a unit within a subject.
parallel-medium instruction	Instruction is offered in separate classes in Afrikaans and in English.
postgraduate bachelor's degrees	Bachelor's degrees which may be taken as second bachelor's qualifications, e.g. BPhil and the two- and three-year LLB degrees. This excludes Bachelor Honours degrees.
programme	A combination of modules making up a curriculum for a degree qualification, for example BA, BEd, BEng, BAcc, BSc. Also known as learning programme, instructional programme or study programme. We differentiate between undergraduate programmes – the first university qualification in a certain field of study – and postgraduate programmes – programmes that follow on the first qualification, for instance postgraduate diploma, honours, master's and doctorate. We also differentiate between degree programmes, diploma programmes and certificate programmes.
responsibility centre	An organisational unit headed by a manager, who is responsible for its activities and results. At SU the responsibility centres are each focused on specific business activities and headed by the Chief Operating Officer and Vice-Rectors and each unit is comprised of several divisions.
society-centred scholarship	A scientific and societal approach to social impact, utilising transdisciplinary collaborative methodologies to build capacity.
sustainable sourcing	The University's sustainable sourcing model, as an alternative to insourcing, strikes a sound balance between the provision of decent and dignified jobs on the one hand and financial sustainability on the other. The model enables the University to determine transparently the optimal solution for the supply of essential-services, such as cleaning services. The model relies on the principles of human dignity; sustainability of SU; financial feasibility; transparency and confidentiality; stakeholder inputs; signing of a code of conduct; corporate governance; and best mutual benefit.

STRATEGIC MANAGEMENT INDICATORS EXPLAINED		
OUR STRATEGIC MANAGEMENT INDICATORS OVER THE 2014–2019 STRATEGIC CYCLE		
Strategic theme	Strategic management indicator	How the management indicator (SMI) is calculated
A thriving SU	Third-stream income <sup>1</sup> share of SU's total income <sup>2</sup> (%)	For a given year, determine the total revenue from all income streams (A). Then determine the total third-stream income (B) for the relevant year. Calculate the SMI as (B) divided by (A).
	Fourth-stream income share of SU's total income <sup>2</sup> (%)	For a given year, determine the total revenue from all income streams (A). Then determine the total fourth-stream income (B) for the relevant year. Calculate the SMI as (B) divided by (A).
	HEMIS-based success rate of undergraduate and postgraduate students (%)	For a given year, determine the total number of full-time equivalent (FTE) students (A). Then determine the number of full-time equivalent (FTE) degree credits for the same year (B). Calculate the SMI as (B) divided by (A).



## STRATEGIC MANAGEMENT INDICATORS EXPLAINED

Strategic themes	Strategic management indicator	How the management indicator (SMI) is calculated
A transformative student experience	Share of students from black African, coloured, Indian and Asian population groups (%)	For a given year, determine the number of students who are registered at the University on the official census date (A). Determine the total number of students from the black African, coloured, Indian and Asian population groups who are registered at the University on the official census date (B). Calculate the SMI as (B) divided by (A).
	Share of undergraduate module credits taught in Afrikaans and English to PARALLEL class groups (%)	Add the credits of the modules offered in Afrikaans and English to PARALLEL class groups, excluding NQF level 8 modules and Faculty of Military Science modules (A). Add the credits of all the modules, excluding NQF level 8 modules and Faculty of Military Science modules (B). Then calculate the indicator as (A) divided by (B) × 100.
	Share of undergraduate module credits taught in BOTH Afrikaans and English to the SAME class group (%)	Add the credits of the modules offered in BOTH Afrikaans and English in THE SAME class group, excluding NQF level 8 modules and Faculty of Military Science modules (A). Add the credits of all the modules, excluding NQF level 8 modules and Faculty of Military Science modules (B). Then calculate the indicator as (A) divided by (B) × 100.
	Share of undergraduate module credits taught in EITHER Afrikaans OR English to a class group (%)	Add the credits of the modules offered in ONLY Afrikaans or English to a class group, excluding NQF level 8 modules and Faculty of Military Science modules (A). Add the credits of all the modules, excluding NQF level 8 modules and Faculty of Military Science modules (B). Then calculate the indicator as (A) divided by (B) × 100.
Purposeful partnerships	Share of personnel remuneration not funded via the main budget <sup>3</sup> (%)	For a given year, determine the total staff remuneration (A). Then determine the total staff remuneration which is not afforded from the main budget (B). Calculate the SMI as (A - B) divided by (A).
Research for impact	Ratio of weighted research outputs per full-time equivalent teaching and research staff member	For a given academic year, determine the sum of research portions of all masters' degrees awarded (A), and the number of accredited publication units produced by SU (B). For the same academic year, determine the number of doctoral qualifications awarded (C), and the number of full-time equivalent research and teaching staff members (D). Calculate the SMI as $[1 \times (A+B) + 3 \times (C)]$ divided by D.
	Permanent teaching and research staff with doctorates (%)	For a given year, determine the total number of permanently employed teaching and research staff on the official census date (A). Determine the total number of permanently employed research and teaching staff with a doctoral qualification on the official census date (B). Calculate the SMI as (B) divided by (A).
Employer of choice	Share of permanent staff from black African, coloured, Indian and Asian population groups (%)	For a given year, determine the total number of permanently employed staff members (only primary appointments) on the official census date (A) in the Salaries HR group. Determine the total number of permanently employed staff members (only primary appointments) from the black African, coloured, Indian and Asian population groups in the Salaries HR group who are in service on the official census date (B). Calculate the SMI as (B) divided by (A).
	Share of female permanent staff (%)	For a given year, determine the total number of permanently employed staff members (only primary appointments) on the official census date (A) in the Salaries HR group. Determine the total number of permanently employed female staff members (only primary appointments) in the Salaries HR group who are in service on the official census date (B). Calculate the SMI as (B) divided by (A).
	Ratio of full-time equivalent students, weighted per level of study, per full-time equivalent teaching and research staff member	For a given academic year, determine the number of registered undergraduate and equivalent, full-time equivalent (FTE) students (A), the number of registered honours and equivalent FTE students (B), the number of registered master's FTE students (C), and the number of registered doctoral FTE students (D). For the same year, determine the number of FTE teaching and research staff members (E). Calculate the SMI as $[1 \times (A) + 2 \times (B) + 3 \times (C) + 4 \times (D)]$ divided by E.

### Notes

- Third-stream income excluding return on investments and realised profit from the sale of assets.
- Total income excluding return on investments and realised profit from the sale of assets.
- Stellenbosch University manages its funds to ensure that it remains in higher education as a going concern. Funds consist of limited and unlimited funds. Limited funds consist of operational, loan, donor and fixed-asset funds with specific conditions for use. Unlimited funds are those which Council uses at its own discretion. In the pool of unlimited funds are funds which are earmarked for specific purposes and can therefore not be used for other purposes. The difference between future limited and unlimited funds may have an impact on the feasibility of the 2019 to 2024 targets which have been set.

ABBREVIATIONS	
AAC	Academic Affairs Council
AIR	Annual Integrated Report
ARC	Audit and Risk Committee of Council
ARUA	Aliance for Research Universities in Africa
BA	Bachelor of Arts
BEd	Bachelor of Education
BEng	Bachelor of Engineering
BSc	Bachelor of Science
BScHons	Bachelor of Science Honours
BEdHons	Bachelor of Education Honours
BCIA	black African, coloured, Indian and Asian
CHE	Council on Higher Education
CHS	Campus Health Service
CRP	Campus Renewal Project
DHET	Department of Higher Education and Training
DSI	Division for Social Impact
DST	Department of Science and Technology
FMHS	Faculty of Medicine and Health Sciences
HEMIS	Higher Education Information Management System
ICT	information and communication technology
IF	Institutional Forum
IFRS	International Financial Reporting Standards
IIS	Stellenbosch University Institutional Intent and Strategy 2013–2018
<IR>	Integrated reporting
ISFAP	Ikusasa Student Financial Aid Programme
King IV	<i>King IV Report on Corporate Governance for South Africa 2016</i>
LGBTI	lesbian, gay, bisexual, transgender and intersex
MBChB	Bachelor of Medicine and Bachelor of Surgery
nGAP	New Generation of Academics programme
NRF	National Research Foundation
NSFAS	National Student Financial Aid Scheme
NSTF	National Science and Technology Forum
PAIA	Promotion of Access to Information Act 2 of 2000
PASS	professional and administrative support services
PCT	patent cooperation treaty
PhD	Doctor of Philosophy
POPIA	Protection of Personal Information Act 4 of 2013
Prof	Professor
RADAR	Research Alliance in Disaster and Risk Reduction
RC	responsibility centre
SANDF	South African National Defence Force
SARChI	South African Research Chairs Initiative
SAQA	South African Qualifications Framework
SMI	strategic management indicator
SRC	Students' Representative Council
SREC	Senate Research Ethics Committee
SU	Stellenbosch University
SUNCEP	Stellenbosch University Centre for Pedagogy
SunCom	Stellenbosch University Commercial Services
THRIP	Technology and Human Resources for Industry Programme
UCT	University of Cape Town
UP	University of Pretoria
UPE	University of Port Elizabeth – today Nelson Mandela Metropolitan University
UWC	University of the Western Cape
Wits	University of the Witwatersrand

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E-mail: [info@sun.ac.za](mailto:info@sun.ac.za)  
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**Editorial team:**

Mattie van der Merwe (editor),  
Reinet Uys (financial reporting),  
Desmond Thompson (writer: reports of the Chancellor,  
Chair of Council and Rector).

**Editing, writing and translation:**

SU Language Centre, Elsabé Barlow

**Photography:**

Stefan Els

**Photo shoots management:**

Marjorie van Rooy

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Kinsmen

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