



REPORT OF THE RECTOR AND VICE-CHANCELLOR

Prof HR Botman
Rector and Vice-Chancellor

WITH THE END OF THE FIRST DECADE OF THE 21ST CENTURY IN SIGHT, THE UNIVERSITY MANAGEMENT WAS FACED IN 2009 WITH THE CHALLENGE TO TAKE STOCK OF THE EXTENT TO WHICH STELLENBOSCH UNIVERSITY (SU) HAD FULFILLED THE OBJECTIVES OF VISION 2012. AT THE SAME TIME, IT WAS NECESSARY TO DEVELOP A NEW, LONG-TERM VISION IN TERMS OF WHICH TO POSITION THE UNIVERSITY AS AN EXCELLENT ACADEMIC INSTITUTION WITH AN INTERNATIONAL RESEARCH REPUTATION, INNOVATIVE AND RELEVANT LEARNING PROGRAMMES, AND COMMUNITY INTERACTION THAT MAKES A SIGNIFICANT AND MEANINGFUL IMPACT ON THE QUALITY OF LIVES OF PEOPLE, BOTH LOCALLY AND ELSEWHERE ON THE CONTINENT.

OVERARCHING STRATEGIC PLAN FOR SUCCESS AND RELEVANCE

Stated simply, over the past year – and with due allowance for our objectives for 2012 – we had to consolidate in specific spheres and gear others up to place Stellenbosch University on a higher trajectory of success and relevance in the context of a rapidly changing learning environment, the challenges posed by the global knowledge economy, the international demands of multiculturalism, diversity and multilingualism, and the active role in and contribution of the University to the international development agenda.

To ensure a seamless transition to a new long-term vision that logically carries out the endeavours and spirit contained in the University's *A Strategic Framework for the turn of the century and beyond*, management, with the able assistance of the deans and other academics, developed the Overarching Strategic Plan which is aimed at harnessing the University's strong points in order to have a maximum social impact on spheres that currently are among the greatest development challenges of the modern era:

- *Eradicating poverty and related conditions.*
- *Promoting human dignity and health.*
- *Promoting democracy and human rights.*
- *Promoting peace and security.*
- *Promoting a sustainable environment and a competitive industry.*

Tuned in to these themes, the academic leaders of SU developed divergent strategic initiatives, in addition to the existing comprehensive research programmes, that harness science to research burning social issues, discover new knowledge and apply it in communities across the country in such a way that it has a life-changing impact.

This process includes advanced research studies in which academics, students and communities are involved through a programme of "science for society" that is anchored in the learning, research and community programmes of the University.

In a natural way, the aforementioned process offered new dimensions and approaches to various objectives of Vision 2012, such as the academic and research excellence of the University, its relevance and active role in communities, and the research footprint of SU on the continent. At the heart of these initiatives lie strategic objectives that are of central importance to the University, namely the facilitation and promotion of the University's pursuit of diversity and the provision of further impetus to the success of our staff and students. The University Council not only supported this geared-up vision unanimously, but also agreed that funds that had already been allocated should be reclassified to serve as seed capital for the establishment of the 20 or so strategic initiatives. (*See the list of transformation aims of the Overarching Strategic Plan (OSP) alongside. A list of OSP projects can be found in the Stellenbosch University Annual Report 2008, pages 8 and 9.*)

An amount of R320 million was re-allocated for this purpose in 2009, on the understanding that it would be used as gearing to acquire equivalent funds by means of philanthropic donations and sponsorship in order to run the mentioned projects in a sustainable manner. This led directly to the negotiation of an additional state allocation of R200 million for essential investment in buildings and infrastructure to ensure the sustained continuation of the academic and research programmes of SU in the long term.

POINTS OF DEPARTURE FOR A NEW VISION

This matrix of strategic initiatives, with its conscious internal, strategic objectives that are given shape in the Overarching Strategic Plan, provides a natural bridge to a new vision that will have to lead SU sustainably beyond 2015 to 2018, when the University will be celebrating its 100th birthday (*since the elevation of the Victoria College to a university in 1918*).

These initiatives led to the SU Council accepting the following broad points of departure for a new vision for the University at its meeting on 4 May 2009:

- *To be an excellent, international university.*
- *To maintain our position as a medium-sized, research-directed institution.*
- *To place sustained emphasis on instruction and community interaction that are of high quality and relevant.*
- *To exploit the full potential of our position as a residential university town.*
- *To extend our endeavour to be knowledge groundbreakers with/for a pedagogy of hope.*
- *To be an inclusive, value-drive university.*
- *To be known as a place where students can obtain an undergraduate qualification in either Afrikaans or English, with exposure to the other language.*
- *To offer optimal access with success to students.*

The golden thread that runs through the strategic initiatives and many other research projects of the University is the way in which they change the living conditions of people and lay a foundation for a new future filled with promise and hope. This is what lies at the heart of the University's pedagogy of hope as a radically transformed concept that sustainably positions the University as a knowledge pioneer in the 21st century and as a builder of hope on our continent.

TRANSFORMATION AIMS

In November 2009, the University Council approved the following institutional objectives and priorities for the period from 2010 to 2015.

SIZE AND SHAPE

- *Moderate growth in undergraduate student numbers, with bigger growth in Engineering, Health Sciences and Education.*
- *Planned growth in postgraduate student numbers so that the ratio between undergraduate and postgraduate student numbers changes from 66:34 in 2008 to 60:40 by 2015. The strategic initiatives are aimed at attracting more postgraduate students.*

DIVERSITY AMONG STUDENTS

- *The percentage of undergraduate black, coloured and Indian students should be increased from 24% in 2008 to 34% in 2015.*
- *More funds should be made available for bursaries for black students.*

STUDENT SUCCESS

- *The success rate should increase from 82% in 2008 to 84% in 2015.*
- *The number of students leaving the University without a qualification should be reduced by a third (or 30%) by 2015.*
- *The average time in which postgraduate study is completed should be reduced by 50%.*
- *A support centre should be established for postgraduate students.*
- *The number of student leadership programmes should be increased.*
- *The percentage of undergraduate students in student accommodation should be increased to 55% in 2015, and 33% of all students at SU should live in University residences or student houses by 2015.*
- *At least 65% of the vulnerable students should be accommodated in University accommodation.*

STAFF

- *Black, coloured and Indian staff with permanent appointments should increase from 38,4% of the total in 2009 to 53% in 2015.*

It remains a high institutional priority to increase the percentage of black students at SU, as is evident from decisions by Council on the institutional objectives for 2015 and a series of special recruitment actions, including bursaries that are allocated specifically to black students.

STAFF: ACADEMIC (2009)

Full-time, permanent staff:

FACULTY	PROFESSORS	ASSOCIATE PROFESSORS	SENIOR LECTURERS	LECTURERS	JUNIOR LECTURERS	TOTAL
AGRISCIENCES	14	10	22	24	1	71
ARTS AND SOCIAL SCIENCES	31	24	29	71	2	157
ECONOMIC AND MANAGEMENT SCIENCES	25	24	38	69	5	161
EDUCATION	8	7	7	20	2	44
ENGINEERING	22	12	30	12	2	78
HEALTH SCIENCES	30	19	25	24	13	111
MILITARY SCIENCE*	1	3	14	22	8	48
LAW	15	1	10	4	0	30
SCIENCE	37	22	38	37	4	138
THEOLOGY	3	4	6	1	0	14
TOTAL**	186	126	219	284	37	852

* Non-comparable rank structure

** The following have been excluded from the above totals: ±208 part-time academics (41,6 full-time equivalent staff) in the Faculty of Health Sciences who are not on SU staff, but who perform academic functions.

STAFF: SUPPORT SERVICES (2009)

Full-time, permanent staff:

	2009
EXECUTIVE-ADMINISTRATIVE	123
SPECIALIST SUPPORT	143
ADMINISTRATIVE	839
TECHNICAL	256
SERVICE STAFF	268
ARTISANS AND CRAFTSMEN	12
TOTAL*	1 641

* The following staff are not included in the figures mentioned in the table: staff involved in a number of functions that are contracted out by the University, e.g. gardening services, building and repair work, certain cleaning functions, catering in the residences, and internal audit.

MULTILINGUAL TEACHING MODEL

To be able to address the challenges of accessibility, diversity and student success in a sustainable manner, the University Council accepted a multilingual teaching model after broad-ranging discussion and consultation. This model consists of the following elements:

- A language model in terms of which three faculties (Economic and Management Sciences, Science and Agrisciences) will introduce parallel medium instruction in the first year as of 2010, with the necessary initial financial support. This means that four faculties (including Engineering) will present the first year by way of parallel medium instruction in 2010.
- The Faculty of Arts and Social Sciences plans to introduce parallel medium instruction in the first year in 2011, with possible associated re-orientation.
- The abovementioned five faculties are considering the extension of parallel medium instruction to the second year of study where feasible, justifiable and affordable. If not, dual medium instruction will be used in the senior years of study.
- In the other five (smaller) faculties, language implementation plans are being put into operation. Parallel medium instruction is neither feasible nor affordable in these small faculties.

The proposed teaching model therefore is an attempt to:

- offer Afrikaans-speaking students an opportunity to study in their mother tongue;
- expand accessibility in order to attract black students who have Afrikaans as home language, school language or school subject;

- create accessibility for black students who did not have Afrikaans as a school subject; and
- support all students to be successful academically.

In a further decision to reconcile the functional handling of language in the classroom with SU's endeavours for the future, the University Council has also accepted in principle that a minimum Afrikaans offering of 60% will be maintained at the University for the foreseeable future (until 2013).

The management philosophy driving the development of the language model derives from Peter Drucker's view: "[... to] reduce complexity to manageable simplicity". The complexity of the Language Policy of 2002 was retained, while simplification and differentiation were pursued in its implementation. The result is a language model that, as a management instrument, is easier to use for monitoring, and that also increases the integrity of its execution. It achieves the main objective, namely to enlarge the potential for access, and will start producing results from 2010 onwards. (Read more about the planning of the model on page 23.)

As an expression and confirmation of the will of management to improve language management at the undergraduate level, R29 million was set aside for this purpose for 2010.

REGISTRATION OF COLOURED, BLACK AND INDIAN CONTACT EDUCATION STUDENTS AT STELLENBOSCH AS A PERCENTAGE OF ALL CONTACT EDUCATION REGISTRATIONS (2005 – 2009)

FACULTY / RACE	BLACK , COLOURED AND INDIAN STUDENTS									
	UNDERGRADUATE					ALL STUDENTS				
	2005	2006 ¹	2007 ¹	2008 ¹	2009 ¹	2005	2006 ¹	2007 ¹	2008 ¹	2009 ¹
AGRISCIENCES	11,8	12,2	13,4	16,9	17,7	16,1	16,0	17,5	20,4	21,3
ARTS AND SOCIAL SCIENCES	20,7	21,0	20,5	21,5	20,2	24,5	25,2	24,9	25,3	24,1
ECONOMIC AND MANAGEMENT SCIENCES	15,8	17,1	17,7	17,9	16,9	26,1	28,2	30,0	29,6	30,2
EDUCATION	6,2	8,7	12,3	17,5	17,4	40,5	36,1	34,6	46,4	50,7
ENGINEERING	10,6	11,9	11,9	12,3	13,2	12,8	12,7	13,6	14,2	15,0
HEALTH SCIENCES	35,9	38,2	42,1	43,9	43,8	39,9	39,9	42,9	47,3	48,2
LAW	21,8	22,0	21,4	22,5	22,8	21,9	19,7	19,2	20,9	23,2
MILITARY SCIENCE	72,4	77,7	79,5	83,9	88,2	75,1	73,6	76,2	80,2	85,5
SCIENCE	22,3	24,2	26,6	29,1	30,4	24,5	26,3	28,8	31,1	32,0
THEOLOGY	33,7	37,0	29,0	26,2	25,4	50,9	48,2	44,5	40,5	43,5
ALL REGISTRATIONS	13 863	14 173	14 789	15 219	15 869	21 918	22 569	23 439	24 686	26 243
BLACK	4,0	4,4	5,4	5,9	6,2	11,6	11,9	12,8	13,2	13,9
COLOURED	14,6	15,5	15,9	16,6	16,0	14,3	14,6	14,7	16,1	16,5
INDIAN	1,4	1,4	1,5	1,4	1,5	2,0	1,9	2,0	2,0	1,9
WHITE	80,0	78,7	77,2	76,1	76,3	72,1	71,6	70,5	68,7	67,6
BLACK, COLOURED AND INDIAN	20,0	21,3	22,8	23,9	23,7	27,9	28,4	29,5	31,3	32,3

¹ Only contact education students have registered at Stellenbosch University since 2006.

FINANCIAL OVERVIEW

The 2009 book year was financially very successful for the University, despite ongoing economic pressure resulting from the global decline in economic activities and continuing world recession. This is mainly the result of the University's focused long-term strategic financial planning and short-term operational planning within fixed financial parameters.

As a result of the R320 million made available for the Overarching Strategic Plan (OSP) with the vision for a pedagogy of hope, as approved by the University Council in 2008, as a vehicle for the future positioning of the University and for ensuring the full implementation of the Strategic Framework of the University, this year has already seen the start of 22 OSP projects. The strategic influence and real impact on the community within which the University is active are clearly visible and the support for this initiative is further evident from the contributions by the private sector already made in 2009.

The goals for 2015, as set out in the OSP, are to ensure that the University improves significantly in terms of academic excellence, but also becomes significantly different in terms of our relevance and the role we play nationally and internationally. These goals have been accepted and as such were incorporated in the financial planning at microlevel.

The University is also constantly working towards the maintenance of a sustainable financial base: something that is essential due to decreasing government contributions to tuition fees in the past decade. In addition financial sustainability is also high on the management agenda as a result of the current poor economic climate and short- to medium-term prospects.

OUTSTANDING FEATURES FOR THIS YEAR ARE:

- *total income growth of 6,2%;*
- *income growth from private donations, grants and research contracts of 12,9%;*
- *planned low growth in student fees levied despite inflationary pressure;*
- *sixth consecutive year showing a budget surplus;*
- *improvement of funds available to the University by 9,2%; and*
- *improved funding for growing facility and equipment needs.*

THESE RESULTS ARE ARISING FROM AMONG OTHERS:

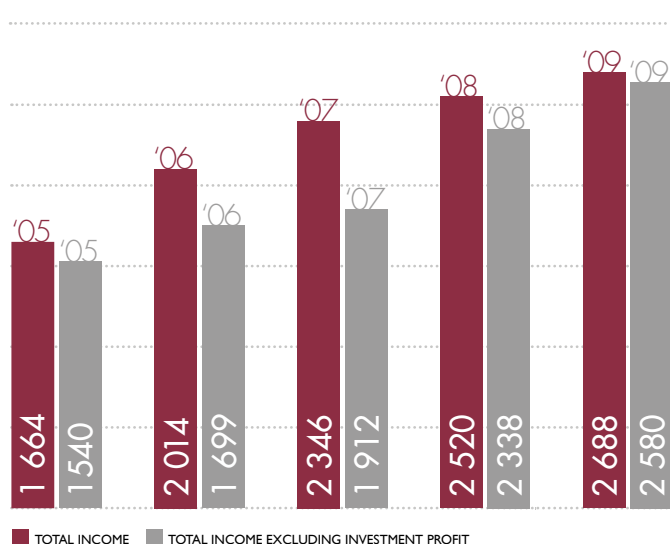
- *The implementation and management of affordable long-term spending plans linked to the OSP for the University and aligning environmental plans.*
- *Conservative and more stable budgeting within a rolling six-year financial plan, including a contingency reserve for managing unforeseen events.*
- *Further and more centralised negotiations with service providers to limit cost increases.*
- *The excellent performance of the University's researchers in recent years, which among others resulted in a significant increase in the government's research subsidies and third-stream resources.*
- *The continued redesign and alignment of operational processes to ensure greater cost-efficiencies, particularly as far as physical facilities are concerned.*
- *Actions directed at further exploitation of the University's income resources, with a great focus on the research source, commercial sources and improved asset management.*
- *The provision of strategic funds in support of new initiatives aimed at realising the vision and goals of the University.*

The above successes and the contributing factors provide a sound base for ongoing proactive financial planning, progress with the clearing of backlogs and the development of a financial model that serves the University's strategic goals and OSP.

INCOME

Figure 1 shows the growth in the University's income from 2005 to 2009 and gives an indication of growth should investment profit be excluded.

FIGURE 1: TOTAL INCOME, 2005 – 2009 (R'MILLION)



The composition of the University's income per main component in terms of value and percentage share is shown in Figure 2 and Table 1, with comparable figures for previous years.

FIGURE 2: TOTAL INCOME PER MAIN COMPONENT (R2 688 MILLION)

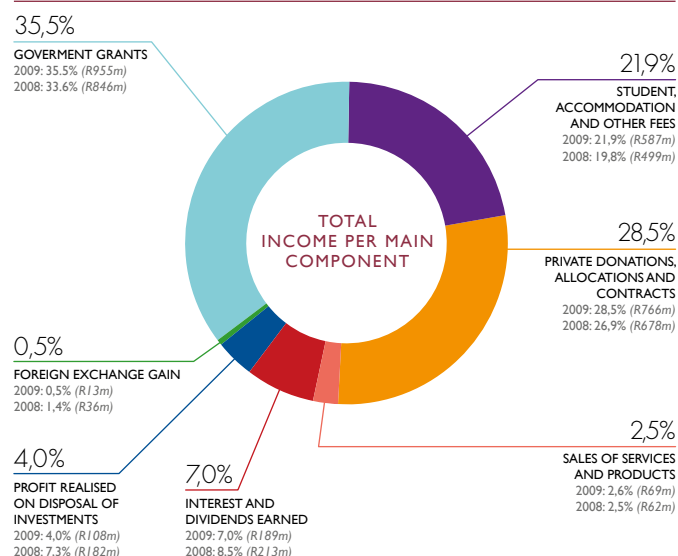


TABLE 1: GROWTH AND COMPOSITION OF UNIVERSITY'S INCOME, TOTAL AND PER MAIN COMPONENT, 2006 – 2009

		2006	2007	Increase/ (Decrease) 2006/2007	2008	Increase/ (Decrease) 2007/2008	2009	Increase/ (Decrease) 2008/2009
TOTAL RECURRING INCOME, OF WHICH	RM/%	2 014	2 346	16,5%	2 520	7,4%	2 688	6,7%
GOVERNMENT GRANTS	RM/%	635	730	15,0%	846	15,8%	955	12,9%
% of income	RM/%	31,5	31,1		33,6		35,5	
STUDENT, ACCOMMODATION AND OTHER FEES	RM/%	403	441	9,4%	499	13,2%	587	17,6%
% of income	RM/%	20,0	18,8		19,8		21,9	
PRIVATE DONATIONS, ALLOCATIONS AND CONTRACTS	RM/%	444	525	18,2%	678	29,2%	766	13,0%
% of income	RM/%	22,0	22,4		26,9		28,5	
SALES OF SERVICES AND PRODUCTS	RM/%	78	56	(28,2)%	62	10,6%	69	11,3%
% of income	RM/%	3,9	2,4		2,5		2,5	
PROFIT REALISED ON DISPOSAL OF INVESTMENTS	RM/%	315	434	37,8%	182	(58,0)%	108	(40,7)%
% of income	RM/%	15,6	18,5		7,2		4,0	

INCOME CONTINUED

As is shown in Table I, total recurring income increased by 6,7 % (2008: 7,4%) to R2 688 million (2008: R2 520 million). The decrease in growth may mainly be attributed to three factors. Private donations, grants and contracts, i.e. in respect of individuals and businesses, showed a dramatic decline in growth following the global economic crisis and increased by only 12,9% (2008: 29,2%) to R766 million (2008: R678 million). The contribution of private donations, grants and contracts to total recurring income has therefore increased from 26,9% in 2008 to only 28,5% in 2009, while the contribution of government grants increased from 33,6% to 35,5% in the same period. In addition negative growth of 40,6% (2008: 58,0% negative) was recorded in profit on the disposal of investments, which for the year decreased to R108 million (2008: R182 million), mainly attributable to the impact of the global economic crisis on financial markets.

Furthermore Figure I and Table I show that the growth in total recurring income in the current year largely is a continuation of trends over the past four years. Total income grew by 33,5%, from R2 014 million in 2006 to R2 688 million in 2009, in nominal terms.

One of the University's long-term strategies, as stated in its transformation targets in the OSP, is to establish itself as a research university of excellence. The increase of 72,5% in donations, grants and contracts, namely from R444 million in 2006 to R766 million in 2009, reflects the growing value of the University's intellectual capital.

Student and other fees increased from R403 million in 2006 to R587 million in 2009 and represent growth of 45,7%. Despite growing student numbers, the increase in this source of income was subdued due to more conservative increases in student fees over the past four years. Overall student fees remained unchanged in real terms over the past four years (2006 – 2009), which was in line with the strategy to keep student fee increases in line with the inflation rate as far as possible. Consequently the University absorbs the cost pressure of various services that unavoidably have to be bought in at price increases that sometimes exceed the inflation rate.

Experience worldwide is that governments' share in the financing of universities is decreasing: a pattern also evident in South Africa and one that forces universities to implement drastic structural changes. Table I shows that there was an increase in the category over the past two years in comparison with the generally decreasing government grant as percentage of total income, which amounted to 35,5% in 2009. However, the increase is the result of special ad hoc grants by government and unfortunately is not sustainable. The recent rationalisation of higher education institutions had a definite impact in that the availability of funds for the normal operation of institutions was curtailed by the process. However, since 2004 the University has been following a more methodical approach to the growth and composition of the student body, research and teaching with a view to optimising income from government grants and student fees.

EXPENDITURE

Figure 3 shows total expenditure growth since 2005.

FIGURE 3: TOTAL EXPENDITURE, 2005 – 2009 (R'MILLION)

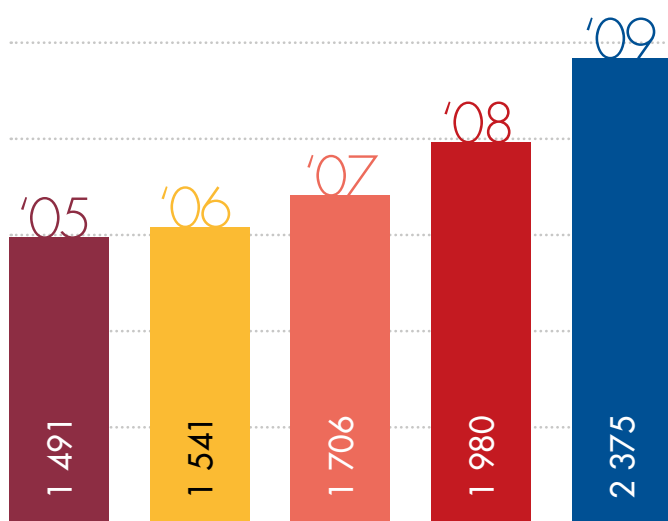
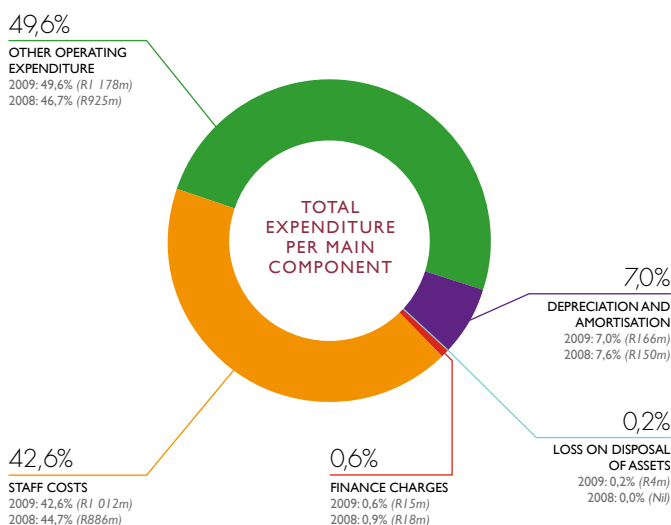


FIGURE 4: TOTAL EXPENDITURE PER MAIN COMPONENT (R2 375 MILLION)



EXPENDITURE CONTINUED

TABLE 2: GROWTH OF THE UNIVERSITY'S TOTAL EXPENDITURE AND STAFF COSTS, 2006 – 2009

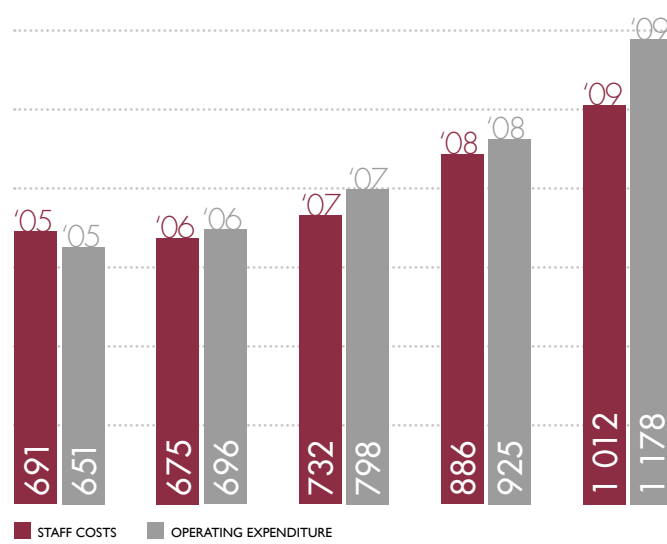
		2006	2007	INCREASE/ (DECREASE) 2006/2007	2008	INCREASE/ (DECREASE) 2007/2008	2009	INCREASE/ (DECREASE) 2008/2009
TOTAL RECURRING EXPENDITURE, OF WHICH	RM/%	1 541	1 706	10,7%	1 980	16,0%	2 375	19,9%
- STAFF COSTS	RM/%	675	732	8,4%	886	21,1%	1 012	14,2%
<i>% of expenditure</i>	%	43,8	42,9		44,7		42,6	

The composition of the University's expenditure per main component in terms of value and percentage share is shown in Figure 4 and Table 2, with comparative figures for previous years.

Total expenditure for 2009 rose by 19,9% (2008: 16,5%) to R2 375 million (2008: R1 980 million). The larger increase in expenditure is mainly attributable to the increase in staff costs of 14,2% (2008: 21,2%), but particularly the increase in operating expenditure of 27,3% (2008: 15,9%). If the exceptionally high inflation factor for 2009, on average amounting to 11,34% for the year, and the extraordinary increase in operating costs, particularly in respect of support costs such as rates and taxes, electricity tariffs and Telkom tariffs, are taken into account, the increase in expenditure compared with the same base in 2008 is low and the result of processes over time, resulting in the University's activities being better aligned with its strategic goals and expenditure discipline being exercised to ensure financial sustainability.

The University's ongoing budget restructuring and renewal of operational processes have constantly been focused on improved cost-effectiveness and enhanced service delivery.

FIGURE 5: COMPARISON OF STAFF COSTS WITH OPERATING EXPENDITURE, 2005 – 2009 (R MILLION)



AVAILABLE FUNDS

The net increase of R570 million in available funds from 2008 to 2009 represents a real decrease of R168 million in unrestricted funds, i.e. funds that may be used by the University Council at its discretion. This is mainly attributable to the withdrawal of OSP funding, an increase of R480 million in restricted funds and an increase of R257 million in the fair value reserve. The fair value reserve shows the increase in the value of the

University's financial reserves measured by market values at the last trading date of 2009, compared with the end of 2008. Should the fair value adjustments and profit on sale of investments not be taken into account, the net increase in available funds is R204 million. Restricted funds consist of operating, loan, endowment and fixed-asset funds with specific conditions for application.

TABLE 3: AVAILABLE FUNDS FOR LONG-TERM INVESTMENT, 2006 – 2009

		2006	2007	INCREASE/ (DECREASE) 2007/2008	2008	INCREASE/ (DECREASE) 2008/2009	2009	INCREASE/ (DECREASE) 2009/2008
AVAILABLE FUNDS, OF WHICH	RM/%	5 594	6 149	9,9%	6 166	0,3%	6 736	9,2%
- LONG-TERM INVESTMENTS	RM/%	2 283	2 646	15,9%	2 399	(9,3)%	2 883	20,2%
<i>as % of available funds</i>	%	40,8	43,0		38,9		42,8	

AVAILABLE FUNDS CONTINUED

The extent and position of the University's available funds and net asset value have increased and improved, and at a glance appear very favourable. However, certain risks need to be taken into consideration. The single largest challenge and risk for the University remains the possible impact of the current global economic crisis on the expenditure base, as well as on the income-generating potential of the University. This will also be influenced by the effect of the crisis on the spending capacity of the University's funders, as is already reflected in this year's

income from private donations, grants and contracts. Another risk (*as in the past three years*) is associated with certain backlogs in respect of facilities and research equipment that as yet could not have been addressed adequately, but have been prioritised in 2009 and in the budget for 2010. In this regard further contributions are expected from the planned capital development campaign and focused exploitation of the intellectual capital in the University's companies. The University will address these challenges in its already methodical approach to finance.

INVESTMENTS IN UNLISTED SUBSIDIARIES

Below is a diagram of the Stellenbosch University group structure.



INVESTMENTS IN UNLISTED SUBSIDIARIES CONTINUED

At 31 December 2009 the University held the following investments in unlisted subsidiaries:

NAME OF COMPANY:	INNOVUS TECHNOLOGY TRANSFER (PTY) LTD [PREVIOUSLY UNISTEL GROUP HOLDINGS (PTY) LTD]	NAME OF COMPANY:	UNISTEL PROPERTIES (PTY) LTD
NATURE OF ACTIVITIES:	Commercialising of intellectual property and resources of Stellenbosch University for research, training and community interaction	NATURE OF ACTIVITIES:	Dormant
EFFECTIVE SHAREHOLDING:	100%	EFFECTIVE SHAREHOLDING:	100%
BOOK VALUE OF INTEREST:		BOOK VALUE OF INTEREST:	
- Shares	R1 000	- Shares	R1 000
- Loan	R2 322 886	- Loan	Nil

At 31 December 2009 the consolidated financial statements also included the following trusts and section 21 company:

NAME OF TRUST:	STELLENBOSCH TRUST	NAME OF TRUST:	THE STELLENBOSCH DEVELOPMENT TRUST
NATURE OF ACTIVITIES:	Fundraising and investment of endowment funds	NATURE OF ACTIVITIES:	Investment in property for teaching and research activities
LOAN TO TRUST:	Nil	LOAN TO TRUST:	Nil
NAME OF TRUST:	US INVESTMENT TRUST	NAME OF COMPANY:	STELLENBOSCH INSTITUTE FOR ADVANCED STUDY (STIAS)
NATURE OF ACTIVITIES:	Application of the knowledge base of the University for investments benefiting the University's goals	NATURE OF ACTIVITIES:	Promotion of science and research
BOOK VALUE OF INTEREST:		BOOK VALUE OF INTEREST:	
- Investment	R100	- Investment	Nil
- Loan	Nil	- Loan	Nil

INVESTMENTS IN UNLISTED SUBSIDIARIES *CONTINUED*

At 31 December 2009 the University held the following investments in an associate company:

NAME OF COMPANY:	USB EXECUTIVE DEVELOPMENT LTD
NATURE OF ACTIVITIES:	Development and presentation of executive development programmes and provision of consultation services
EFFECTIVE SHAREHOLDING:	48,8%
BOOK VALUE OF INTEREST:	
- Investment	R1 986
- Loan	Nil

At 31 December 2009 the US Investment Trust, of which the University is the sole beneficiary, held the following investments in unlisted subsidiaries and associate companies:

NAME OF COMPANY:	AQUASTEL (PTY) LTD
NATURE OF ACTIVITIES:	Exploiting aquaculture technology
EFFECTIVE SHAREHOLDING:	100%
BOOK VALUE OF INTEREST:	
- Investment	R1 000
- Loan	Nil

NAME OF COMPANY:	AFRICAN SUN MEDIA (PTY) LTD
NATURE OF ACTIVITIES:	Publishing and printing
EFFECTIVE SHAREHOLDING:	100%
BOOK VALUE OF INTEREST:	
- Investment	R1 000
- Loan	Nil

NAME OF COMPANY:	SUN SPACE AND INFORMATION SYSTEMS (PTY) LTD
NATURE OF ACTIVITIES:	Development and manufacture of microsatellites and satellite subsystems
EFFECTIVE VOTING RIGHTS:	26%
BOOK VALUE OF INTEREST:	
- Investment	R89 000
- Loan	Nil

NAME OF COMPANY:	UNISTEL MEDICAL LABORATORIES (PTY) LTD
NATURE OF ACTIVITIES:	Provision of genetic, diagnostic and testing services for humans and animals
EFFECTIVE VOTING RIGHTS:	35%
BOOK VALUE OF INTEREST:	
- Investment	R2 438 000
- Loan	Nil

INVESTMENTS IN UNLISTED SUBSIDIARIES *CONTINUED*

At 31 December 2009 InnovUS Technology Transfer (Pty) Ltd, a wholly owned subsidiary of the University, held the following investments in unlisted subsidiaries:

NAME OF COMPANY:	UNISTEL TECHNOLOGY (PTY) LTD	NAME OF COMPANY:	STELLENBOSCH UNIVERSITY SPORT PERFORMANCE INSTITUTE (PTY) LTD
NATURE OF ACTIVITIES:	Exploiting the Hysucat® and Hysuwac® trademarks and water filter systems	NATURE OF ACTIVITIES:	Provision of sports-related services
EFFECTIVE SHAREHOLDING:	100%	EFFECTIVE SHAREHOLDING:	100%
BOOK VALUE OF INTEREST:		BOOK VALUE OF INTEREST:	
- Investment	R 1 000	- Investment	R 1 000
- Loan	R4 970 143	- Loan	R7 041 348

IN CONCLUSION

The year 2009 could be regarded as the year in which the beacons for the sustainable positioning of SU en route to 2015 were put in place. The accompanying reports by the senior management illustrate in greater detail how the University

has employed its operational plans in a calculated and holistic manner to maintain and ensure the long-term success of the University. Stellenbosch University is now in a position to establish its profile as a builder of hope.



Prof HR Botman
Rector and Vice-Chancellor

